IMPACT ANALYSIS ON ECONOMIC ISSUES AND ENVIRONMENTAL DESTRUCTION IN NEPAL

- Deshar Bashu Dev

Summary

Nepal, with a population of 30 million and a per capita income of about $750, is passing through a momentous and prolonged political transition following a 10-year violent conflict that ended in 2006. This transition entails multiple interrelated processes: maintaining peace through the integration of armies; rehabilitation, truth and reconciliation; power sharing between the major parties; and developing a new constitution. Political instability has been the defining feature of the Nepali state during the last two decades. Nepal has had 20 governments since the introduction of democracy in 1990. The country is still emerging from the conflict with some aftershocks. In the past five years, Nepalese have witnessed the signing of a peace agreement between the former Maoist rebels and the state, a new interim constitution, the election of a Constituent Assembly, the abolition of monarchy and declaration of a federal republic, five governments, and the rise of strong ethnic identity movements.

Nepal is among the poorest countries in the world and currently ranks 157th out of 187 countries on the Human Development Index. However, the proportion of poor people was halved in only seven years. At the same time, inequality also improved and the country’s overall GINI coefficient (based on expenditures) declined from 41 to 35 between 2003/2004 and 2010/2011.

The economy is a high cost economy due to land-locked feature and suffers from inherent structural constraints. Structure of the economy is still dominated by rural subsistence farming. However, in recent years services sector has taken a prime role in contributing to GDP. Unfortunately, the size of GDP is small, growth rate is decelerating and GNI per capita is suspiciously low. Given that productive agriculture is a crucial element of inclusive growth, enhancing the efficiency of irrigation systems will continue to be critical to increase agricultural productivity, incomes, and rural livelihoods. Nepal’s small economy is excessively dependent on India economy but with existence of acute and pervasive poverty. The major issue facing Nepalese economy is how to escape from poverty trap or low level of equilibrium trap, and accelerate economy towards a great leap forward by attaining sustainable high economic growth rate.

For Nepal’s economic development problems that need to be addressed urgently are especially in areas of agriculture, natural resource and environment management, infrastructure, human resource, financial sector reform, private sector development, utilization of power potential. In addition, there are non-economic factors such as leadership, education, polity and culture, on the one hand, and civil society, human rights and transparency, on the other, that will have significant bearing on the praxis and process of development in Nepal.

In this PhD dissertation I have tried to focus on the different environmental issues in Nepal and its Impact on Environment and Economy.

People residing in squatter settlements face many problems like improper sanitation, unhygienic environmental conditions, social, economic, health, educational and cultural problems and many more. The basic problems inherent in slums are health hazards, lack of basic amenities like safe drinking water, proper housing, drainage and excreta disposal services, make slum population vulnerable to infections. Only the programs and policies of short period of time have brought limited results to improve the situation. The government to work out a "national plan of action" to find long-term solution to the problems facing the landless squatters in different parts of the country as well as the Government is currently seeking views on how to address, and reduce squatting.

The intensive use of inputs with green revolution has not only polluted soil, water and environment causing slow degradation but also affected human beings and animals. With this realization, organic agriculture emerged since late eighties as an alternative to reduce such hazards. In the context of WTO, Nepal needs to re-examine existing policies and formulate policies that support for wider adoption of organic agriculture for which research on technological aspects of organic farming relevant to Nepalese context needs to be carried out. Chemical fertilizers are used together with chemical pesticides, herbicides and fungicides. Use of chemicals has a negative impact on the soil, the water as well as the crop as the vegetables, for instance; still contain chemical traces which are then absorbed upon eating. As well as Chemical fertilizers kill microorganisms which in turn will make the soil useless where nothing can grow. Chemical fertilizers and pesticides are responsible for water contamination. For excessive enrichment of ponds, rivers and lakes is due to an overuse of chemical fertilizers. Usage of chemical fertilizers has a long term effect on the plants, the soil, the environment and all of us. So avoiding chemical fertilizers it should be used manure and fertilizer.

Mining in Nepal takes place in almost every district but the largest stone mining operations take place along the rocky riverbeds of Dang, Kaski, Rupandehi, Kathmandu, Lalitpur, Kavre, Makawanpur, Jhapa and smaller mining operations in many more districts. Mining operations are considered one of the main sources of environmental degradation. The number of mining industries in Chapagaon has found decreased in 2012, but the environmental impacts have found rather increased. The impacts regarding to environment of Chapagaon are related to the degradation over the scenic beauty of Chapagaon, loss of soil quality, reduction on agricultural production, air pollution, drying the source of drinking water, soil erosion, sedimentation on local streams, habitat loss and fragmentation of wild life, health impacts on local people etc. Refuse to provide permission to start new mines or reject permission to re-open the mines and the areas which are far from the local area, these kinds of areas should be managed for the mining is the strong recommendation for this.

The brick sector in Kathmandu valley, whose functioning and growth is directly linked to construction activity, is presently in the eye of a storm. Negative rate of growth in construction activity in past few years has resulted in a proliferation of brick kilns, which
have reappeared in the Valley with spectacular speed raising serious concerns about the deteriorating air quality. It has been reported that brick kilns, producing in excess of 350 million bricks are the major single source of SO\textsubscript{2} and SPM in the environment of Kathmandu valley; contributing over 60 percent of the emissions.

The government of Nepal is aware of the serious environmental problems created by the brick kilns. The efforts are intensified by environmental watchdog organizations and activists, who are going hands with communities to limit the growth of kilns and force them to "clean up" or "close down". The government has set into motion the task of setting environmental performance standards for kilns but enforcement, even of existing legislation, continues to be weak.

Soil erosion is an inherent characteristic of Nepal's physio-climatic and socio-economic conditions. Sharp physiographic and climatic contrasts in combination with other natural phenomena contribute to the fragility of Nepalese mountains. Deforestation, overgrazing and poorly maintained marginal lands contribute to the degradation of our watersheds. In addition, other human activities such as improper land use, unscientific cultivation practices and construction of development infrastructures without integrating conservation measures have also exacerbated the problems of soil erosion, landslide, flooding and environmental degradation.

Mulching, multiple cropping, high density cropping, agro forestry, shifting cultivation, rotational grazing, proper forest management, reforestation, afforestation, soil management, wind breaks, terracing are possible solutions for soil erosion control.

The education related to environment are taught in school, colleges and universities from quite a long time, but the practical implementation of the taught education is lacking. Practical education is the need and the only possible solution to teach the uneducated villagers on planting new trees. Education related to environment should be given to students from early age and awareness camps for protection of environment should be frequently held in a possible gap periods. The checking and nursing of planted trees can also be a good possible solution.

Identification of the poor is a difficult problem in the urban areas because of the wide variation of economic activities that have different labor productivity and wages. In the context of Nepal, however, women working as wage laborers in manufacturing industries, women involved in risky works such as sex trade, street children, people living in slums and squatter settlement, informal commercial vendors, rag pickers, and internally-displaced low-income people constitute a big chunk of the urban poor in Nepal. Urban poverty is likely to increase in Nepal in the foreseeable future due to rapid urbanization. The Department of Urban Development and Building Construction need an ‘integrated poor community development program’ besides engaging in sectorial physical planning. NGOs and community based organizations can contribute to comprehensive urban poor community development programs if one were to go by the experiences of South Africa. Provision of revolving fund among women saving and credit groups should be established to expand the urban poverty reduction campaigns in Nepal.

The national development policy should adequately articulate the problem of urban poverty before this becomes very difficult and costly to address. The resettlement of the highly-dense slums/squatter settlement would be too costly and cumbersome if it prolongs. The government should be aware of the tenure issue of the squatter communities and control the unplanned growth of these settlements. A separate slum and squatter policy is essential. NGO sector can work as a catalyst for the resettlement and launch some welfare programs among the relocated people during the transition.

The above specified recommendations can play a significant role to meet the development and environmental conservation challenges of Nepal. This calls for increased contributions of donor agencies, the only active partners of development in Nepal, in the years ahead. Their generous cooperation will be meaningful and appreciated by the people of Nepal only when the partners of development see an economically and environmentally sound Nepal in the next millennium.

The environmental laws and regulations that do exist are only weakly enforced. The environmental commitment of institutions nominally responsible for enforcement such as National Planning Commission and Ministry of Environment and Soil Conservation is weak and enforcement is piecemeal; there is a lack of coordination among the different agencies. A strong institutional base is needed to monitor and strengthen the legal instruments applied to environmental conservation.

And we know that only government sector can't solve all environment problems. Local people, local NGO, INGOs have to solve together all the environmental problems and its effects, and then only it can be success.