UNEQUAL CITIZENS
GENDER, CASTE AND ETHNIC EXCLUSION IN NEPAL

EXECUTIVE SUMMARY
A Kathmandu businessman gets his shoes shined by a Sarki. The Sarkis belong to the leatherworker subcaste of Nepal's Dalit or “low caste” community. Although caste distinctions and the age-old practices of “untouchability” are less rigid in urban areas, the deeply entrenched caste hierarchy still limits the life chances of the 13 percent of Nepal’s population who belong to the Dalit caste group.
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## Contents

Acknowledgements 3
Background and framework 6
The GSEA framework 8
Poverty outcomes 9
Legal exclusion 11
Public discourse and actions 11
  - Government policy and institutional framework 12
  - Responses to gender discrimination 12
  - Responses to caste discrimination 14
  - Responses to ethnic discrimination 16
Inclusive service delivery 17
  - Improving access to health 17
  - Improving access to education 18
Inclusive governance 20
  - Local development groups and coalitions 20
  - Affirmative action 22
Conclusions 23
Key action points 24
Acronyms and abbreviations 33
Acknowledgements

The GSEA study (Unequal Citizens: Nepal Gender and Social Exclusion Assessment) is the outcome of a collaborative effort by the Department for International Development (DFID) of the Government of the United Kingdom and the World Bank in close collaboration with the National Planning Commission (NPC). In addition, DFID, the World Bank and the Danish government supported a wide range of background studies and consultations whose findings have been incorporated in the report. The research was undertaken by a team of Nepali and international scholars and development workers.

Thanks go to all the many people who contributed to this study, including the GSEA team members and all the men and women of Nepal who took part in the multi-level consultations. The members of the GSEA team included: 1) Mukta Lama Tamang, Dr. Pratyoush Onta and Dr. Seira Tamang on Janajati issues; 2) Dharma Swarnakar and Manjushree Thapa on Dalit Issues; 3) Dr. Seira Tamang and Manjushree Thapa on gender issues; 4) Dr. Sapana Malla and Sabin Shrestha on legal issues; 5) Dr. Meena Acharya, Chaitanya Subba, Harihar Regmi, Shankar Aryal and Dr. Kishor Gajurel on the statistical profile; 6) Kiran Bhatia, Dr. Mark Turin and Chhaya Jha on education and health; 7) Dr. Stephen Biggs, Dr. Sumitra Gurung and Dr. Don Messerschmidt on group-based approaches, which was worked upon further by Dr. Saubhagya Shah; and 8) Dr. Aruna Rao and Dr. David Kelleher on affirmative action.

Dr. Lynn Bennett served as team leader and contributed the conceptual framework and the chapter on social-cultural and historical foundations of exclusion. She also wrote the chapters on poverty outcomes and the chapter on local level power relations, which was based on primary data collected and analysed by Dr. Kishor Gajurel, in collaboration with Dr. Sondra Hausner and Kim Armstrong.

Under the guidance of Dr. Shankar Sharma as Vice Chair, the NPC invited a number of distinguished scholars and activists working on gender, caste and ethnic issues to form an informal Advisory Group for the study. These individuals deserve recognition and thanks for their contributions: Dr. Santa
Bahadur Gurung, Director of the National Foundation for the Development of Indigenous Nationalities (NFDIN), Dr. Om Gurung, President of the Nepal Federation of Indigenous Nationalities (NEFIN), Dr. Pushpa Shrestha, Member, NPC; Durga Sob, President of the Feminist Dalit Organization (FEDO) and former member of the Nepal Women's Commission; Hira Bishwakarma, Dalit Empowerment and Inclusion Project (DEIP); Dr. Durga Pokhrel, former Chairperson of the Nepal Women's Commission and currently Minister for Women, Children and Social Welfare; Dr. Bina Pradhan and Dr. Meena Acharya.

The core writing team for the full report included Dr. Pratyoush Onta, Dr. Seira Tamang, Manjushree Thapa and Dr. Lynn Bennett. Dr. Isabella Khadka, Binod Bhattarai, Judith Amtzis, Zamila Bunglawala and Bela Malik served as editors. Team support was provided by Krishna Thapa, Wangmu Sherpa, Sanjiv Shrestha and Tara Shrestha from the World Bank. Binod Bhattarai deserves special thanks for his work on refining and distilling the GSEA findings into this Executive Summary.

Thanks also go to Kishor Kayastha and Naresh Shrestha for the front and back cover photographs; to Harka Gurung for the ethnographic map and to the UNICEF office in Kathmandu for sharing their photographs, as well as to Wordscape, Kathmandu for their work on designing and processing this publication.

Photo Credits:
Chandra Shekher Karki: page 32; Min Bajracharya: page 5 bottom row left; Mohan Mainali: page 5 bottom row center; Naresh Shrestha: page 5 top row left, page 5 middle row right.
INTRODUCTION
Background and framework
The Gender and Social Exclusion Assessment (GSEA) examines old hierarchies that continue to structure access to political influence and economic opportunities. Democracy was established in Nepal in 1990. Even in the democratic polity, however, women, the formerly “untouchable” castes who now call themselves Dalits, the ethnic groups or Janajatis, the Muslims and the plains dwellers or Madhesis remain on the margins.

The GSEA has examined gender, caste and ethnicity as three interlocking institutions that determine individual and group access to assets, capabilities and voice based on socially-defined identity.

Inclusion is one of the four pillars of Nepal’s Poverty Reduction Strategy Paper (2003). However, attaining its inclusion goal will require fundamental shifts not only in the structure of governance and access to economic opportunity but also in the underlying hierarchical norms, values and behaviours that govern social interaction.
In Nepal political and economic power was consolidated by interlinking it with the Hindu caste system. The priestly Brahmins were at the top of the ritual order, with the Kshatriya (kings and warriors) just beneath them and in command of the political order; next came the Vaishya (merchants) and the Sudra (peasants and labourers). Beneath everyone were occupational groups, considered “impure”, and “untouchable” or acchut. In the Hills, in-migrating Hindus of Caucasoid stock made up the priests and warriors and the lowest “untouchable” groups. The middle rank was accorded to indigenous groups, the Janajatis, generally of Mongoloid racial stock. Officially abolished in 1963, caste-based discrimination, while diluted, remains even today.

During the Panchayat period (1962-1990) – although directly ruled by a king – Nepalis for the first time began to think of themselves as citizens rather than subjects. The transformation from subjects to citizens remains incomplete.

Nepal’s new Constitution (1990) established a more inclusive state. It describes Nepal as “multi-ethnic, multi-lingual and democratic” and declares that all citizens are “equal irrespective of religion, race, gender, caste, tribe or ideology”. However, it also retained some ambiguities – by declaring Nepal a Hindu Kingdom, denying women the right to pass their citizenship to their children and explicitly protecting “traditional practices”.

On February 1, 2005 the King suspended democracy and began direct rule. The parliamentary parties have continued to protest against the new order and demand the restoration of democracy. The suspension of democratic rule could delay the advancement of the rights of all Nepalis, especially the most excluded populations, mainly women, Dalits and Janajatis.

**FIGURE 1 Dimensions of exclusion in Nepal**

<table>
<thead>
<tr>
<th>Social Category Status</th>
<th>Gender</th>
<th>Caste</th>
<th>Ethnicity/Race</th>
<th>Language</th>
<th>Religion</th>
<th>Geo-political</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominant</td>
<td>Men/Boys</td>
<td>Tagadhari: Brahman, Chhetri</td>
<td>Caucasoid</td>
<td>Nepali</td>
<td>Hindu</td>
<td>Parbatiya (Hill dweller)</td>
</tr>
<tr>
<td>Subordinate</td>
<td>Women/Girls</td>
<td>Dalit</td>
<td>Janajati/ Mongoloid</td>
<td>Other</td>
<td>Non-Hindu</td>
<td>Madhesi (Plains dweller)</td>
</tr>
</tbody>
</table>

Empowerment and social inclusion play complementary roles in promoting equity of agency and sustainable prosperity for all.
The GSEA framework

The GSEA analyses relationships between people and the institutions or “rules of the game” that shape the opportunity structure of their social, political and economic world. Empowerment and social inclusion are means to shift these relationships and the institutions that embody them towards greater equity. There are three domains of change where the state, civil society and donor organizations can intervene to ensure the following for the poor and excluded:

- access to livelihood assets and services;
- the ability to exercise voice, influence and agency; and
- a more equitable opportunity structure with “rules of the game” that allow all citizens to participate on the same terms in the life of the state and larger society as well as in their access to livelihood opportunities and political influence.

“Access to assets and services” and “voice, influence and agency” are part of the empowerment processes. The other domain of change, the “rules of the game”, is where social inclusion does, or does not, take place. Empow-
erment and social inclusion play complementary roles in promoting equity of agency and sustainable prosperity for all.

Poverty outcomes
The GSEA examines poverty outcomes using indicators of economic well-being, human development levels, and voice and political influence.

Nepal began generating data on caste and ethnicity only in 1991. The 2001 census listed 103 social groups. Numerically no single group is predominant and the population can be broadly divided into Hindu caste groups, Janajatis and the religious minorities (mostly Muslim). In 2001, caste groups constituted 57.5 percent of the population, Janajatis 37.2 percent and the religious minorities 4.3 percent.

The Nepal Living Standards Survey, 2003/04 estimated that 31 percent of Nepalis were living below the poverty line. The Brahman/Chhetri group and the Newars have the fewest households in poverty and the Tarai Middle Castes also have low proportions under the poverty line. In contrast, the three major social movements remain independent of each other, despite their many common demands.
almost half of all Dalits live in poverty, and poverty incidence among Hill Janajatis and Muslims is significantly higher than the national average. However, this data must be approached with some caution because Janajati poverty aggregates mask intra-group differentials. The analysis also reveals that certain groups pay a “penalty” in terms of lower household per capita consumption because of their caste, ethnic or religious identity.

A gender dimension of poverty affects health and education outcomes and leads to greater economic insecurity for women. Political poverty is manifested in the main political parties’ failure to increase participation of women, Dalits and Janajatis in governance institutions. Dalits were almost totally absent from parliament during the entire multiparty period.

The GSEA carried out a separate study to measure and analyse the relative empowerment and social inclusion levels of a sample of one man and one woman from 1000 households in 60 villages. Members of the Brahman/Chhetri/Newar (BCN) groups scored the highest on both empowerment and social inclusion and the Dalits were at the bottom. Janajatis were intermediate between the
two groups – closer to the BCN group in some measures of livelihood empowerment but closer to Dalits with respect to other measures. In all groups men scored higher than women, but BCN and Middle Caste and Janajati women all scored higher than Dalit men. Statistical analysis revealed the following:

- Caste and gender together account for a third of the variation in empowerment and inclusion levels.
- Caste is a more powerful predictor of empowerment/inclusion than gender.
- Membership in local groups was associated with higher empowerment and inclusion.

Legal exclusion

The lack of laws is not the main issue in Nepal. The Constitution and the Civil Rights Act of 1955 prohibit discrimination on the grounds of “religion, race, sex, caste, tribe, ideological conviction or any of these.” The laws also prohibit untouchability, denial of access to any public place or depriving citizens of the use of public utilities. Enforcement is lax, however. Discriminatory provisions also exist, such as the declaration of Nepal as a Hindu kingdom and of Nepali as the only official language – and the protection of “traditional practices,” which has been used to bar Dalits from temples and to permit continued caste discrimination.

The law denies women equal inheritance rights and the right to pass citizenship to their children. Existing laws are inadequate to deal with sexual offences and Nepal has no law to deal with sexual harassment.

Public discourse and actions

This section examines how the “rules of the game” have influenced Nepal’s excluded groups in terms of government policies and institutional structures. Until April 1990, Nepal’s movements for women, Dalit and Janajati rights remained subsumed within the larger struggle for democracy.

The women’s movement has succeeded in placing questions of gender equality and justice on the national agenda, and the Dalit movement has begun to challenge Nepal’s caste society. The Janajati movement, once described by many Brahmans and Chhetris as a “divisive” phenomenon, has now
succeeded in bringing fundamental issues of fair ethnic representation to the fore. Exclusion and hierarchy within excluded groups is also being questioned. The three major social movements remain independent of each other, despite their many common demands. Because little dialogue has taken place between them, the demands of some groups contradict those of others. This has given the state space to delay fulfilment, and in turn has resulted in the growth of radical or revolutionary offshoots.

Government policy and institutional framework
Nepal's Eighth Plan (1992-1997), the first formulated by a democratic government, introduced poverty alleviation as one of its three objectives. It was also the first public document to address the caste/ethnic issue, albeit indirectly and incompletely.

The Ninth Plan (1997-2002) addressed Dalits and Janajatis by name – for the first time – and had a separate chapter subsection dealing with Adivasi Janajatis in development. The government began allotting some public funds to programmes for Janajatis.

Planned efforts to improve the situation of women began in the Sixth Plan (1981-1985) but the approach was welfare driven. The Eighth Plan raised the issue of women's representation in decision-making and acknowledged the existence of gender-based discrimination – but failed to define either term.

The Tenth Plan (2002-2007), the PRSP, recognises that lack of voice, political representation and empowerment are as important dimensions of poverty as are the economic and human development dimensions, and proposes “affirmative action” to level the playing field. However, it too fails to present a realistic strategy and concrete mechanisms to mainstream inclusion.

Responses to gender discrimination
Before 1990 women's issues were cast in the framework of development and welfare – not rights.

Nepal's Constitution does not permit discrimination on the basis of sex and advocates special legal provisions to protect and advance the interests of women. The Local Self Governance Act (LSGA), 1999 introduced mandatory representation of women in local government. However, similar interventions are lacking at higher levels.

Nepal has ratified the Convention on Elimination of all forms of Discrimination Against Women (CEDAW). The CEDAW requires Nepal to change...
about 85 laws and 137 legal provisions that are discriminatory, a task which remains to be done.

The Ministry of Women, Children and Social Welfare (MWCSW) lacks adequate financial and human resources to carry out its numerous responsibilities effectively. It has also largely failed to consider the priorities and needs of women from traditionally excluded castes and ethnic groups.

Nepal set up the National Women’s Commission (NWC) in 2002. However, it lacked a legal basis and its mandate remained unclear. Its members retired in March 2004 and replacements had not been appointed by February 2006. Brahman and Chhetri women – appointed mainly on the basis of their political affiliation – dominated the NWC membership.

Despite various efforts, the kind of structural change implied by the term “gender mainstreaming” has not occurred. Tension also exists between technocratic “fixes” and those advocating longer-term socio-political change. The latter is more likely to occur, as a process of democratic trial and error – often led by ordinary people – tends to be “messier” and less amenable to donor timetables and budget cycles.
Representation of women in political parties is low, especially at the higher echelons of power. Non-representation remains a major obstacle to the mainstreaming of policies and programmes that focus on women and other excluded groups.

Responses to caste discrimination

Dalits remain at the very bottom of Nepal’s caste hierarchy. Even now, the government and many development/aid organizations use euphemisms such as “occupational castes,” “backward classes,” “marginalised,” and “disadvantaged groups,” instead of referring to them as Dalits. The hesitation to use the term Dalit deflects attention from the everyday reality of caste-based discrimination in Nepal.

Over 200 forms of caste-based discrimination have been identified in Nepal. Discrimination is more entrenched in the country’s less-developed areas, especially in the Mid- and Far-western regions, but caste continues to influence inter-personal behaviours throughout the country.

No consensus has been reached on exactly which communities fall into the category of Dalit or on the actual population size. According to the 2001 Census, Dalits comprised 13 percent of the population but the figure is contested. The Dalits can broadly be categorised as either Hill Dalits (who...
make up 61 percent of the Dalit population) or Tarai Dalits. Ironically, among themselves the Dalits have traditionally practiced Hindu type stratification. Unlike many Janajatis, the Dalits have no geographical centre or “traditional homeland” where they are numerically predominant.

Nepal established the National Dalit Commission (NDC) in March 2002 with an all-Dalit membership. Its members were chosen based on party affiliations; its functions were not legally mandated and funding was inadequate. The NDC did draft a bill for itself but it had not yet become law by early 2006.

Dalit representation in the executive bodies of political parties remains very low. The only Dalit member of the House of Representatives was elected in 1991.

The Dalits have essentially been left to fend for themselves. With a few exceptions, Nepal’s non-Dalit actors have left it to Dalit leaders, activists and organizations to “fight their own battle”, which has not helped the Dalit movement.

Responses to ethnic discrimination

The demands of Nepal’s Adivasi Janajati movement centre mainly on issues of governance and political representation. One is the need for constitutional reform to remove discriminatory provisions. Another is for equitable representation. The Janajatis also seek greater equality in linguistic rights, and guaranteed access to common properties/resources.

Nepal originally prepared a schedule listing 61 Janajati groups, which was later reduced to 59 in the law. Various complexities are in-

![Figure 6: Trend in the incidence of poverty by caste/ethnicity '95/'96 and '03/'04](image-url)
volved in compiling a definitive list. Among the groups in the current list 18 are from Mountain regions, 24 from the Hills, 7 from the Inner Tarai and 10 from the Tarai. The 2001 Census enumerated only 43 of 59 Janajati groups and reported a population of 8.27 million or 37 percent of Nepal's population. Members of 16 “missing” groups were apparently not counted.

Many disparities are found among the different Janajati groups. The Nepal Federation of Indigenous Nationalities (NEFIN) reports that 10 of the 59 Janajati groups are “endangered”, 12 “highly marginalised”, 20 “marginalised”, 15 “disadvantaged” and two “advanced” or better off. The GSEA recommends a fresh classification to identify all Janajati groups based on poverty incidence, educational levels and key health indicators to serve as basis for eligibility to special state initiatives, including reservations and scholarships for those most disadvantaged.

Nepal's Constitution explicitly uses the term Janajatis and acknowledges both their presence and their relative social and economic deprivation. The use of Nepali as the only official language is discriminatory, however. Constitutional reform is both an overarching demand related to many other issues, and an affirmation that the Janajatis want a wholly reformed contract with the state. The movement wants Nepal to be declared a secular state, and all Janajati languages recognised for use in state affairs alongside Nepali.

Equitable representation through different methods including “restructuring the Nepali state” by changing the electoral system and affirmative action measures are other key demands, as is access to common property resources once communally owned by certain Janajati groups.

Inclusive service delivery

Improving access to health

Nepal has started to put a greater emphasis on preventing diseases that afflict the poor and has begun reaching out to those with the greatest health burden. However, the effort to reorient policy and health services along a rights-based approach remains ad-hoc and immature.

Many interrelated factors – cultural, religious and social beliefs and norms (especially those that reflect the entrenched gender, caste and ethnic hierarchies) as well as economic, institutional and location-related specificities
- lie behind these differential health outcomes. Because of their reproductive role and their low social status, outcomes for women are the worst.

Many determinants of health outcomes operate indirectly by reducing certain people’s access to healthcare and influencing the kind of care they receive. Institutional and political factors are important and are a major focus for policy intervention. These include government budgetary allocation and policy attention to rural healthcare and the diseases of the poor and women.

Although many professionals in the government health care service are dedicated to caring for the poor and disadvantaged, others have little motivation to serve those who are beneath them in the socio-economic hierarchy. Generally, most healthcare facilities, including trained personnel, are concentrated in urban areas. Men mostly staff the higher service positions—a major obstacle to proper healthcare for women.

Women’s health outcomes are directly affected by their subordinate status vis-à-vis the men and the senior women in the family. The preference for male children varies from group to group and is reflected in poorer female performance on all indicators, especially education and health.

When healthcare usage and outcomes are better for women, they are better for children as well. Brahmans, Chhetris and Newars have the best health indicators for women and also the lowest infant mortality rates.

The government has acknowledged and tried to address the problem of gender discrimination as a barrier to healthcare. But very little attention has been given to how the legacy of caste and ethnicity—and particularly the practice of untouchability—affects the interface between health service providers and patients of both sexes. For Janajatis and members of linguistic minorities in the Tarai, language is also an inhibiting factor.

Some of the determinants of high morbidity and mortality among excluded groups require actions beyond the health system. Improved transportation and sanitation infrastructure, reduced income and consumption poverty and increased education levels are all associated with better health outcomes. Meeting the objectives of the current health sector reform programme will require patient development of detailed formal modalities and mechanisms to overcome the barriers to inclusion.
Improving access to education

The state assumed responsibility for the education system in the 1970s; previously locally run schools were turned over to a centralised educational administration. Public education expanded rapidly thereafter. Quality did not keep up with the expansion in numbers, however.

To help poor and socially excluded children access the kind of education that will open opportunities for them, simply getting them into Nepal’s public schools as they currently operate will not be enough. The Nepal Education for All (NEFA) programme sets out three primary objectives: (i) ensuring access and equity in primary education, (ii) enhancing quality and relevance of primary education, (iii) improving efficiency and institutional capacity. For the first objective the government has specifically committed to provide equal access to educational resources for all excluded groups – girls, linguistic minorities, Dalits and Janajatis.

In an effort to reform the system and shift the incentives, in 2001 the parliament passed the Seventh Amendment of the Education Act, allowing management of local public schools to be handed over to School Management Committees (SMCs). The rules require at least one woman member but does not mandate Dalit or Janajati representation. Participation of both Dalits and women in the SMCs is low. Preventing elite capture and undue politicisation of SMCs is vital for their success, and is only possible through proper representation.

Schools with female teachers tend to attract more female students. For that reason the policy of having at least one female teacher per school in multi-teacher schools was established over a decade ago, and the NEFA requires at least two female teachers in such schools. However, neither policy has

Overcoming the legacy of past inequality involves more than allotting some reserved seats in elected, administrative government, or in university admissions.
yet been fully implemented. Just as having a woman teacher tends to attract
girl students, having Janajati or Dalit staff has a positive impact on those groups.
For most Janajati children Nepali is not their mother tongue so they
are introduced to school and to a new language at the same time. Success in Nepali medium primary schools is also difficult for many people from the Tarai who speak Maithili, Bhojpuri or Hindi as their mother tongues.

Primary education is the foundation for ensuring educational parity
among various groups, the first step towards effective social inclusion. The
excluded groups are under represented in higher education – with Dalits being less than one percent of those with BA and above – and this is largely due to exclusion at the lower levels. Reforming education from below must be matched with affirmative action initiatives from above to support the higher education of members of excluded groups.

Inclusive governance
Governance is at the core of the GSEA – focusing as it does on equal citizenship. It also proposes two promising approaches for realising the equal citizenship goal – group-based development and affirmative action.

Local development groups and coalitions
Some grassroots groups have begun to replicate themselves and have organized into larger federations. These higher-level associations give voice and added political representation to their constituents. Local level groups are an important mechanism through which bottom-up empowerment has been taking place in Nepal. This is especially important in the current situation where the elected local bodies that were to be the pillars of grassroots democracy and the institutional anchors for decentralisation have remained inoperative since July 2002. However, the roles and responsibilities of grassroots community groups vis-à-vis local elected government remain to be clarified.

Some GSEA findings relating to groups include the following:
- Nepal has about 400,000 local-level sponsored groups that are being monitored by development agencies.
The idealised notion of “community” fails to recognise factional interests within communities: class, caste and gender-related conflicts can and do occur even within community forestry groups, which are said to be the most successful of the local groups. Stratification and elite capture occur in women’s groups as well.

Although women are fairly well-represented as group members, they continue to play a less prominent role on the executive committees. Data on group membership and leadership disaggregated by caste and ethnicity is almost non-existent.

Often homogenous groups – in terms of gender, caste and ethnicity – are best suited for serving the interests of disadvantaged groups. By definition, “elite capture” is more likely to occur in mixed groups.

The quiet revolution underway in Nepal is the expansion of the impetus for group-based collective action from the village level to district, national (and sometimes international) arenas through the formation of federa-

The development response to women’s claim for equal rights still hinges largely on the welfare model.
Affirmative action

Affirmative action seeks to correct historical disadvantages and unfair discrimination by enabling access to full opportunity and benefits to groups that have been excluded. Overcoming the legacy of past inequality involves more than allotting some reserved seats in elected, administrative government, or in university admissions, etc.

Affirmative action as debated in Nepal relates not only to the civil service, but also to elected government and to the education, employment and health sectors. Affirmative action can also encompass changes in the electoral system in order to ensure proportional representation of different groups. This may be part of the answer in Nepal as well.

The government's views on affirmative action are unclear. While the need for some sort of affirmative action for excluded groups is not disputed, the modality has been the source of some contention – as has the issue of which groups should be included.

A major challenge to the affirmative action agenda is the low number of qualified candidates in certain groups such as the Dalits. An effective “road map” to affirmative action needs to address this dimension – perhaps through a special programme to develop a “pipeline” of qualified candidates.

Probably the most contentious sphere for affirmative action is in elected government, and this is an area where the political parties have failed. The power structures of the main political parties have never been...
representative in terms of the gender, caste or ethnicity of the diverse citizens they claim to represent.

Affirmative action as a lever for social inclusion is necessary but not sufficient to bring about significant and sustainable positive outcomes for socially excluded groups. In order to be truly effective and sustainable, affirmative action requires the broad social and political commitment to equality and human rights articulated by Nepal's Constitution, laws and policies. Ultimately, it requires changes in people's beliefs and values.

Conclusions
After centuries of thinking about themselves as subjects of feudal rulers, more and more Nepalis are beginning to see themselves as citizens of a democratic state. Although the pace of this fundamental change in self-perception is uneven among groups at different levels on the social hierarchy, it is now being embraced even by those traditionally at the lowest echelons – especially women, Dalits and Janajatis. This change in self-perception has also altered expectations: people do not want favours from the powerful. Instead of patronage, they want rights – the same rights accorded to every citizen by law. They want uniform “rules of the game” to apply to all social players across the board. Social inclusion and empowerment are the interrelated processes that can bring this about. The GSEA ends with a set of recommendations on the long overdue policy and actions for addressing the various dimensions of social exclusion in Nepal.
### KEY ACTION POINTS

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<th>BASIS FOR ACTION</th>
<th>RESPONSIBLE ACTORS</th>
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| 1. Incorporate an inclusion lens into the government planning, budget allocation and monitoring process to ensure full access for women, Dalits and Janajatis in all core government services and development programmes. This approach to public expenditure would expand the concept of "gender budgeting/auditing" that has been increasingly adopted by HMG/N. | To date the government has only proposed piecemeal solutions to the problem of social inclusion in the form of "targeted programmes". Currently funds earmarked under the inclusion pillar of the PRSP amount to just over 6% of the budget. This is clearly inadequate to create a level playing field for excluded groups and to meet the PRSP inclusion goals. In order to be effective, inclusion needs to be adequately funded and fully embraced by all government programmes. | GOVERNMENT
|       | Structural change towards social inclusion as envisaged by the PRSP is possible only with 1) increased, focused investment by both government and donors to assure inclusion across all core services and development programmes and 2) systematic monitoring of results. | donors |

Steps towards inclusive budgeting would entail:
- Conducting a systematic analysis of all mainstream programmes to identify barriers to access for women, Dalits and Janajatis;
- Developing specific mechanisms and incentives to overcome the barriers;
- Assigning clear accountability for achieving the inclusion objectives in all sectors;
- Developing clear outcome indicators disaggregated by caste, ethnicity and gender; and
- Tracking indicators in real time sectoral monitoring and evaluation systems linked to the PMAS to ensure effective corrective policy actions.

2. Make organizational changes for effective implementation of the inclusion pillar:
- Establish a national inclusion task force in the National Planning Commission to coordinate and monitor inclusion initiatives by government ministries, with appropriate linkages to the central PRSP monitoring system.
- This task force could lead a review of inclusion results in the 10th Plan and propose revisions for the 11th Plan.
- Empower the Gender Focal Points in all line ministries by making them part of a sectoral social inclusion unit responsible for vetting all ministry programmes and policies from an inclusion perspective. A senior government official empowered to hire experts on gender, Dalit and Janajati issues should head this unit.
- The government’s efforts at inclusion have not been translated into coordinated action at the sectoral ministry level, where both formal and informal barriers still seem to be entrenched. Effective coordination of policies and actions under the inclusion pillar can greatly increase impact, reduce duplication and lead to greater impact at all levels.
- The concept of inclusive programming and budgeting recommended in (1) above necessitates that trained professionals in each major sectoral ministry examine the ministry’s major policies and programmes for the impact that they are likely to have on excluded groups. Furthermore, to fully ensure inclusive programming, each ministry needs to recommend specific mechanisms to ensure that its sectoral policies are inclusive and that they deliver equal benefits to excluded groups. |

|       | GOVERNMENT
|       | donors
|       | civil society |

* Actors depicted in upper case are to take the lead; actors depicted in lower case are to support.
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<th>ACTION</th>
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<td>Build on the strength of the existing district-level Women Development Offices to establish District Gender and Social Inclusion Offices and link them with the sectoral ministries and representative national organizations - as well as with decentralised representatives of the National Women's Commission (NWC), the National Dalit Commission (NDC) and the National Foundation for the Development of Indigenous Nationalities (NFDIN) to ensure coordination.</td>
<td>Commitments to ensure that DDC and VDC budget allocations and programmes are responsive to women, Dalits and Janajatis through a &quot;watchdog&quot; committee have not been implemented. One possibility that has been suggested by many groups is to enlarge the mandate of the WDO to encompass all dimensions of social inclusion by adding staff whose responsibility it would be to ensure that Dalit and Janajati groups also benefit from local government spending. This office would have increased accountability to the various national commissions (such as NWC, NDC and NFDIN) and to the DDCs and VDCs. As more and more resources are devolved to the elected DDC and VDC governments they would be expected to allocate matching funds to the work of the District Gender and Social Inclusion Offices. Both the increased responsibility of this office and the devolution of funding would help lay the foundation for the realisation of the LSGA’s commitment to social inclusion.</td>
<td>GOVERNMENT, donors, civil society</td>
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<td>Improve the governance structure of the national commissions for women and Dalits:</td>
<td>The commissions set up under an executive order do not have the legal authority to function independently of government and political influence. Legal recognition and autonomy would enable them to function effectively and independently, using professional help where needed.</td>
<td>GOVERNMENT, donors, civil society</td>
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<td>Re-establish the National Women’s Commission and the National Dalit Commission through legislation.</td>
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<td>Enable the commissions to function as semi-autonomous constitutional bodies, with authority to receive a regular budget directly from the MOF and support from donors.</td>
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<td>Ensure that these commissions are aware of the changing situation on the ground for excluded groups by encouraging them to have a &quot;listening relationship&quot; with civil society organizations as well as with the proposed gender and social inclusion units at the district level (see recommendation 2 above).</td>
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<td>ACTION</td>
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<td>RESPONSIBLE ACTORS</td>
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<td>4. Revive the stalled decentralisation process with safeguards and incentives to promote inclusion at all levels.</td>
<td>While decentralisation on its own does not guarantee social inclusion, it can provide more inclusive and accountable governance by delegating funds and decision-making authority closer to the local level, where ordinary people are more likely to be able to take part in and influence decisions – and monitor outcomes. In particular, it provides a possible governance framework within which diverse ethnic and language groups can have greater autonomy in certain key areas and still remain citizens of a unified Nepali nation. Nepal has the necessary framework for decentralisation in the LSGA, which even includes a number of provisions to ensure voice for women, Dalits and Janajatis (e.g. through the district &quot;Watchdog Committees&quot; and other provisions). But implementation on overall decentralisation – and on the provisions to promote inclusion – has been slow for lack of political commitment. Decentralisation has particularly suffered after July 2002, when the government allowed the terms of elected local governments to lapse.</td>
<td>GOVERNMENT, donors, civil society</td>
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5. Enact critical legal changes to ensure equal rights for all citizens – and equal access to citizenship:  
   **On Citizenship**  
   - Reinstate the language of the Interim Constitution of 1953 that guarantees citizenship to "every person who had been permanently residing within the territory of Nepal with their family". Carry out a social audit of informal government practices and requirements for obtaining citizenship papers.  
   - For women:  
     - Ensure equal citizenship rights to women, their children and their spouses.  
     - Ensure equal rights to ancestral property for women and married daughters.  
     - Repeal the provision that allows a man to enter a bigamous marriage under certain conditions.  
   - The definition of who has the right to citizenship was greatly curtailed in the 1990 Constitution, and those most notably affected are the most excluded.  
   - Existing informal practices effectively deny citizenship to many segments of excluded society, especially to those who do not own land and to those whose language and social customs mark them as being historically “of Indian origin”.  
   - An analysis of Nepali laws, including the Constitution and Country Code, conducted for the GSEA found:  
     - 83 pieces of legislation that discriminate against women and | GOVERNMENT, donors, civil society |
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<tr>
<th>ACTION</th>
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<th>RESPONSIBLE ACTORS</th>
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| **5.** For Janajatis:  
- Remove the word “Hindu” from Article 4 of the Constitution.  
- Amend Article 19 (1) to permit the right to religion.  
- Amend Article 6 (1) to permit alternate official languages in addition to Nepali.  

For Dalits:  
- Remove the ambiguity about the right to practice untouchability/caste-based discrimination as a social custom.  
- Ensure enforcement of punishment for caste-based discrimination in the public and private spheres.  

- 32 provisions that discriminate on the basis of religion, caste and ethnicity.  
- Allowing discrimination as a social custom reinforces the traditional institutions based on inequality. Increasing punishment for caste-based discrimination can serve as an effective deterrent, but long-term social change can come only through changes in values and practices.  

**6.** Enhance Poverty Monitoring and Analysis System (PMAS) by standardising social categories and improving monitoring capacity of key sectoral ministries to track social inclusion:  
- **At the national level,** a common classification of the main social groups has been used by the GSEA and the CBS for data collection and analysis in the NLSS II and other national surveys that contribute to the PMAS. There are six major social categories (BC, Tarai Middle Castes, Dalits, Newars, Janajatis and Muslims) but when separated by Hill and Tarai there are the following 10 categories:  
  1. Hill Brahman/Chhetris  
  2. Tarai Brahman/Chhetris  
  3. Tarai Middle Castes  
  4. Hill Dalits  
  5. Tarai Dalits  
  6. Newars  
  7. Hill Janajatis  
  8. Tarai Janajatis  
  9. Religious Minorities (Muslim)  
  10. Other  

- Previously, the large number of social groups (103) covered by the Census made meaningful analysis of outcomes by social groups difficult and limited the extent to which HMG/N could track progress in poverty reduction along social dimensions. In NLSS I (1995/6) more than 20 percent of the population belonging to smaller groups remained unaccounted for in the “other” category. The adoption by the Central Bureau of Statistics of the broad categories developed by the GSEA for NLSS II has overcome this limitation and paved the way for better PMAS tracking of progress on the social inclusion pillar of the PRSP through national Census and Survey data. The “other” category in the 2003/4 NLSS II now accounts for only about one percent of the population.  

- GOVERNMENT  
- donors  
- civil society |
### Action

6. **Contd.**

- **At sectoral level** the PMAS tracks performance using the Management Information Systems of the various sectoral ministries. Sectoral performance data also need to be disaggregated by gender, caste and ethnicity for all monitoring purposes – preferably using the 10 categories listed above.

- When it is not possible to acquire such detailed data for sectoral monitoring, then the interested parties should be encouraged to at least adopt four main categories into which all caste/ethnic groups could be sorted – plus gender, since women are disadvantaged across all groups. The four categories would be:
  1. **Dalits**
  2. **Disadvantaged Janajatis**, including those Janajati groups who fall a set percentage (to be determined) below the national average on consumption poverty, health and education indicators based on the Census, NLSS and DHS.
  3. **Other excluded/disadvantaged groups**, including Muslims and certain Tarai Middle Caste groups based on the data mentioned above.
  4. **Non-excluded groups** such as Brahmans and Chhetris, Newars, Thakalis, Gurungs and those Tarai Middle Caste groups whose poverty indicators are a certain percentage (to be determined) above the national average.

- **Identifying the disadvantaged:**
  - Ensure that this categorisation is done on a scientific basis and ask the NPC Poverty Monitoring Unit to lead it with support from CBS (and participation from NFDIN and other concerned groups). It would be based on statistical analysis of NLSS, DHS and Census data to identify the truly disadvantaged among the Janajati and other groups.

### Basis for Action

Despite the progress made for national datasets, the existing monitoring and information systems of the various sectoral ministries still do not permit the government to track progress on the social inclusion pillar. MOES Flash Reports have made a start at this, but are still not reliable. Disaggregated data are essential to learning about which policies and programmes work to improve inclusion and which do not. It is also an important element in HMG/Ns move towards results-based budgeting and part of the budget release conditions for the pooled donor support to the government’s health and education programmes.

There are large differences even among Janajati and Tarai Middle Caste groups that could mean that the most disadvantaged might not be reached by supportive programming. To ensure transparency and accountability as well as effective targeting, the NPC’s Poverty Monitoring Unit needs to lead an exercise where the NLSS and other national data sets can be used to accurately identify the truly disadvantaged on a scientific bases. This effort would need to involve representative women, Dalit and Janajati groups (such as the Women’s Commission, the Dalit Commission, the Dalit NGO Federation, the National Foundation for Development of Indigenous Nationalities and the National Federation for Indigenous Nationalities) along with CBS.

Effective annual monitoring of inclusion outcomes in each sector is a potentially powerful tool in support of affirmative action in the areas of health, education and other critical services.

### Responsible Actors

- Government
- Donors
- Civil society
### ACTION

**6. Contd.**

- Develop a system to periodically update the status of different groups as new data become available in order to help keep targeted programmes and affirmative action policies from becoming identity-based entitlements and to ensure that government resources go to those most in need.

- **Continue income-based tracking and targeting** to ensure that the poor within the privileged caste/ethnic groups are not missed.

- **Include social accountability mechanisms** in the sectoral monitoring processes to create incentives for inclusion.

- **Develop a holistic strategy for reservation and affirmative action:**
  - Appoint a broad-based task force to develop a road map for increasing diversity and representation of disadvantaged groups in politics, civil society and academia.
  - **Build a pipeline of qualified women, Dalits and Janajatis** by establishing a fast-track scholarship/internship programme for the most promising girls, Dalits and Janajatis completing school level education in the public system. This will help ensure that "meritocracy" is not compromised while reserving positions for women, Dalit and Janajatis candidates in the civil service.
  - **Explore alternative electoral systems** as part of the affirmative action policy to help ensure greater representation and voice for Nepal's diverse groups.

### BASIS FOR ACTION

A more diverse civil service can improve service delivery based on better understanding of the needs and perspectives of diverse clients. Similarly, greater representation of excluded groups in elected government at all levels will increase the legitimacy and accountability of Nepali democracy.

Nepali society and government now accept reservation/affirmative action as a means to level the playing field and increase diversity. However, modalities to achieve this objective have not been finalised, despite efforts to do so.

It is important to ensure there is a “pipeline” of qualified candidates from under represented groups who can compete for reserved positions.

Full implementation of decentralisation can also be an important mechanism for affirmative action.

### RESPONSIBLE ACTORS

- **GOVERNMENT**
- **donors**
- **civil society**
### ACTION

#### 8. Make donor agencies and NGOs more inclusive:
- Both sets of actors should undertake inclusion audits and inclusion reviews of their organizations and portfolios to identify exclusion and make corrections.
- Donors should require the NGOs they support to conduct similar audits and share findings with government.
- Donor agencies should be encouraged to expand their “circle” of contacts and deepen their understanding of inclusion by seeking information from and interacting with diverse groups that ordinarily do not have access to donor ears.

#### 9. Strengthen the power of local development groups:
- Establish governance rules for local development groups to help them better deliver inclusion and prevent elite capture by implementing effective governance rules, and transparent monitoring and evaluation mechanisms.
- Create a supportive environment for federations of local level groups:
  - Review and amend existing cooperative laws to permit more than one of a given type of cooperative to be registered in a single district and to remove other regulations and procedural barriers to the registration and operation of cooperative federations.
  - Encourage wide consultations, between the government and NGO and donor stakeholders, aimed at revising the new NGO code to make it less restrictive.

### BASIS FOR ACTION

Recent reports have shown that donors and NGOs have alarmingly poor inclusion levels of women, Dalits and Janajatis and that current donor programming still tends to be largely based on information from the traditional “elite” sources. Greater internal diversity could help deliver more effective programmes.

A level playing field within local development groups is necessary to ensure that members from disadvantaged backgrounds benefit equally from shared group activities and that group-based approaches live up to their potential for delivering inclusion, sustainability and empowerment for all.

Many local groups that form federations to increase their economic efficiency and their political voice face bureaucratic delays and barriers when they seek to register either as a cooperative under the Cooperative Laws or as an NGO under the CDO or the SWC. One such barrier for cooperative federations is the outmoded rule that there can be only one of any particular type of cooperative (e.g. dairy, credit, multipurpose cooperative) per district. This is particularly counterproductive for women’s groups whose members practice a variety of livelihoods and need the multipurpose designation to allow this. Another emerging barrier for any federated groups seeking to become an NGO is the restrictive new NGO code.
## Executive Summary

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<th>ACTION</th>
<th>BASIS FOR ACTION</th>
<th>RESPONSIBLE ACTORS</th>
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<tr>
<td>10. <strong>Develop a knowledge base to inform policy debate on inclusion:</strong>&lt;br&gt;Encourage civil society groups to consistently generate and share knowledge and understanding on diversity and related issues, by encouraging participation from members of traditionally excluded groups.</td>
<td>Practical proposals for inclusion that are economically and politically feasible require conceptual clarity, and collective thinking and debate at all levels. Thinking through policy choices and developing the mechanisms through which these policies will be implemented on the ground requires representative participation.</td>
<td>- CIVIL SOCIETY&lt;br&gt;- DONORS&lt;br&gt;- government</td>
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<td>11. <strong>Support strategic coalitions between women, Dalits and Janajatis:</strong>&lt;br&gt;Build alliances for collective equal citizenship goals between the individual social movements.</td>
<td>The women, Dalit and Janajati movements are currently fractured and almost independent of each other, even though they often seek to attain similar citizenship goals. There is strength in numbers, and alliances can help them forcefully advocate and achieve their collective goals.</td>
<td>- CIVIL SOCIETY</td>
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<td>12. <strong>Encourage internal reform of the main political parties to make them more democratic and broadly representative:</strong>&lt;br&gt;The parties need to be encouraged to adopt more democratic and transparent procedures and to be held accountable to implement the many inclusive promises made in their manifestos.</td>
<td>The success of democracy hinges largely on the extent to which the political parties, once in power, can articulate and respond to the demands of every segment of society. In Nepal’s emerging democracy the parties have been less than successful in implementing democratic norms and procedures within the context of their own organizations. They have also delayed implementation of their own pledges to be inclusive to women, Janajatis and Dalits.</td>
<td>- CIVIL SOCIETY&lt;br&gt;- government&lt;br&gt;- donors</td>
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Women, Janajatis and Dalits have not been elected in numbers that match their share of the population.
## Acronyms and abbreviations

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<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>BA</td>
<td>Bachelor of Arts</td>
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<td>B/C</td>
<td>Brahman/Chhetri</td>
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<td>CBS</td>
<td>Central Bureau of Statistics</td>
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<td>CDO</td>
<td>Chief District Officer</td>
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<tr>
<td>CEDAW</td>
<td>Convention on Eliminating all forms of Discrimination Against Women</td>
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<td>DDC</td>
<td>District Development Committee</td>
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<tr>
<td>DFID</td>
<td>Department for International Development</td>
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<td>DHS</td>
<td>Department of Health Services</td>
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<td>GSEA</td>
<td>Gender and Social Exclusion Assessment</td>
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<td>HMG/N</td>
<td>His Majesty’s Government/Nepal</td>
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<td>LSGA</td>
<td>Local Self-Governance Act</td>
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<td>MOES</td>
<td>Ministry of Education and Sports</td>
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<td>MOF</td>
<td>Ministry of Finance</td>
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<td>NDC</td>
<td>National Dalit Commission</td>
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<td>NEFA</td>
<td>Nepal Education for All</td>
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<td>NEFIN</td>
<td>Nepal Federation of Indigenous Nationalities</td>
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<td>NFDIN</td>
<td>National Foundation for Development of Indigenous Nationalities</td>
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<td>NGO</td>
<td>Non Government Organization</td>
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<td>NLSS</td>
<td>Nepal Living Standard Survey</td>
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<td>NPC</td>
<td>National Planning Commission</td>
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<td>NWC</td>
<td>National Women’s Commission</td>
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<td>PMAS</td>
<td>Poverty Monitoring Analysis System</td>
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<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
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<td>SMC</td>
<td>School Management Committee</td>
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<td>SWC</td>
<td>Social Welfare Council</td>
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<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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<tr>
<td>VDC</td>
<td>Village Development Committee</td>
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<tr>
<td>WDO</td>
<td>Women Development Officer</td>
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