

10-11-2012

Papers, Abstracts, and Proceedings of the Seventh Annual Himalayan Policy Research Conference

Vijaya R. Sharma

Mukti P. Upadhyay

Jeffry Drope

Naresh Nepal

Alok Bohara

Follow this and additional works at: https://digitalrepository.unm.edu/nsc_research

Recommended Citation

Sharma, Vijaya R.; Mukti P. Upadhyay; Jeffry Drope; Naresh Nepal; and Alok Bohara. "Papers, Abstracts, and Proceedings of the Seventh Annual Himalayan Policy Research Conference." (2012). https://digitalrepository.unm.edu/nsc_research/57

This Other is brought to you for free and open access by the Nepal Study Center at UNM Digital Repository. It has been accepted for inclusion in Himalayan Research Papers Archive by an authorized administrator of UNM Digital Repository. For more information, please contact disc@unm.edu.

Himalayan Journal of Development and Democracy, Vol. 7, No. 1, 2012



Volume 7, Number 1, 2012

HJDD

Himalayan Journal of Development and Democracy

**PROCEEDINGS AND PAPER ABSTRACTS
OF THE**

**Seventh Annual Himalayan Policy Research
Conference**

Madison, Wisconsin, October 11, 2012

**Nepal Study Center
The University of New Mexico**

Published by *Nepal Study Center*, University of New Mexico, Albuquerque, NM 87131, US

Himalayan Journal of Development and Democracy, Vol. 7, No. 1, 2012



PAPERS, ABSTRACTS, AND PROCEEDINGS
OF
The Seventh Annual
Himalayan Policy Research Conference

Thursday, October 11, 2012, Madison Concourse Hotel and
Governors' Club
Pre-conference Venue of the 41st South Asian Conference at the
University of Wisconsin -- Madison, (October 12-14, 2012)

Department of Economics, The University of New Mexico, 1915 Roma Ave NE,
MSC05 3060, Rm. 1019, Albuquerque, NM 87131
<http://nepalstudycenter.unm.edu/> Phone: 1-505-277-5903/Email: nsc@unm.edu

Nepal Study Center, University of New Mexico

Guest Editors

Vijaya R. Sharma, PhD
University of Colorado at
Boulder

Mukti P. Upadhyay, PhD
Eastern Illinois University

Jeffry Drope, PhD
Marquette University

Naresh Nepal
University of New Mexico

Conference Organizing Committee

Alok K. Bohara, PhD
University of New Mexico

Jennifer Thacher, PhD
University of New Mexico

Mukti P. Upadhyay, PhD
Eastern Illinois University

Vijaya R. Sharma, PhD
University of Colorado at
Boulder

Jeffry Drope, PhD
Marquette University

Technical Support

Prakash Adhikari
Central Michigan University

Jazmin Knight
University of New Mexico

Session Chairs and Discussants

Session 1A: South-South Cooperation & Developmental Issues

Chairs: Mukti Upadhyay, Eastern Illinois University, USA

Discussants: James Michael Mahar, Pradumna Bickram Rana,
Vinayagathan Thanabalasingam

Session 1B: Resources and Environment

Chairs: Kaustubha Nand Bhatt, G.B. Pant Social Science
Institute, India

Discussants: Sakib Mahmud, Rishikesh Bhandary, Bill Fleming,
Keshav Bhattarai, Shandar Prasad Acharya

Session 2A: Political and Administrative Restructuring

Chairs: James Michael Mahar, University of Arizona, USA

Discussants: Andre Lecours, Kaustubha Nand Bhatt, Christopher
Butler, Sucheta Pyakuryal, Pramod Kantha

Session 2B: Gender, Ethnic, Health and Education Issues

Chairs: Bill Fleming, University of New Mexico, USA

Discussants: Arati Maleku, Prakash Adhikari, Parbat Dhungana,
Menuka Karki, Sadixya Bista, Bonita Sharma

CONTENTS

Welcome Note from Editors	1
Acknowledgements	3
Financial Support	3
PAPERS AND ABSTRACTS	4
HJDD EDITORIAL BOARD	49
Manuscript Submission Guideline for HJDD.....	50

South-South Cooperation & Developmental Issues

A North Indian Village That Changed, 1954 - 2010	James Michael Mahar	5
Reinvorgating South Asia by Deepening 'Look East" Policies	Pradumna Bickram Rana	6
Inflation and Economic Growth: A Dynamic Panel Threshold Analysis for Asian Economies	Vinayagathason Thanabalasingam and Roberto Leon-Gonzalez	8

Resources and Environment

Valuing Adverse Health Outcomes Against Storm Damages Given the Presence of Private Defensive Strategies, Public Programs and Natural Barriers: Evidence from Bangladesh Coastal Areas	Sakib Mahmud and Edward Barbier	12
Coalition Formation In Climate Negotiations: Insights for Mountain Collations	Rishikesh Bhandary	16
Wildlife Sanctuary Ecotourism in Kerala, India: An Alternative Source of Livelihood for Resident Tribal Families	Bill Fleming and Jeanie Fleming	17
Determining Carbon Abatement Cost Through the Integration of Remotely Sensed Land Cover Observations and Biogeochemical Model	Keshav Bhattarai	20
Impact of Climate Change on Human Livelihood and Agricultural Growth in Himalayan Country Nepal	Shankar Prasad Acharya	21

Political and Administrative Restructuring

Restructuring the State in Nepal: The Difficulty of a Federal Bargain ...Andre Lecours 24

Decentralization and Development in India: Issues and Challenges
..... Kaustubha Nand Bhatt 27

“Since the Fighting Stopped:” Changing Attitudes about Development in Rural Nepal
.....Christopher Butler 29

Patronage, Politics and Administration in Naya NepalSucheta Pyakuryal 30

Nepali’s Troubled Transition: Some Broader Patterns..... Pramod Kantha 32

Gender, Ethnic, Health and Education Issues

Inequities in Antenatal Care in Nepal: An Ecological Perspective
.....Arata Maleku and Vijayan Pillai 37

Coherence Between Environmental Policy and School Level Curricular Processes in
Nepal Parbat Dhungana 39

Ethnic Wage Differential in Nepal: The Cost of Being Dalit.....
..... Menuka Karki and Alok Bohara 41

Living on the Edge: Exclusion of LGBTI Population in Nepal Sadixya Bista 42

Gender Mainstreaming in Nepal: Policy and PracticesBonita Sharma 48

Welcome Note from Editors

On behalf of the editorial board of the *Himalayan Journal of Development and Democracy (HJDD)* and the conference organizing committee, I would like to thank all the participants at the Seventh Annual Himalayan Policy Research Conference (HPRC) held at the venue of the University of Wisconsin's 41st Annual South Asian Conference, Madison, WI.

As usual, we had a very successful event with an enthusiastic participation from all over. A larger number of abstracts were carefully screened and ranked by a team of our dedicated NSC member scholars – Dr. Jennifer Thacher, Dr. Mukti Upadhyay, Dr. Vijaya Sharma, and Dr. Jeffry Drope. NSC was established at the University of New Mexico in 2004 with the objective to promote policy research related to the South Asian region and the countries of the Himalayan region. The NSC team remains dedicated to creating platforms for the enhancement of knowledge sharing, particularly in the areas of sustainable development, environment, poverty, governance, and health. Among its other prominent activities, NSC publishes two e-journals (*Himalayan Journal of Development and Democracy* and *Liberal Democracy Nepal Bulletin*), maintains an electronic repository to allow scholars to upload, store, and disseminate policy research, coordinates the Himalayan study abroad program, and doctoral and post-doctoral research projects.

Nepal Study Center has added a milestone by facilitating the signing of the Memorandum of Understanding (MOU) between the University of New Mexico and the Kathmandu University (KU) and the Centre for Integrated Mountain Development (ICIMOD)'s 8-country Himalayan University Consortium (HUC). As a part of the UNM-KU MOU, the NSC-UNM has a branch office at KU's School of Management (KUSOM) complex in Balkumari, Kathmandu. This regional office hopes to facilitate academic activities in the region, and ultimately leading to the establishment of a Graduate School of Economics and Public Policy.

Our inaugural HPRC in 2006 was ambitious in ensuring a significant convergence of researchers working on policy relevant issues on South Asia. That foundation work led to consecutive successes in the following years and has now made HPRC a durable annual event. We hope that these conferences, together with research activities performed at NSC and by its research affiliates, will culminate in the formation of an *Association for Himalayan Policy Research*. In recognition of the activities directly

and indirectly supported by NSC, many scholars from North America, South Asia, Europe, the Far East, and Australia have joined this network. Our policy research association will continue to expand this global network of scholars, professionals, and policy practitioners interested in the development of the South Asian region.

The Center is undertaking this new initiative to promote scholarly dialogue on issues with a common theme affecting the three continents -- South Asia, Africa, and Latin America. The International Development and Sustainability --South-South Initiative (IDS-SSI) is a common platform scholars and students, who are doing development-related research in different cultural settings across the globe.

We are grateful to the University of Wisconsin's 41st Annual South Asian Conference for giving us the pre-conference venue. We are also thankful to those who have provided financial support to conduct this conference. We appreciate the help from the staff and graduate students of the Department of Economics, UNM, and the goodwill and support of many friends of NSC. We particularly thank UNM students Naresh Nepal, Dadhi Adhikari and Menuka Karki, and faculty of Washington and Lee University Shikha Basnet for their assistance. Finally, we would like to thank our guest editors Vijaya R Sharma, Jeffery Drope, Mukti Upadhyay, and Naresh Nepal for their help in preparing this issue of *HJDD*. NSC also would like to thank student volunteers from the University of Wisconsin, Surendra Prajapati and Rashesh Shrestha, for their support.

Sincerely,



Alok K. Bohara, PhD
Editor, *HJDD*
Professor, Department of Economics, University of New Mexico

Acknowledgements

The Nepal Study Center and the conference organizing team would like to acknowledge financial contributions being made by various individuals and organizations.

Financial Support

NSC would like to encourage all the friends of NSC to continue their financial support so that it can successfully undertake various tasks: update software, run conferences, produce proceedings, maintain the electronic research repository, provide a platform for virtual e-conferences, and advertise and publish journals (*HJDD* and *LDNB*). NSC is a not-for-profit organization registered under the College of Arts and Sciences, University of New Mexico.

Please send your tax deductible contribution payable to *Nepal Study Center* at the following address: Attn: Ms. Maria Daw Department Administrator II; Department of Economics; University of New Mexico; Albuquerque, NM 87131, USA; Phone: (505) 277-5304; Fax: (505) 277-9445; Email: mdaw@unm.edu. Contact Ms. Daw for any direct wire transfer information.

PAPERS AND ABSTRACTS

A North Indian village that changed, 1954-2010

James Michael Mahar

University of Arizona, USA

What social, economic and cultural changes have occurred in Khaalaapur since 1954 when Cornell and Lucknow Universities conducted a base line study prior to government efforts to effect change?

This study is based on a comprehensive census survey of the entire village carried out in 1954, 1968, 1979, 2001 combined with anthropological observations conducted on twenty visits of three to nine month duration following an initial two year residence. Statistical techniques of microdemography are used to assess changes in occupation, education, fertility, and urban migration.

Most of the community development goals set forth in 1954 have been achieved! This includes land reform, the construction of all weather roads, the multiple creations of schools including access to colleges and ITI institutes, upgrading of medical facilities including regular vaccination programs, the decline in overt discrimination against untouchables, and the education of 80 percent of upper caste women.

An assessment of the forces that contributed to these changes will then be ventured with the hope that other participants will help relate these micro findings to macro issues and policies.

Re-invigorating South Asia by deepening "Look East" policies

Pradumna Bickram Rana

Nanyang Technological University, Singapore

Until the early 1990s, South Asia had isolated itself from the global economy through the adoption of inward-looking development strategies. With post-1990 reforms, South Asia's economic dynamism increased and its economic growth shifted to a higher trajectory. These reforms together with the adoption of "Look East" policies in South Asia and "Look West" policies in East Asia, have also led to early signs of the "re-emergence" of Pan-Asia.

South Asia currently faces two related challenges. The first is to make the recovery from the global economic crisis more durable, inclusive, and sustainable in the "new normal" – slowing growth in the industrial countries and faster economic and demand growth in emerging markets. The second is the slowing pace of the economic reforms that were the key driver of the region's dynamic performance and resilience. Prime Minister Man Mohan Singh, the father of economic reforms in India, was expected to take reforms to the second phase after his re-election in 2009, but allegations of corruption and the ensuing political paralysis have slowed, and in some cases reversed, the pace of reforms. Prominent business leaders have questioned the government's commitment to continue the reform agenda. Accordingly, economic growth has slowed to the slowest in a decade as investors have lost confidence and the rupee is at an all time low.

This paper will argue that one way of re-invigorating South Asia is to deepen its "Look East" policies. Greater trade and investment with East Asia (defined as ASEAN+3) will not only re-energize South Asian economic integration which has stalled at a low level (for political reasons) but lead to greater economic dynamism in South Asia. Deeper integration within the sub-region and economic growth will, in turn, lead to the "re-emergence" of Pan-Asia.

Section II of the paper, will present estimates of quantitative benefits of South Asia-East Asia integration in the areas of trade and investment.

Section III will identify the potential for integration between South Asia and East Asia. This will be done through static analysis by calculating various indices of revealed comparative advantage and trade complementarities. The potential dynamic benefits of linking South Asia to regional production networks in East Asia and global supply chains will also be analyzed. As is well known, manufacturing production networks (or vertical specialization) are a key characteristic of East Asian integration and growth dynamism. So far there has been limited engagement between South Asia and production networks in East Asia. Parts and components that constitute a large amount of trade within East Asia is only a small part of South Asia's trade with East Asia.

Section IV will review and recommend policies to link South Asia to productions networks in East Asia and the world. It will argue that with the first round of reforms, South Asia has reaped the benefits of the low-hanging fruits through trade liberalization. Now there is an urgent need for South Asia to implement institutional reforms and to improve the environment for foreign investors. Data from the World Bank's Doing Business Survey will be used. The paper will argue that with lower tariffs, trade facilitation policies to reduce non-price trading costs (including logistics) have become the more critical determinants of trade flows. Data from the World Bank and World Economic Forum will be used to review logistic costs in South Asia and recommendations will be made to reduce trade and logistic cost between South Asia and East Asia. Trade facilitation is not only a question of logistics, but also of physical integration or connectivity.

Section V of the paper will review progress in improving land connectivity between South Asia and East Asia. The gradual and cautious reforms in Myanmar, which is one node where South Asia meets East Asia, have generated interest in various connectivity projects that have been talked about for some time in the past. The details of the "India-Mekong Corridor" project and others will be presented. The other node where China meets India is Nepal and the potential of Nepal being a land bridge and an economic corridor between the two giants will be discussed.

Inflation and economic growth: A dynamic panel threshold analysis for Asian economies

Vinayagathan Thanabalasingam¹

National Graduate Institute for Policy Studies, Japan

Roberto Leon-Gonzalez

National Graduate Institute for Policy Studies, Japan

Introduction

A sustained high growth rate of output and low inflation are the two main goals of the majority of macroeconomic policies. In recent decades, there has been substantial theoretical and empirical research that investigates the inflation/growth trade-off. The results of existing research have been mixed and studies can be categorized as making one of four possible predictions, based on their findings. The first of these is that inflation has no effect on economic growth (e.g., Dorrance 1963, Sidrauski 1967). The second is that there is positive relationship between inflation and economic growth (e.g., Tobin 1965, Shi 1999). The third is that inflation has a negative effect on growth (e.g., Friedman 1956, Stockman 1981, Barro 1996, Saeed 2007). The last of the four types of studies suggests that the correlation between inflation and growth is nonlinear, and that interaction between these two variables is positive or nonexistent below some critical level, but affects the economy when it exceeds that level (Fischer 1993, Sarel 1996, Khan and Senhadji 2001, Bick 2010).

Objectives

This study investigates whether there is non-linear relationship between inflation and economic growth. To that aim we ask the following research question: (i) Is there a threshold level of inflation above which inflation significantly hurts economic growth in Asian countries, (ii) if there is one, how does this threshold affect Asian growth, and (iii) is the threshold value statistically significant?

¹ 7-22-1 Roppongi Minato-ku, Tokyo 106-8677; Email: phd10205@grips.ac.jp/vinayagamkili@yahoo.com

Data and Variables

We use balanced panel data for 32 Asian countries covering the period from 1980 to 2009². This paper uses two year averages of data to smooth out business cycle fluctuations. Since distribution of inflation is asymmetric in level and our sample includes some negative inflation observations we use a semi-log transformation³, following Khan and Senhadji (2001).

Methodology

We apply the dynamic panel threshold model, as shown by Kremer et al. (2009), where the dependent variable is the GDP per capita growth rate and the explanatory variables are inflation (threshold variable, which is exogenous and partitioned into two: (i) slope with β_1 when inflation is below threshold and (ii) slope with β_2 when inflation exceeds threshold. Other exogenous variables are investment ratio, population growth, trade openness, terms of trade, standard deviation of the trade openness and standard deviation of the terms of trade. The endogenous variable (predetermined) is the initial income. We assume the error term has zero mean and is not serially correlated.

Estimation method

We employ forward orthogonal deviation transformation, as suggested by Arellano and Bover (1995), to eliminate the country-specific fixed effect. All available lags of the predetermined variables, as shown in Roodman (2009) collapsed form instruments method, are used as instruments for them. We use the instrumental variable estimator (two-step procedure) to overcome the endogeneity issue. Next, we estimate the threshold level of inflation using conditional least square method. Finally, the threshold value is selected as the value associated with the smallest residual sum of squares (RSS). Once the threshold value is determined, we then estimate the slope coefficients using the generalized method of moments (GMM). Finally, we test whether the threshold level is significant by linear combination test.

² Since we want to have a balanced dataset and data in some countries is produced with a lag, we only cover the period until 2009.

³ We subtract 1 from the initial inflation when inflation ≤ 1 and take logarithmic for inflation > 1 .

Findings

We observe a nonlinear relationship between inflation and economic growth for 32 Asian countries over the period 1980–2009. We detect an inflation threshold of approximately 5.43 percent, at a 1 percent level of significance. Inflation hurts growth when it exceeds 5.43 percent but has no effect below this level. In addition, several other interesting findings emerge. First, the coefficient of initial income is negative and significant at the 5 percent level which strongly supports the concept of conditional convergence in income. Second, the coefficient of investment has a plausible (positive) sign and is significant at the 1 percent level. Third, a positive relationship exists between the level of openness and the growth rate of GDP per capita. Overall, we find the effect of inflation on growth to be robust to variation in estimation methods.

References

- Arellano, M., O. Bover, Another look at the instrumental variables estimation of error-component models, *Journal of Econometrics*. 68(1995) 29–51.
- Barro, R. J., Inflation and growth, *Federal Reserve Bank of St. Louis Review*. 78(1996) 153–169.
- Bick, A., Threshold effects of inflation on economic growth in developing countries, *Economics Letters*. 108(2010) 126–129.
- Dorrance, S., The effect of inflation on economic development, *IMF Staff Papers*. 10(1963) 1–47.
- Fischer, S., The role of macroeconomic factors in growth, *Journal of Monetary Economics*. 32(1993) 485–512.
- Khan, M. S., A. S. Senhadji, Threshold effects in the relationship between inflation and growth, *IMF Staff Papers*. 48(2001), 1–21
- Kremer, S., A. Bick, D. Nautz, Inflation and growth: New evidence from a dynamic panel threshold analysis, *SFP 649 discussion paper*. 36 (2009).
- Roodman, D. A., Note on the theme of too many instruments, *Oxford Bulletin of Economics and Statistics*. 71(2009) 135–158.
- Sarel, M., Nonlinear effects of inflation on economic growth, *IMF Staff Papers*. 43(1996) 199–215.

Himalayan Journal of Development and Democracy, Vol. 7, No. 1, 2012

Shi, S., Search, inflation and capital accumulation, *Journal of Monetary Economics*. 44(1999) 81–103.

Sidrauski, M., Rational choice and patterns of growth in a monetary economy, *American Economic Review*. 57(1967) 534–544.

Stockman, A. C., Anticipated inflation and the capital stock in a cash-in-advance economy, *Journal of Monetary Economics*. 8(1981) 387–393.

Tobin, J., Money and economic growth, *Econometrica*. 33(1965) 671–684.

Valuing adverse health outcomes against storm damages given the presence of private defensive strategies, public programs, and natural barriers: Evidence from Bangladesh coastal areas

Sakib Mahmud

University of Wisconsin-Superior, USA

Edward B. Barbier

University of Wyoming, USA

Recent studies indicate that as a result of global climate change coastal areas with high population densities and abject poverty might experience more damage to life and property as a result of cyclone and storm surge events [1;2]. A coastal household vulnerable to cyclone and storm surges may also face significant adverse health outcomes from exposure to such storms [1;2]. To protect the health status of its members, a household might decide to invest time and money in different private defensive strategies. However, the incentives to increase private actions to reduce storm-inflicted health outcomes might differ among households because of the expectation of public protective programs [3;4], and the location of the household relative to the coast and natural coastal barriers [5;6].

Given the possible influence of public programs and mangroves on private defensive strategies, our paper is about specific private actions to reduce: a) the likelihood (probability or risk) that a household will face adverse health impacts from a major storm, and b) the adverse impacts, or severity, of any such health outcomes if they occur. The paper is also about whether exogenous influences, such as post-disaster government rehabilitation and relief programs, or the presence of mangroves and human-made embankments, affect these private defensive strategies of a household. To examine these issues, we classified a household's private defensive expenditures into two categories: (1) *self-protection expenditures*, which are actions that reduce the likelihood of storm-inflicted health risks, a form of *ex-ante* prevention *before* the storm event; and, (2) *mitigating activities and treatments expenditures*, which are actions to reduce the severity or magnitude of storm-inflicted injuries or diseases, a form of *ex-post* adaptation *after* the storm event.

To fulfill the research objective, this paper combines a health production function and an endogenous risk framework that allows the estimation of a household's valuation of different health outcomes from severe cyclone-induced storms in the presence of public programs and mangroves. The model is applied empirically to a case study of households' choices on self-protection and on mitigation and treatments to protect against storm-inflicted health problems in southwest coastal areas of Bangladesh, a low-lying densely populated nation most vulnerable to climate change [1;2]. The case study is based on a household survey data comprising 500 households among 35 villages focusing on the aftermath of Cyclone Sidr, which made landfall on 15th November 2007.

Results from the theoretical model leads to possible estimation methods to derive households' marginal willingness to pay for reducing the likelihood and the severity of adverse health outcomes as a result of improved access to public programs and storm protection services of mangroves. One of the novel contributions of our paper in the health and the endogenous risk literature is to show that these marginal willingness-to-pay measures can be derived without the expected utility terms, i.e., they are function of only prices and technological parameters. As a result, the theoretical model can be tested empirically to measure the marginal willingness-to-pay estimates using household survey data.

The empirical results on the full sample of the case study area reveal important findings. First, households that spend more on self-protection are also likely to face more health-related problems. This confounding result might indicate that either there is inefficiency regarding the ways the households reallocate their resources for self-protection or they are simply unlucky by falling directly into the path of Cyclone Sidr. Second, there is a U-shaped relationship between the probability of a household member facing storm-inflicted health problems and its income. This finding suggests that the low-income and higher-income households are more vulnerable to storm-inflicted health risks compared to the middle-income households. Third, the results reaffirm the possible influence of mangroves in saving lives or reducing storm-inflicted injuries. Fourth, there is an inverted U-shaped relationship between the post-Cyclone Sidr income and medical expenditures due to storm-inflicted health problems. This finding implies that once a household member is exposed to a storm-inflicted health problem, the

middle-income households invest more in medical expenses compared to low-income and higher-income households. Fifth, for *ex-ante* public programs, results reveal that the probability of experiencing more adverse health problems from a major storm is higher for those households that live inside the embankment. This outcome is possible since breaches in embankments are common in the study area. Sixth, for *ex-post* public programs, households that received government assistance through public disaster relief programs are more likely to incur storm-inflicted injuries. This finding is logically consistent with the fact that the government usually targets those households that are deemed most vulnerable to natural disasters. Finally, demographic characteristics such as age, and the numbers of females and children in the household have considerable influence on the likelihood of a household facing storm-inflicted health risks, but not on medical expenditures due to storm-inflicted injuries.

Regarding marginal willingness to pay measures for reducing health risks, results reveal that households are willing to pay the highest for improved access to storm protection services of mangroves. This is followed by households' marginal willingness to pay for *ex-ante* public programs such as access to embankments and *ex-post* public programs such as access to public sponsored disaster relief programs. These results are not surprising considering the descriptive analyses of the study which show that storm-inflicted health-related problems are lower in the mangrove-protected areas. It seems from the marginal willingness to pay estimates, households acknowledge this fact based on their past experiences and hence they are willing to pay more for better storm protection services from mangroves. For public programs, we argue that households prefer access to *ex-ante* embankments over *ex-post* disaster relief programs because they put more weight on reducing the likelihood rather than the severity to storm-inflicted health-related problems.

Regarding policy implications, we suggest that the government should collaborate with the local stakeholders to come up with an efficient tree plantation program involving mangroves that can play a significant storm protection role in saving lives and reducing storm-inflicted health-related problems. Moreover, the government should also consider the combination of having both mangroves and embankments in order to protect the latter from breaches as a result of a major storm event. Such a program might have the capacity to save more lives and reduce other storm-inflicted health-related risks. However, considering the uncertainties surrounding the extent of the storm protection role of mangroves from

tidal waves that are too extreme in magnitude [7] and the government's own capacity to protect the coastal communities from intense storm events [2], we think it is justifiable for the government to encourage more collective and individual participation in private storm protection actions. The government should also ensure that these programs are sustainable in the long run taking into account the widespread poverty and limited insurance markets facing the Bangladesh coastal communities.

References

- [1] IPCC (2007), 'Climate Change 2007: Impacts, Adaptation and Vulnerability', Contribution of Working Group II to the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, Cambridge University Press.
- [2] The World Bank (2010), 'Natural Hazards, Unnatural Disasters: The Economics of Effective Protection', The World Bank Publications, November 1, 2010.
- [3] Lewis, T. and D. Nickerson (1989), 'Self-insurance against natural disasters', *Journal of Environmental Economics and Management* **16.3**: 209–223.
- [4] Raschky, P.A. and H. Weck-Hannemann, H. (2007), 'Charity Hazard – A real hazard to natural disaster insurance?', *Environmental Hazard*, 7:321-329.
- [5] Barbier, E. B. (2007), 'Valuing Ecosystem Services as Productive Inputs', *Economic Policy*, **22.49**: 177-229.
- [6] Das, S. and J. R. Vincent (2009), 'Mangroves protected villages and reduced death toll during Indian super cyclone', *PNAS* **106.18**: 7357-7360.
- [7] Alongi, D.M. (2008), "Mangrove Forests: Resilience, Protection from Tsunamis, and responses to Global Climate Change", *Estuarine, Coastal and Shelf Science*, Vol. 76, pp. 1-13.

Coalition formation in climate negotiations: Insights for mountain coalitions

Rishikesh Bhandary

Fletcher School, Tufts University, USA

This paper investigates coalition formation in climate negotiations. By using the Alliance of Small Island States and the Coalition for Rainforest Nations as case studies, a coalition formation model is created to provide the basis for recommendations for the mountain coalitions. After providing the narratives of the two competing models of the mountain coalitions, the coalition formation model is used to identify gaps. Significant areas of convergence exist between the two coalitions and the primary bottleneck lies in taking the work of the technical experts into the negotiating arena. Problem solving workshops can be used to create a common vision to allow the two coalitions to join their efforts. High-level political commitment can anchor the achievements of such an exercise and instill an atmosphere of trust and purpose to help the parties coalesce. Substantive areas for collaboration, among others, can include expanding research and observation of the cryosphere, recognizing rangelands and agricultural lands as carbon sequestration pools, and the role of black carbon. Political groups like the Group of 77 and China can maintain neutrality over issues of interest to some of its members. Formation of issue based coalitions marks greater participation of countries in the climate negotiations while retaining original political alliances.

Wildlife sanctuary ecotourism in Kerala, India: An alternative source of livelihood for resident tribal families

Bill Fleming

University of New Mexico, USA

Jeanie Fleming

Freelance writer, editor and photographer, USA

The Parambikulam Wildlife Sanctuary in the southern Indian state of Kerala was established in 1962 as a reserve and enlarged in 1973 and 1985 to become a 285 square kilometer sanctuary with significant botanical and wildlife habitat. The setting and diversity of animals, including 268 bird species, 39 species of mammals, 61 species of reptiles, 47 species of fish, 16 species of amphibians and 124 species of butterflies, make Parambikulam a tourist destination. Due to its remote location, it has access only through Anamalai Tiger Reserve, a section of Indira Gandhi National Park in neighboring Tamil Nadu. There are no private tourist facilities nearby (unlike parks such as Corbett and Rathambore). The sanctuary itself provides lodging and meals for tourists. Over 47,500 people visited the Sanctuary in 2011-12, with a daily limit of 200 visitors. Private vehicles are limited to 30 per day. The authors visited Parambikulam in the winter of 2011-12 and found it an excellent example of making local livelihood a key component of park management. Methods of data collection included interviews, photo records and field evaluations with tribal guides.

The Sanctuary is home to four indigenous communities with a population of over a thousand. These tribal people were persuaded to sell their grazing cattle in return for alternative jobs in the Sanctuary's operation where 200 are employed. The jobs are dependent on natural resources, reinforcing the importance of conservation. One reclusive tribe participates mainly in animal census taking and wildlife protection. Visitors are required to engage the services of a tribal guide. Tribal people run the food and lodging services with Forest Department supervision. The Forest Department has established seven eco-development committees to direct ecotourism benefits to tribal communities, with activities ranging from trekking and ornithology to cultural performances

and ecosystem protection. The department also promotes natural resource education for visitors and residents. To reduce plastic refuse, plastic bottles are not permitted in the Sanctuary, and bottles of purified water are sold at the entrance with a refund when returned.

Are the conservation successes of Parambikulam transferable to other reserves in India and South Asian countries? Or does the remote location and special circumstances of access make it unique? Are there components of the management plan that could serve as models for other protected ecosystems? Tiger poaching has been a problem in other areas of the country. When asked if tigers are ever killed by poachers in the reserve, a guide was clearly shocked by the notion and replied that it does not happen there. The three dozen or so tigers are so clearly important to the current welfare of the local people that protecting them has become the job of local people who have many eyes and ears in the forest. In July 2012, a proposed tiger reserve in Tamil Nadu was protested by 4,000 tribal people who were not consulted about being moved away from their traditional homes. The government relented.

Key to the Parambikulam plan has been attention to employment of sanctuary residents in varied aspects of eco-tourism, from forest watchers and census takers to jobs involving direct contact with tourists. For example, instead of transporting tourists quickly by motorboat to the Island Nest for an overnight stay, four tribal rowers ferry guests for a quiet hour across the water. Once docked, the rowers ready the quarters then become cooks, preparing the evening meal and breakfast. A tribal guide leads a tour of the island before tourists are taken back to the boat for the return. Each of these trips provides two or three full days employment for five local men. In addition to guiding, tourist-related jobs include numerous kitchen and lodging maintenance staff, tribal musicians and dance performers. A shop at Anappady, managed by tribal people, sells local forest products such as honey and eucalyptus balm. Women as well as men are employed. Such an ambitious plan requires imagination, monitoring and constant refining, but can be effective in protecting the ecosystem, providing livelihoods for the local people, and a rich experience for visitors.

Divisional Forest Officer Sanjayan Kumar was concerned but optimistic about how the ecotourism project would affect the Sanctuary: “No forest is safe when it is opened for tourists, but if we open it in a

controlled manner, we can still achieve conservation objectives. One can't achieve an oasis of conservation in a socioeconomic desert. We have to empower the poor tribal people living in and around the sanctuary who are paying the price of conservation for people in the cities. By providing sustainable, low-intensity eco-tourism we empower the local communities and also involve them in conservation.”

Determining carbon abatement cost through the integration of remotely sensed land cover observations and biogeochemical model

Keshav Bhattarai

University of Central Missouri, USA

Forests and soils are major sinks of carbon. Changes in land use can affect the magnitude of the above and below-ground carbon stores and the net flux of carbon between the land and the atmosphere. This paper estimates the economic returns of carbon abatement through biological sequestration in the forests of Nepal under future REDD policy. Using sequential remotely sensed land cover observations and a biogeochemical model, this paper attempts to estimate the contemporary and future ecosystem carbon trends. The paper applies the General Ensemble Biogeochemical Modeling System (GEMS) and examines how effective carbon sequestration can be through a sustainable forest management approach. This study uses a case example of the Bara district of Nepal for the period of 1970-2010. The land cover changes, especially forest stand replacing events, are detected on 30 randomly located 10 km x 10 km sample blocks laid on the remotely sensed images and are assimilated by GEMS for biogeochemical simulations. For a forest simulation unit, a Monte Carlo process is used to determine forest types, forest age, forest biomass, and soil C based on forest inventory and data analysis and general soil data. Preliminary results suggest that forest may be one of the least cost methods to abate carbon with a breakeven price range from \$0.55 to \$3.70 per ton of CO₂. If local communities are paid this price to protect forest cover, it will provide good incentives to people for sustainable management of forest resources of Nepal.

Impact of climate change on human livelihood and agricultural growth in Himalayan Country Nepal

Shankar Prasad Acharya

Nepal Rastra Bank, Nepal

1. Motivation for the Study

Present-day concerns continue to grow about the adverse impacts on human life of climate change, which includes issues such as increased food insecurities. Climate change has many impacts on the overall ecosystem, directly and indirectly, however its impact on agriculture can be understood to be more direct as it is particularly vulnerable to these changes. Concern about climate change in Nepal may be particularly acute as the result of the observed early symptom of rapidly increasing average temperatures. Partly as a result of these temperature changes, Nepal has recently become a rice importer, where it was an exporter previously. Nepal now faces a food deficit in more than 27 districts in the hill and high hill areas. Productivity and quality of food production is also in question in Nepal as both of them are in deterioration. In reaction to these challenges, farmers are employing excess chemical fertilizer and pesticides, which has led to widespread soil contamination in particular and increasing pollution in general.

Amid this emerging crisis, the proposed paper, seeks to examine empirically over time the relationship between climatic variables such as temperature and precipitation and agricultural gross domestic product (AGDP), while controlling for the use of agriculture inputs (chemical fertilizer, pesticides, improved seeds, irrigation etc). In a paired qualitative analysis, the research will highlight the current trends of human habitat displacement and corresponding efforts at rehabilitation.

Coverage and Methodology

The study utilizes quantitative and qualitative data on impact of climate change and its impact in Nepal especially on human activities and agricultural production. Descriptively, the paper provides time-trend data – 1975-2010 – on the following variables: AGDP, use of agricultural inputs (chemical fertilizer, improved seeds, pesticides, irrigation, etc.),

annual temperature (maximum, average, and minimum) and rainfall. The baseline econometric model that we test is:

$$AGDP = f(\text{rainfall, temperature, agro-inputs, irrigation, } u)$$

For the qualitative analysis, we utilize real field level experiences and secondary references. In particular, we use five cases of village level climate impact and its consequences in order to exemplify the impact of climate change on human activities and life.

2. Expected Results

In the Quantitative Analysis:

Greater use of agro-inputs positively affects AGDP.

Rainfall has a positive impact on AGDP.

Temperature has negative impact on AGDP.

3. Preliminary Descriptive Results

First, from 1975-2010, temperature in Nepal has increased faster than the global average (more than double).

Second, the pace of temperature increase is more rapid in hill and high hill area areas compared to the plains (Terai) area.

Third, especially in the last decade, the displacement of habitat, especially in the Himalayan and Hill Area in Nepal is increasing.

Last, the costs of rehabilitation (financial cost, psychological cost, disorganization of regular life etc) are increasing at both the state and individual levels.

4. Summary and Conclusios

In its conclusion, the paper seeks to raise awareness of issues related to climate change with key stakeholders (government, central bank, other

policy-executing organizations, academia, international organizations, donors, industrial communities, user groups, environmentalists, pressure groups, journalists, general public and others) by proposing policy recommendations and strategies to lessen the negative impacts of these changes. There are few studies of this kind in Nepal; hence it would be a valuable addition to literature on environmental management and climate change as reference material for shaping Nepal's policy and strategy.

Restructuring the state in Nepal: The difficulty of a federal bargain

Andre Lecours

University of Ottawa, Canada

In May 2008, as the country was beginning its democratic transition, Nepali citizens elected a Constituent Assembly (CA) tasked with drafting a federal constitution. Despite all of the major political forces in Nepal being on record supporting federal structures, federalism has proven the most contentious question surrounding the adoption of a new constitution. Indeed, disagreement over the number of constituent units of a federal Nepal was a central reason behind the four extensions given to the original two year mandate of the CA. The fact that federalism has been the most controversial issue in constitution-making in Nepal is particularly meaningful considering the scope and importance of choices facing the CA, whose members have had to decide, among other things, on a system of government, a rights regime, and a judicial system.

Why is the basic design of the federal system proving so problematic in Nepal? In the literature, the origins of federal systems are typically located in elite pacts seeking to create common markets and security arrangements or to provide autonomy to communities with a historical homeland. Not only does neither situation apply very well to Nepal, but the literature is mostly silent on what causes frictions in negotiations over federalism beyond the behavior of maximizing self-interested actors or the autonomist pursuit of a specific historical community.

This paper will draw on historical institutionalism to account for the paradox of the difficulty to agree on federalism in Nepal despite the apparent unanimity between major political parties that federalism is necessary to manage the country's diversity (close to 100 groups are officially recognized) in a democratic regime. It develops three complementary explanations for addressing this paradox.

First, the paper explains that consensus on federalism hides lukewarm support, if not a reluctance, by key actors to build a federal system. Federalism was written into the interim constitution in 2007 when

an uprising in the South of the country (Madhesh) required political guarantees that territorial autonomy would be part of the new framework.

Second, the paper suggests that while some political forces, namely Madheshi parties and leaders of the country's ethnic communities, want federal structures based on ethnic identities, two of the three main political parties (Nepali Congress, NC; Communist Party of Nepal-Unified Marxist-Leninist, CPN-UML) have no history of opposing the state through ethnic identity politics and little appetite for 'ethnic federalism' while the other, Unified Communist Party of Nepal-Maoist, UCPN-M, publicly supports it because of its connection with the ethnic communities but is internally divided over the wisdom of institutionalizing ethnicity through federalism. Hence, disagreement over the extent to which the country's various ethnic identities should be represented in its federal structures makes it difficult to come to an agreement on federalism.

Third, the paper shows that distinct, and sometimes antagonistic, ideas have been featured in the debate over federalism. More specifically, the idea of self-determination, readily associated with federalism by Madheshi parties and leaders of ethnic communities, coexists uneasily with political ideas such as 'national unity', 'sovereignty,' and 'development' that suggest a different, non-ethnically-based, federal structuring. Federalism has different meanings for different people in Nepal, which means that translating the concept into concrete structures, even a basic federal map, falls victim to underlying tensions.

This paper is divided into four sections. The first section poses the question of federalism in Nepal. It explains how federalism came to be part of the constitution-making process and how the various parties support different federal maps of the country, with the key issue being the extent to which the constituent units will represent ethnic identities. This section also queries the literature for insight into the question of the origins of federalism. Facing serious limitations as to the usefulness of this literature in explaining the difficulty in agreeing on a federal map in Nepal, I discuss how historical institutionalism presents great potential for effectively tackling this question.

In the second section, I explain how the federal specification brought to the interim constitution in 2007 was the contingent product of

timely pressures from the Madhesh. As a result, the apparent consensus on federalism is superficial. In the third section, I argue that there is, amongst Nepal's main political parties, much opposition to the notion of 'ethnic federalism', that is, against any federal structuring that would have constituent units become the political communities for specific ethnic groups. In the fourth section, I explain how tensions between different political ideas surrounding federalism further complicate agreement on federal structures. In the conclusion, I attempt to draw some implications of Nepal's experience for theorizing the origins of federalism.

Decentralization and development in India: Issues and challenges

Kaustubha Nand Bhatt

G.B. Pant Social Science Institute, University of Allahabad, India

This paper analyses the possibility of empowering human rights – particularly citizens’ rights to development – by utilizing the process of decentralized development within the broader context of globalization. It examines various contemporary theoretical perspectives of participatory development and social justice. The paper discusses issues concerning the creation of decentralized democratic institutions of development at the grassroots level within the existing constitutional provisions in India in order to erase the adverse impacts of global markets and increase productivity, efficiency and equity. The paper is broadly divided into four sections. In the first section, issues concerning the theoretical perspective of social justice, decentralized governance/development and empowerment are examined. The second section analyzes experiences of development planning and ground results in India. The existing constitutional provisions for initiating a process of decentralizing development at local level and how the state governments have implemented these provisions in practice are highlighted in the third section. Finally, the fourth section is devoted to concluding remarks.

Thus far, decentralization of development has been very slow in India. Numerous varieties of state-sponsored ‘socialism’ may be treated as the basic subject matter of bringing in distributive justice and social development in an economy/society in context. The Gandhian system of Panchayati Raj was visualized for evolving a decentralized economic and political structure with economically self-sufficient and politically self-governing village republics in India. The government introduced the 73rd and 74th constitutional Amendment Acts in 1992 to realize this Gandhian Vision. The acts sought to deliver power to the people and aimed to evolve a true and transparent democratic social order. Unfortunately, most of the state governments until now have failed to create institutions of local self-governments by truly transferring power to them. Only the state of Kerala today presents a fruitful model of social development with high levels of human and social development worthy of being replicated elsewhere. By learning lessons from within such progressive states, the lower-performing states may come forward to improve social justice. In order to ensure the

fully empowered third tier of governments called 'Village Republics' and evolve an effective participatory development and democracy, a complete devolution of power to the grassroots level needs to be put immediately in action.

“Since the Fighting Stopped”: Changing attitudes about development in rural Nepal

Christopher Butler

University of California, Santa-Cruz, USA

In the wake of a ten-year civil insurgency in Nepal, scholars are looking back into the conflict to understand the social transformations influenced by the rise of the Maoist party. Using Stacy Pigg’s three seminal articles on Nepal and development as a baseline, I explore data from 63 surveys recorded in the Jumla Village Development Committee in summer 2009 to understand how the Maoist presence altered rural attitudes about development and the Nepalese government. My data suggest that rural people have shifted from an expectation and reliance on the government and international aid and toward a cooperative and more self-sufficient model of producing change. These findings, I suggest, have implications for sustaining Nepal’s recently-established republic as well as future work dedicated to improving rural livelihoods.

Patronage, politics and administration in Naya Nepal

Sucheta Pyakuryal

University of North Florida, USA

Hostility towards bureaucracy has been a durable feature, especially among political conservatives and economic liberals. They regard bureaucracy as a manifestation of big government and an instrument for governmental interference in the operations of the private sector. All who share this distaste believe that they are faced with some formidable problems through internal contradictions in the democratic political structure, especially created by the role of bureaucracy in it (Etzioni- Halevy, 1983). More often than not, academics and development experts see bureaucracy as a mechanism that acts against the spirit of democracy, a system that impedes the very process of democracy. This deduction has been carried over to comparative administration studies, which have assumed that an apparatus, which has the potential to overwhelm well-developed political institutions of the Western World, is more than likely to completely overshadow those weak, under-developed political institutions of new democracies and hinder their democratic growth. However, the case of Nepal proves it otherwise. Elected officials and not bureaucrats pose a formidable challenge to proper formation and functioning of democratic institutions in the country. According to Zakaria (2007, p. 102), an untempered democracy has the capacity to threaten liberty and constitutionalism. Zakaria's this conclusion rings true in the case of Nepal. The already hollowed bureaucracy, that has undergone various cutbacks due to the advice of international aid agencies operating in the region, totters further under increasing politicization. Efficient, effective and equitable bureaucratic operations are nonexistent. Political spoils have become the norm in the Nepalese bureaucratic system. Aggressive identity-based politics that have infiltrated every branch of government including the administrative branch undermine merit and modernity. In this backdrop, the Nepalese administrative state struggles in its quest for political development.

How has it evolved since the advent of multi-party democracy in 1990? What should be its role in the formation of "Naya Nepal"? How will a fractured, heavily politicized bureaucracy impact the process of

Himalayan Journal of Development and Democracy, Vol. 7, No. 1, 2012

democracy consolidation and constitution building? The paper seeks to answer these questions.

Nepali troubled transition: Some broader patterns

Pramod K. Kantha

Wright State University, USA

The dissolution of Nepal's Constituent Assembly (CA) without delivering a constitution has derailed Nepal's slow political transition and the peace process. This critical rupture in interparty relations is a clear departure from what since November 2005 had become a familiar pattern – a last minute deal at the end of a protracted period of brinkmanship. Although the CA dissolution was the direct result of Nepal's Supreme Court order setting May 27 as the deadline for the CA to either deliver or dissolve, it was the lack common grounds among the political parties on the basic principles of state restructuring – federalism – that pushed them over the cliff.

The end of the CA has amplified Nepal's political uncertainties. The question that looms large is whether Nepal's political parties will continue to work together to deliver a constitution that regularizes democratic process or whether they will drift further apart and endanger the gains already achieved. My paper argues that the basic dynamics underlying Nepal's current political transformations remains unchanged. Cooperation among Nepal's political parties has been the most crucial factor in this transformation. Interparty cooperation among Nepal's political parties and the critical role of Nepal's neighbors are the two linchpins of this dynamics. How will these internal and external factors impact Nepali politics in the new context of CA dissolution? In the following sections, I identify five broader patterns that have set the contours of Nepal's current political transition and then I follow up with brief explanations of the same. These five patterns are (a) interparty cooperation amidst widening participation, (b) confrontation to conciliation and then confrontation again, (c) deepening distrust, (d) assertiveness of the judiciary or judicial activism, and (e) the key role of external actors.

There is only a short history of *serious interparty cooperation* in Nepal. It began in late 1980s and was a driving force behind what now is known as Nepal's first Democracy Movement, which heralded a multiparty system under the 1990 constitution. Soon, however, the political parties drifted apart amidst intense rivalries for power. The Maoist insurgency of

1996 was the severest blow to this new democracy. The assassination of King Birendra in summer 2001, led to fresh attempts by the new King Gyanendra, to push back Nepal's democratic forces, which, in turn, brought the political parties closer.

Historical 2005 Understanding and the CA Elections

The CA elections of April 2008 marked the realization of long delayed historical undertaking for Nepal. Provision for a CA was a major part of the Delhi Accord of 1950 also, but King Mahendra sidelined the CA elections then. The demand for CA elections resurfaced when the Communist Party of Nepal- Maoist declared insurgency; the CA was one of its forty demands. CA was one of the main points on which Nepal's other political parties had to yield to the Maoists to reach the November 2005 understanding to end the Maoist insurgency; this understanding proved a watershed in the interparty cooperation in Nepal. Political parties showed an unprecedented determination to narrow their differences to further Nepal's democratization process. The results were phenomenal. The April 2006 popular movement was a joint effort of all the political parties including the Maoists. It forced King Gyanendra to restore the national assembly that he had been dissolved in October 2002. A sweeping declaration by this resurrected assembly shifted the locus of power from the palace to this assembly and new constitution, including the loyalty of Nepal's military. In April 2008, CA elections were held. The new CA during its first meeting abolished Nepal's monarchy and declared the country a republic. These were bold achievements in a short time, compared to other democratic movements that achieved their goals incrementally, a process known as "democratization on installment plan."⁴ In the rest of this paper, I briefly explain major patterns that have emerged from interparty interactions in Nepal since the 2005 understanding in the hope that they might offer some clue to the likely future scenario.

Nepal's political parties also narrowed their differences on the thorniest issues of federal model and the form of government. In April 2012, the UCPN (Maoist) leaders said that the party was sticking to its revised 10-state model. The NC leaders pushed for the seven-state model. The UML, on the other hand, took a softer stance with its readiness to

⁴ Larry Diamond, Juan J. Linz and Seymour Martin Lipset. "Introduction," in Diamond, Linz and Lipset eds., *Politics in Developing Countries: Comparing Experiences with Democracy* (Boulder: Lynne Rienner Publishers, 1995), p. 44.

consider 7-12 states models.⁵ The dissolution of the CA occurred amidst growing agreement among the political stakeholders over issues that had taken the longest to resolve. The closing of the Maoist combatant camps through integration of thousands of combatants into Nepal Army and through rehabilitation programs and packages for thousand others was indeed a major breakthrough.⁶ By May 15th the political parties announced an agreement on all major issues, including the number of states and a mixed political system with popularly elected President and a Prime Minister chosen by the parliament.

Nepal's case supports a wider recognition in democratization literature of the critical role of "contingent interactions among key political actors" in driving the success or failure of democratization.⁷ Bermeo, for example, attributes the breakdown of democracy to the refusal by a substantial sector of the civilian elites to "compromise or bargain and abide by the outcome of the democratic game." Democracies, she says, are "recreated piece by piece, institution by institution, and the creators are usually old enemies." Nepal's case also vindicates Lijphart's thesis that "consociationalism is possible only when elites understand the perils of political fragmentation."⁸ Studies on Latin America and Southern Europe have compared the consequences of elite settlements with "social revolutions" and underlined the need for more scholarly attention to this phenomenon. Cohen finds deep suspicion between moderate sides of each other's intentions as a key factor that led them to cooperate with extremists and produced the outcome that none of them favored.⁹

⁵ <<http://www.nepalnews.com/archive/2012/apr/apr28/news08.php>> accessed June 20, 2012.

⁶ <<http://www.ekantipur.com/2011/11/02/top-story/how-the-agreement-was-finally-sealed/343092.html>> accessed August 15, 2012.

⁷ Michael Bratton, and Nicholas van de Walle. "Neopatrimonial Regimes and Political Transitions in Africa," *World Politics* 46 (July 1994), p. 454.

⁸ Nancy Bermeo, 1992 "Democracy and lessons of Dictatorship," *Comparative Politics* 24:3, (April 1992), pp. 273-281.

⁹ Youssef Cohen, *Radicals, Reformers and Reactionaries* (Chicago: University of Chicago Press, 1994), pp. 6-7

Confrontation to conciliation and then, confrontation again continue to define interactions between Nepal's political parties. For example, Nepal's non-Maoist parties reached out to the Maoists only after their demand for restoration of popular rule was repeatedly rejected by the King. Nepal's major political parties dismissed the Maoists' strength until they captured a large swath of Nepal's territory and challenged the state, including the democratic leaders. Once the Maoists joined the government in 2007, the governing coalition adopted the same dismissive stance towards others raising demands upon the state for greater inclusion. For example, in 2007, the government faced a strong movement in Nepal's southern plain region by Madhesis for broadening their participation in the state. The government yielded to their demands only after prolonged confrontation that resulted in dozens of deaths.

Despite continuing interactions between the political parties, *deep distrust among the parties* still persists. For example, both the Nepali Congress and CPN-UML leaders keep saying that they cannot trust the Maoists. The differences between the political parties increased in the wake of the CA elections and in the formation of a Maoist led coalition. Deep distrust became once more evident in the last rounds of talks to save the CA when the party leaders blamed each other for the CA dissolution. Cut throat competition inside political parties between rivals for power also delays and derails sensible negotiations.

In the political vacuum left by the incessant partisan rivalry among parties, *Nepal's judiciary* has seized a greater role. The judiciary did not obstruct any of the sweeping measures in the wake of the April 2006 Movement, including the House Declaration stripping the king of most of his powers. Subsequently, however, the government's relationship with the judiciary has suffered. Nepal's judicial leaders have been deeply resentful of the Interim Constitution provision subjecting the appointment of judges to parliamentary hearing and recommendation. The Maoists were especially insistent on parliamentary oversight of the judiciary. The judges have been emboldened to go on offensive against the political establishment in view of both interparty differences and denuding popular approval of political leaders. As noted earlier, the biggest judicial blow to Nepali politicians came from the Supreme Court's order rejecting extension of the CA beyond May 27.

No account of Nepal's political milieu will be complete without including *vital role of Nepal's neighbors, especially India*. Extensive Indian involvement has underpinned each critical decision ranging from the 2005 understanding to government formation. In a rare acknowledgement, the Maoist leader Pushpa Dahal has characterized India's support as critical to the success of Nepal's peace process.¹⁰ In February 2008, Nepal's Madhesi leaders and the mainstream political parties reached an agreement in the premises of the Indian Embassy with the direct involvement of the then Ambassador S. P. Mukherjee. When the Maoist Prime Minister Prachand resigned over the President's decision to restore the COAS overriding the cabinet decision to fire him, Nepali commentators openly noted the non-Maoist parties rallying with India in support of this decision. Rising Indian involvement has also led to expedited Chinese diplomacy in Nepal. Many Nepali observers see the country fast turning into a battleground for influence between major powers leaving less and less room for Nepali political actors to find solutions on their own.

The Future Scenario

Despite all the volatility, Nepal has certainly become more democratic since 2006. Popular sovereignty has become indeed dear to the people. There are many more stakeholders in Nepali politics today than ever before. Grassroots mobilization has never been more powerful. Regions, classes, castes, religious communities are all joining the fray to have their demands/aspirations included in the state restructuring process. Pressure to accommodate diversity has risen across the board. However, the substantial progress made before the CA's dissolution could dissolve under the heat of the new CA elections. This could further complicate and prolong the political ordeal of the Nepalese people.

¹⁰< <http://www.nepalnews.com/archive/2012/apr/apr17/news08.php>>, accessed July 13, 2012.

Inequities in antenatal care in Nepal: An ecological perspective

Arati Maleku

University of Texas at Arlington, School of Social Work, USA

Vijayan Pillai

University of Texas at Arlington, USA

Background

Despite significant improvement in life expectancy (66 years) over time, Nepal is one of the few countries in the world where a woman's life expectancy is lower than her male counterpart's. Lower female life expectancy is a consequence of higher childhood mortality among girls and high maternal mortality. Nepal also has one of the highest maternal mortality rates in the world, estimated at about 850 to 1000 per 100,000 live births. Every year thousands of women die during pregnancy and child birth due to preventable causes. Although availability of routine antenatal care is fundamental in preventing maternal mortality, Nepal has still not been able to successfully launch maternal mortality prevention programs. Literature supports that there is a positive relationship between socio-economic status (SES) and healthcare consumption patterns. While socio-cultural factors play a role in healthcare utilization, poverty is seen as a major determinant of poor maternal healthcare. Access to health services is often cited as a critical determinant of health care use where an increase in distance to the health facility is associated with less use. In addition to access, studies have repeatedly addressed inadequate referral linkages, poor quality care, high out-of-pocket costs for consultations and transportation, high levels of illiteracy, and gender bias as factors that contribute to poor utilization of health care in Nepal. However, these propositions often ignore the ecological and social constraints that either mediate or moderate the relationship between SES and maternal health outcomes.

Purpose

While healthcare consumption is likely to be influenced by both availability and accessibility, access to healthcare could still be constrained due to ecological factors despite affordability. In Nepal, the

rugged terrain adds to this complexity. There are three distinct ecological zones in Nepal- Mountain, Hill, and Terai. Although data suggest a 33 % increase in antenatal care from 2006, disparities exist between these ecological zones. Most doctors, hospitals, and health facilities in Nepal are concentrated in the larger urban settlements, especially in the main towns in the Terai and the Hill districts. The purpose of our study is to examine the relationship between SES and antenatal care across the distinct ecological zones in Nepal with an emphasis on the physical environment as a component of ecological effects on the utilization and consumption of antenatal care.

Data and methods

We hypothesize that the effect of SES on antenatal healthcare is likely to vary significantly across the three horizontal ecological belts: Mountain, Hill, and Terai. Using the 2011 Nepal Demographic and Health Survey, this study examines the relationship between ecological variables and socio-economic variables such as age at marriage, education, income, and family size in understanding the links of health inequities between the ecological zones. Data analysis will be performed by regressing antenatal visits on the selected determinants such as age at marriage and family size, as well as on the control variables, income and education. Regression models will be used to test the assumption and new interaction variables of ecological divisions with each of three independent variables will be constructed.

Results

In progress

Implications

This study is distinct in its systematic examination of the effect of socio-economic variables on antenatal care utilization across the three ecological zones in Nepal. Empirical investigation of ecological context at the macro level and its impact on the use of antenatal care also increases the understanding of individual reproductive behavior. This study has policy implications in the areas of reducing health inequities and filling the service gaps in antenatal care services in Nepal.

Coherence between environment policy and school level curricular processes in Nepal

Parbat K. Dhungana

Kathmandu University, Nepal

The advancement of education has made it critical to address our indefinite problems. At the same time, development and changing social attributes have been creating a negative pressure to our environment. This demands ecological citizenry practices to ensure continuation of our heritage to future generation. Environment education in school has been performing this role to our society. In this regard, this study is focused on assessing the coherence between the national environment policy and the practices of environment education in Nepal. The study begins with the analysis of state policy documents to explore national environment policy and moves on to examining the ripples of environment education practices at the school level. In this process, the study explores the gaps between policy and curriculum and between curriculum and the classroom practice.

The study takes multiple sources of evidence including relevant literature as one major source. This is a case study that examines constructive interpretation of data aligned with qualitative research. The study builds its conclusion on the actions and behavior of core respondents, namely policymakers, curriculum developers, curriculum practitioners and implementers (schools), students, and parents. An important finding of this research is that the penetration of environment education gets shallower at each step of the process from policy formulation to classroom practice. The gaps are relatively wide between policy and curriculum development, and curriculum and classroom teaching. The curriculum evaluation practices are malfunctioning and need to be fixed urgently. The major problem has been a lack of professional expertise in the institutions responsible for managing environment education.

Curriculum development remains weak because of the conventional status quo which also restricts access to new advancements on public education practices. Teachers admit the need for teacher training to effectively deliver the core content of environment education to their

audience. The societal understanding (ecosystem) and expectation have failed to move along with the goals of the national curriculum (macrosystem). The stakeholders believe this is going to neither develop individual awareness nor provide social benefit in the absence of a significant rethinking on curriculum practices and professional development of educators and curriculum developers

Ethnic wage differential in Nepal: The cost of being Dalit

Menuka Karki

University of New Mexico, USA

Alok Bohara

University of New Mexico, USA

This paper analyzes the wage differential between different caste groups for finding whether Dalit, a minority caste group, faces wage discrimination in Nepal. The paper uses data from Nepal Labor Force Survey-I, which is the first multi-topic national labor survey conducted by the Central Bureau of Statistics in 1998 and 1999 and which includes data from all across the country with details of work type and payment basis.

This paper uses ‘Oaxaca Decomposition’ method to find wage differential between different caste groups, keeping the middle caste as the base caste. The results show that there exists wage discrimination for Dalit. The earning differential is the highest for Dalit, when compared among the four caste groups. The 68 percent of earning differential is attributed to the differential due to coefficient. The wage gap between middle caste and Dalit is 0.902 which is around 34 times higher than the wage gap between middle caste and upper caste and is around 3 times higher than the earning gap between middle caste and regional caste. In addition, Dalit has average earning 6.85 Rupees per hour, which is less than the mean earning of the sample 6.88 Rupees per hour. Therefore, we conclude that the wage gap is caused by wage discrimination for Dalit. There is room to explore different reasons of wage discrimination for further research.

Living on the edge: Exclusion of Lesbian, Gay, Bisexual, Transgender and Intersex (LGBTI) population in Nepal

Sadixya Bista¹¹

SNV, Nepal

Background

Most of us are institutionalized to consider “male and female” as the two possible sexes and “heterosexuality” as the only possible sexuality that a person can have. Consequently, lesbian, gay, bisexual, transgender and intersex (LGBTI) persons, who do not fit precisely into the socially constructed categories of sex and gender are bound to suffer various manifestations of social exclusion in both individual and institutional level (Takács, et. al.2008).

In Nepal, with the new democratic polity and pluralistic pretensions, the claim of LGBTI persons has emerged as an expression of what was dormant in the earlier ruling. This has to do largely with changes in socio-political environment of the country of late. The Supreme Court of Nepal on December 21, 2007 declared that all discriminatory laws against LGBTI persons must be repealed by the government and provision be made by the concerned authority for recognition of the human person as not only male or female but also as third gender in terms of citizenship rights based on government documents.

However, despite all the achievements, LGBTI persons are compelled to face marginalization and discrimination and there remains sufficient room for improvements in their lives. There is in fact, much textual evidence that LGBTI persons have been discriminated in the socio-legal sphere even after the historic decision of the court. For example, LGBTI persons are still denied citizenship, passport, their real and exact identity is not recognized and is rejected from accessing usual socio-cultural affairs, daily ritualistic activities and public services.

Therefore, despite of all the achievements progress remains tenuous and LGBTI persons are often stigmatized for revealing identity and are barred from various life enhancing opportunities. Thus, they are socially, politically and economically backward and their access to available life opportunity is very limited. Thus, this paper has made an effort to explore a) their social relationship (individual and institutional

¹¹ sadixyabista@gmail.com

level), b) their access over formal education and employment, and c) the repercussion of exclusion and discrimination on LGBTI persons

Research Methodology

Qualitative methods were employed to collect, analyze and interpret the data. The snowball approach was applied to select participants. In-depth interview, direct observation, case study and documentary evidences were employed to collect data.

Eighteen in-depth interviews were conducted with individuals, who identify as lesbians, gays, bisexuals and transgender persons. Interview protocol was devised to ensure consistency and trustworthiness of findings.

Major participants were those LGBTI persons, who have revealed identity either in media or amongst colleagues in the Blue Diamond Society (BDS). However, emphasis was laid on avoiding any organizational involvement and biasness on participant's response. Participants were treated more as individuals rather than employees / associates of BDS.

This paper addresses issues associated to LGBTI persons, although in part cites evidence that exclusively focuses on lesbians, gays and transgender population. As the LGBTI population may apply a variety of identity labels or no identity labels (Meyer and Wilson, 2009), it was difficult to get hold of people belonging to a single category.

Findings

Understanding of "self" and the "society:" For LGBTI persons, "coming out" is always a daunting process as they position themselves in line with common perception of heterosexuality held by the society. In the beginning, for most of the participants, "self" was reflective of society; but eventually, when they started feeling different than heterosexuals, it was difficult to accept their "self" which contradicted the dominant heterosexual structure. According to Hogg this is the process of depersonalization i.e. shifting the perception of self from being unique toward the perception of self as a member of a social category. In this respect the "Me" becomes a "We" (Thoits & Virshup as cited in Stets and Burke, 1997) i.e. an individual sees herself/ himself as the embodiment of the in-group prototype rather than as a unique individual. Stryker's (as cited in Stets and Burke, 1997) work also highlights that identities exist

within and reflect social structure. Therefore, for majority of the participants identity initially was constrained by social structure.

According to Higgins (1989) self-discrepancy theory, negative emotion results from a discrepancy between one's actual state and one's ideal state. In this respect, those people who are partially open are compelled to have two different statuses, which do not meet at any point. Their inability to live according to their actual state indeed has resulted into negative emotions. The findings indicate that the psychological distress experienced by LGBTI persons were strongly associated with presumed heterosexuality, homophobia, prejudice and victimization.

Family and issues of LGBTI: The study findings suggest that, individuals who decide to "come out of the closet" have to accept uneven ride ahead in terms of discrimination and exclusion from the family and society at large. For most of the participants, coming out meant being the targets of verbal abuse, discrimination and humiliation.

Often, social structure in the society like ours (Nepalese) supersedes individual's interest. Most of the participants opined that because of the societal pressure, parents are reluctant to accept reality of their respective children.

There seemed to be a generational difference in perspectives and attitudes towards LGBTI issues as siblings of the participants were more lenient on the issue of LGBTI than their parents. Therefore, responses from siblings reveal a more accommodating attitude to the prevailing hegemony than their parents.

State and issues of LGBTI: It is evident that Nepal government has made substantial strides towards ensuring equality for LGBTI persons in recent years. Further, the Supreme Court's decision has been materialized in other sectors as well. For instance, in February 2008 Everest Bank Ltd. produced application forms that included the third option of "Others" under the gender category (Yun, 2008). Further, the new three-year National Human Rights Work plan 2011-2014 included sexual and gender minorities' rights program endorsed and published by prime minister's office and ministerial council of Nepal government's. Additionally, in

2011 survey, Central Bureau of Statistics decided to give official recognition to transgender persons (AFP, 2011).

Yet, there remains sufficient room for improvement in their lives. There persists unresolved tension. Regardless of Supreme Court's directive till date, only two female-to-male transgender persons have managed to get the citizenship certificate based on their gender identity. The study findings suggest that LGBTI community expresses a great deal of skepticism about the possibility of positive change, as many closeted still do not have favorable environment for disclosure.

It is apparent that despite of all the achievements the legal status of LGBTI population in Nepal is still ambiguous, with erratic official treatment across the country. However, all of the participants believed that if state initiates to take action against people making homophobic comments, then people in due course would stop discriminating and intimidating LGBTI persons. Hence, state / government is perceived as an influential institution that should have been more responsible in sensitizing LGBTI issues to general masses.

Formal education and issues of LGBTI: The School/College is a central component in virtually every adolescent's life. It is the primary social settings in which friends are made, social skills are learned and self-efficacy is developed (Morrow, 2004). Most of the participants shared their experience of feeling forlorn for not being able to express feelings and interests with peers in the school setting. The study findings further suggest that intense bullying and harassment LGBTI students experience in the school setting has led many to have declining academic performance, increased absenteeism and high school dropout rates.

It was also revealed that those participants, who identify at present as transgender persons have lower educational level than those participants who at present identify as lesbians, gays and bisexuals. For instance, lesbians, gays and bisexuals have managed to have better educational status because they do not need to disclose orientation while acquiring formal education. Moreover, they look like heterosexual male and female in physical appearance and hence do not have many problems in developing social circle amongst heterosexuals. Nevertheless, as mentioned earlier most of them have poor academic records.

However, those participants who identify at present, as transgender persons have not completed high school (School Leaving Certificate equivalent). It was very difficult for transgender students to give up internal feelings, interests and desires. To continue studies, they had to give up their identity and majority of them had given priority to their different gender identity than to their studies.

Dynamics of Employment Status: The findings also suggest that “coming out of the closet” not only means having limited access to educational opportunities but also means having limited access and control over employment opportunities. Participants opined that most of them remain closeted as they have fear of losing jobs due to discrimination and, in addition, they have no legal recourse when discrimination occurs. Further, the very limited range of professional opportunities available to LGBTI persons has compelled many to work as a sex worker.

Also, there are many reported cases of abandonment of LGBT persons from their respective workplaces after the identity was disclosed. For instance, despite having exemplary service records, two of the participants were abandoned from their respective workplaces after the identity was revealed. A lesbian, who was dismissed from the workplace after her identity was disclosed said, “Others (referring to heterosexual) would lose job if they would not work efficiently but we would lose job if we don’t hide our orientation, which has nothing to do with our skills and capability”. Likewise, a female-to-male transgender who was also abandoned from the work place said, “I didn’t lose my job because I was incompetent. Quite the contrary, I worked hard and did my job very well. However, I was fired when the officer discovered that I was a transgender”. Another participant noted, “Instead of being evaluated on the basis of skills and qualifications, LGBTI persons are judged on the basis of sexual orientation and gender identity and are often not hired”.

Conclusion

It is evident that LGBTI persons are excluded from different opportunities at the same time. The disadvantages faced by LGBTI persons are interconnected and not mutually exclusive. Belonging to the LGBTI community means having poor familial relation, limited social contact, less education and fear of being unemployed.

Specifically, the findings suggest that LGBTI persons do not have favorable environment to acquire education and employment of their interest. High school dropout rates, poor academics, many suicidal cases and thought of committing suicide makes it evident that people from the community are not privileged to acquire education of their interest.

The study also indicates that economic independency determines the happier and healthier life of LGBTI persons. But the fear of not getting job with a revealed identity has further exacerbated their condition and restricted many from coming out of the closet. Those LGBT persons who are financially assisting the family are leading life of content but those who are struggling to earn a living, have higher chance of getting involved in an illegitimate activity.

References

- Takács, Judith, Mocsonaki, Laszlo, and Tóth, Tamas P. 2008. *Social Exclusion of Lesbian, Gay, Bisexual and Transgender (LGBT) People in Hungary*. Institute of Sociology, Hungarian Academy of Sciences. Háttér Support Society for LGBT People in Hungary
- Meyer, I. H and Wilson, P A. (2009). *Sampling Lesbian, Gay, and Bisexual Populations*. Journal of Counseling Psychology 2009, Vol. 56, No.1, 23–31. American Psychological Association
- Stets, J.E and Burke, P. J. nd. *A Sociological Approach to Self and Identity*. Department of Sociology. Washington State University
- Higgins, E. T. (1989). *Self-discrepancy theory: What patterns to self-beliefs cause people to suffer?* In L. Berkowitz (Ed.), *Advances in experimental social psychology* (pp. 93-136). New York: Academic Press
- Yun, W (2008). *Not merely Queer*. WAVE. Retrieved from: <http://www.wavemag.com.np/issue/article2755.html>
- AFP. 2011. *Nepal Introduces transgender census category*. Retrieved from: <http://www.google.com/hostednews/afp/article>. Accessed on January 25, 2011
- Morrow, D.F.(2004). *Social Work practice with Gay, Lesbian, Bisexual, and Transgender Adolescents*. Families in society. The journal of Contemporary social services, 85, 91-99

Gender mainstreaming in Nepal: Policy and practices

Bonita Sharma

University of Texas at Arlington, USA

This report examines the efforts undertaken by Nepal for incorporating gender mainstreaming policies and practices in its plans and programs and assesses the overall level of performance in gender mainstreaming and promoting gender equality in the country. The United Nations Fourth World Conference (UNFWC) on women held in Beijing in 1995 adopted a 'Platform for Action,' which called on governments and other actors to promote an active and visible policy of mainstreaming a gender perspective in all policies and programs of their country, so that an analysis is made of the effects on women and men before any program or decision is undertaken. Even though the conference gave no specific guidelines, many countries have adopted national plans for gender mainstreaming.

Nepal has already ratified the 1979 International Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), the 1996 International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Covenant on Civil and Political Rights (ICCPR). However, the country is facing difficulties in successful creation of an inclusive democracy with nondiscrimination, equality, and protection of human rights. After ten years of armed conflict and the popular movement of 2006, Nepal has again committed to address these issues through the preamble of Interim Constitution of 2007. The interim constitution promises to progressive restructuring of the country to resolve problems associated with discriminations on the basis of gender, race, caste and religion. But, the country struggles to attend to these issues fully owing to the absence of a permanent constitution and owing to the ongoing political upheavals. This paper will explore the scope of gender mainstreaming in Nepal and its implications to policies and practices using data from the Nepalese Living Standards Surveys 1996, 2004, and 2010.

Himalayan Journal of Development and Democracy, Vol. 7, No. 1, 2012

HJDD EDITORIAL BOARD

Editor

Alok K. Bohara, Ph.D.
Professor, Department of Economics
University of New Mexico
bohara@unm.edu

Co-editor

Mukti Upadhyay, Ph.D., Professor
Eastern Illinois University
mpupadhyay@eiu.edu

Manuscript Submission Guideline for HJDD

HJDD invites four categories of material.

- *Research Papers* are more extensive 8,000-10,000-word pieces of analysis.
- *Research Notes* are 2,000-4,000-word pieces.
- *Book Reviews* are 1,000-2,000-word discussions of new books.
- *Comments* represent feedback on material that has been published in previous issues.

Manuscripts should be submitted as word attachments.

Mailing Address

Manuscripts should be submitted as word attachments. Please email materials to Editor Professor Alok K. Bohara, Bohara@unm.edu, 505-277-5903, Department of Economics, University of New Mexico.

Format and Style of Manuscript

We encourage the prospective authors to examine the previously published materials in our journal for style guidelines (abstract, references, footnotes, headers, tables, charts). A set of preliminary instructions is given below.

1. Manuscripts should be typed in **Times Roman fonts (12 points)**, double-spaced, on standard 8 1/2" x 11" formatting, using 1 inch margin on all sides. Use American spelling.
2. The front cover page should contain the following information: title of the paper, author's name, and date.
3. Authors' affiliation and current job title should be presented as a footnote at the bottom of the cover page along with the necessary acknowledgement and corresponding address and email.
4. The second page should include an abstract of 100 words, and some key words on a separate line.

5. The third page should begin with the main text of the manuscript. This page should also have the title at the top, but no author's name. This allows us to expedite our blind reviewing process.

6. The **References** should be presented at the end of the manuscript in an alphabetical order. Do not number the references.

Books need to be cited as follows:

Yates, D. (1982). *Bureaucratic Democracy: The Search for Democracy and Efficiency in American Government*. Cambridge MA: Harvard University Press.

Journal articles should be cited as follows:

Bertelli, A.M. and L.E. Lynn (2003). "Managerial Responsibility." *Public Administration Review*, 63(3):259-268.

A reference in the text could be cited in various ways:

According to Douglas Yates (1982, p. 151), the state can weild power to...
...that links policymaking to the democratic popular will (Bertelli and Lynn, 1998).

... and magnitude of substantive delegations (e.g., Bawn, 1995; Epstein and O'Halloran, 1995, 1999).

7. Right before the references, all the endnotes should appear numbered as 1. 2. 3. ... under the title **Notes**. So, avoid putting footnotes on each page.

9. If applicable, appropriately numbered tables and charts should also be provided **at the end** of the manuscripts rather than in the main body of the text. Do not cut and paste tables from the excel or any other statistical software. That is, you must create a table in word. Avoid using the vertical line in a table.

The tables containing titles should be numbered as Table 1. Table 2. whereas the figures and charts should be numbered as Figure 1. Figure 2. Do not use any vertical lines while constructing tables. Titles for tables should appear at the top of the tables, but the figure numbering and figure titles should be given at the bottom of the figures and charts.

10. Do not insert any clipart or box inside the text, and do not use any color. Please use plain text while typing the manuscript.

Format for Revision and Resubmission

When you submit your revised manuscript, you should also submit a cover letter explaining how you addressed the reviewer's points --comment by comment-- by citing the page number, footnote number, and paragraph location where you have made the changes. For example, a portion of your cover letter to the editor may contain:

Referee # 1, comment #1:

"I found the results of the model with GR and VFG interesting. However those results are not well integrated into the text."

Author's response:

The reviewer's comment has been addressed on page 13 (second paragraph) with the line that begins with "The negative effect of GR could be interpreted as" A foot number 5 at the end of the manuscript has also been added to further clarify the seemingly contradictory effect of GR by citing two other similar findings in the literature.

Referee #1, comment #2:

[Referee's comment reproduced.]

Author's response:

[Author's explanation.]

etc..

Disclaimer

We normally do not accept already published articles, and no article accepted for publication will be published elsewhere simultaneously in any form without our knowledge. An excerpt or a survey article based on a *new book* may be considered for publication.