Corruption, Society and Politics in Nepal: a series of discussions

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Introduction

Corruption is a fact of life in Nepal. Defined as “the abuse of entrusted power for private gain”, corruption covers a range of acts from embezzlement and bribe-taking to nepotism and the rigging of contracts. The negative impacts are similarly broad, for corrupt behaviour constitutes a major impediment to the social, political and economic development of the country.

The size of the problem of corruption is demonstrated by a weight of anecdotal evidence from the Nepalese public as well as a number of metrics and studies. The World Economic Forum’s Global Competitiveness Report ranks corruption as the second largest problem for those doing business, behind only government instability. Transparency International’s Corruption Perceptions Index survey places Nepal 116th in the world for perceived corruption.\(^1\) To an extent, the seriousness of the problem is reflected in public debate: political speeches and newspaper editorials often lament levels of corruption and articulate the need for tangible improvements and strong leadership. However, this rhetoric is rarely accompanied by action. Nepal remains ridden with corruption. Politicians have failed to support the anti-corruption movement, which is largely funded by foreign donors, and there is little momentum to suggest that the goal of freeing Nepal of corruption will be delivered any time soon.

Why such failure? One factor may be a general lack of understanding of what corruption actually is, and how it is manifested in Nepal. Studies give us a sense of the size and shape of the problem, but little insight into its fundamental nature and the motives of those involved. They provide data to policy-makers, academics and campaigners, but the usefulness of that data and the likely success of any solutions depends upon a deeper level of understanding. Why are people corrupt? How do changing societal norms impact upon corruption? What is the relationship between political systems and corruption? What is the role of preventative legislation and punishment? And what solutions can be found in international collaboration? These are all questions that demand answering if the Nepalese anti-corruption movement is going to be able to convert passionate rhetoric into policies that bring about meaningful change.

This study is intended to play a role in addressing some of the questions identified above and to explore a number of the key themes in anti-corruption discourse. These will include general debates as well as those that relate specifically to modern-day Nepal.

I have compiled the study based principally upon the insights and opinions of the following individuals, who agreed to be interviewed in February 2014. These six people combine a wealth of experience in various walks of Nepalese public life from business and politics to academia and civil society, and have spent their careers working for a corruption-free Nepal.

- Dr Devendra Raj Panday, former Finance Secretary and Finance Minister of Nepal, member of the Transparency International Advisory Council
- Professor Dr Birendra Prasad Mishra, academic and former Head of the Election Commission
- Mr Surya Nath Upadhyay, former Chief Commissioner of the Commission for the Investigation of the Abuse of Authority (CIAA)
- Professor Kedhar Bakhtha Mathema, former Vice Chancellor of Tribhuvan University and former Ambassador to Japan, South Korea, Australia and New Zealand
- Dr Narayan Manandhar, academic and anti-corruption consultant
- Mrs Ambica Shrestha, businesswoman and former President of Transparency International Nepal

Since this is a study of ideas rather than of personalities I have chosen not to directly attribute quotes to interviewees, thus allowing for free and frank discussion. However, I have nonetheless included a handful of passages taken verbatim from the interview transcript in which an idea or argument was summarised especially elegantly.

Although it is not the intention of this study to formulate solutions for tackling corruption in Nepal, there are nonetheless a number of ideas examined below that may prove of particular use to policy makers seeking to tackle Nepalese corruption from inside or outside government. These are recaptured in a short conclusion.

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1. Why are people corrupt?

“If human beings were guided only by selfishness, we would still be in the caves.”

The most fundamental question is one of motivation: why are people corrupt? Before discussing possible answers to this, it is important to acknowledge two key truths. Firstly, corruption exists to a greater or lesser extent in all human societies. Nowhere can boast of being ‘corruption-free’, for by its very nature corruption is obscure and unknowable. Secondly, there is no classic ‘type’ of corrupt individual: corrupt behaviours have been exhibited by people in desperate economic circumstances and in situations of great wealth, by people from all cultural, caste and social backgrounds. If we add to this backdrop the oft-quoted comment by the British parliamentarian Lord Acton, that “power tends to corrupt, and absolute power corrupts absolutely”, then we are left with the unpromising conclusion that everyone is born corruptible. Whilst at face value this appears a somewhat bleak standpoint, it holds a great deal more reason for optimism than the countervailing argument: that a subsection of society is born irredeemably corrupt, driven by an evolutionary instinct to ensure their own survival. The individuals that I interviewed tended to favour the former interpretation. As one interviewee put it, “10% of people will try to do the right thing, 10% will try to do the wrong thing and the rest will blow in the wind.” In the majority of cases, then, we can see corruption as a result of various external factors. The image of the wind serves as short hand for the influences that can sway an individual: surroundings, situations and the social pressure of one’s peers. Corruption is influenced by both nature and nurture - there are elements of greed and selfishness in most of us, but the ways that these are manifested is dependent upon factors that can be managed and changed. This helps to explain the extent of global corruption as well as its varying character. Furthermore, it suggests that corruption indicates a failure that should be borne not exclusively by the individual, but partly also by the prevailing culture and society.

This conclusion may cause alarm in some quarters, yet it is reinforced by attitudes to other forms of ‘wrongdoing’. Almost everyone would agree that the laws of a country should be obeyed. However, many are broken on a daily basis –traffic laws are an obvious example. Even those who would self-define as honest and law-abiding might break the speed limit without too much concern, for the offence is not widely frowned upon by prevalent attitudes and taboos, the value system of a society. This example emphasises that societal norms may have a larger role in limiting corruption than any innate sense of morality.

“Two factors are necessary to have a corrupt act. One is the opportunity for corruption. The second is the temptation to be corrupt.”

If we accept that the majority of people have the potential to be corrupt, then the decision making process behind a corrupt act - and how it can be positively influenced - becomes of central importance. How can ‘the wind’ discussed above, of social values and influences, be changed? Whilst deceptively simple, the above quote offers a useful summary.
Firstly, there must be opportunity, a situation or interaction where corruption presents a possible solution. This could be any number of things from an official requesting a bribe to an individual having the power to offer a government contract without due oversight or an opaque expenses system that is open to abuse. Since almost everything requires a degree of human discretion, it might seem inevitable that such opportunities will arise. However, intelligent system design and use of technology can help limit the opportunity for corruption.

Take, for example, a problem not unknown in Nepal: a passport-issuing office in which staff are frequently offered bribes to process fraudulent applications. A corruptible official might be tasked with verifying that photographic identification corresponds with the face of an applicant. However, digitising other checks will limit the extent to which staff can circumvent application rules. Other things can be done to limit opportunities for corruption. To return to the example of a passport office, an open-plan layout makes the offering and receiving of bribes less feasible, whilst separating the processes so that customer-facing employees aren’t involved with approving applications further removes the extent to which bribery will be an option. As seen through this rather esoteric example, limiting the opportunity for corruption is a complex challenge with a number of potential solutions. There are no universally-applicable solutions, but thinking about corruption and ways opportunities can be restricted should be a central element of how organisations design their processes and interactions.

However, corruption is also reliant upon a second factor: temptation. As already discussed, the temptation to be corrupt depends on a range of influences – and my interviewees emphasised the importance of culture and context above any innate ‘evil’ or selfishness.

Whether consciously or otherwise, an individual given the opportunity to be corrupt will weigh potential gains against potential risks. They might ask themselves:

- What do I stand to gain in time, money, power or influence?
- How much do I value those gains?

These answers will be balanced against another set of questions:

- What are the chances of being caught?
- If I am caught, what is the likelihood of punitive actions and how severe will these be?
- How much do I want to avoid such punishment?

This decision-making process is central to understanding corruption. The values placed by an individual on both financial gain and positions of influence are closely linked with societal norms and expectations. This is equally the case for the risks associated with punishment, loss of financial or social capital, and public shaming.

How, then, can society ensure arrange itself in such a way that corrupt values are discouraged? This is, of course, a question to which there are no simple answers. However, those that I interviewed tended to place huge importance in equality of opportunity. If citizens feel that society is fair and that they are offered an equal chance of success, it follows that the population in general might feel less inclined to undermine the
rules and laws of society. Furthermore, individuals are more likely to seek an unfair advantage if they feel that they have not been given a reasonable chance to succeed.

The lesson of this chapter - that corruption is best viewed as a deficiency in the value system of the entire society - applies as much to Nepal as any society, and should give confidence to anti-corruption campaigners. Profound change will only come when corruption is a less tempting option, disincentivised by a social context that values the health and wealth of a community, state, or political system above that of the individual. How such values might be encouraged is of course a vexed question, and one which will be explored in more detail below.
2. Values, tradition and society

“The times have changed, the people have changed. People are expecting more of their lives”

The previous section explored the extent to which corruption is intertwined with the values of the individual and, by extension, of the whole society. Since external factors play such a significant role in the decision to commit a corrupt act, it is important to ask what cultural and societal traits have allowed corruption to flourish unchecked. When corruption is discussed in Nepal, it is often seen as a symptom of societal change, an inevitable side-effect of national flux as the country moves away from traditional social structures and into an uncertain future ‘corrupted by modernity’. This claim was made with varying degrees of vehemence by a number of my interviewees and merits closer analysis.

It is undeniable that the last 60 years have marked a period of particularly profound social, economic, political and cultural change in Nepal. This has included the establishment of a republic with a democratically elected government; the opening of Nepal’s borders to allow much greater movement of people, goods, money and ideas; and a movement towards a mixed economy less dominated by subsistence agriculture and relying to a greater extent upon services and international trade. Global technological innovation in transport and communications has meant that people and business are more international: young Nepalese are more likely than ever to leave their family to find work in the Kathmandu valley or elsewhere in Asia and beyond. Furthermore, the goods and services available to an average Nepalese citizen have expanded exponentially and Nepal is more integrated than ever before in global markets and more influenced by foreign cultures beyond the historic ‘big neighbours’ India and China. With a much greater selection of goods and services on offer and an economy based upon cash transactions rather than systems of barter and exchange, Nepalese life is more oriented around money than ever before.

These changes have undoubtedly had a huge range of impacts. Many of these are positive, and one needs only to consider the levels of education and healthcare available to the average Nepalese community to appreciate the advantages of the 21st century. However, some have linked the speed and nature of societal change in Nepal with a growth in corruption. According to this school of thought, the ‘traditional values’ of community-mindedness, respect and law abidance are being lost in modern Nepal, replaced by a ‘modern’ values system which encourages corrupt behaviour. This analysis has some credence, for it is undoubted that 21st century Nepal brings a different set of risks and benefits associated with corruption. There has been an exponential multiplication of potential goods and services available to the average Nepalese person – financial gain is rarely about amassing money for its own sake, but rather as a means for affording more of what is commercially available. The explosion in the reach of television and internet access has driven a wider awareness of material wealth and of alternative lifestyles, which are often presented as glamorous and desirable. It should be of little surprise that many of the older generation in Nepal perceive materialistic attitudes to be on the rise. Furthermore, many of my interviewees judged that, with less static families and communities comes an erosion in the extent to which corruption is disincentivised by social pressure. This has
logical justification: a young person living near their family might be more careful to ‘play by the rules’ for fear that indiscretions might disgrace the family name and damage a carefully built reputation, a store of social capital built over generations. In a more fluid society in which individuals live away from their family homes, such considerations will not be as relevant.

Is this interpretation of events a reasonable analysis or naively nostalgic? The very notion of ‘traditional values’ runs the risk of being patronising, since it can with some justification be viewed as a Western concept associated with small-state societies and tribal cultures. Rarely in Western Europe or North America will the ‘traditional values’ of pre-industrial society be evoked in such a positive light. Furthermore, there are some powerful arguments that cast doubt upon the image of pre-1952 Nepal as some sort of moral utopia.

The most vivid explanation that I heard used the simile of a carcass to demonstrate the evolution of corruption in Nepal. In the African plains a carcass will first be feasted upon by lions and other large predators, which take the prime pieces of flesh. Then come smaller predators, such a jackals and hyenas, followed by carrion birds and finally, by maggots. The parallels made with Nepal’s history are that corruption, and the benefits of taking advantage of the state, were initially the preserve of Nepal’s Rana leaders. The second half of the 20th century saw the rise of middle-ranking bureaucrats who took advantage of their position to cream off benefits. The 21st century, then, has seen a weakening of the political centre and the devolution of power to a broad range of politicians, policemen and civil servants: this process can be described as a ‘democratisation of corruption’ in which the benefits of office are available to a wider section of the population.

“The notion of corruption presupposes that the values and systems of a society are established”

Further strength for this argument may be found in the notion that, in past decades, the language and definition of corruption or abuse of power were not established. A functionary awarding positions of influence to friends and family would be viewed as corruption by our current definition, but was incredibly common 100 years ago and viewed as an inevitable feature of the system: neither laudable nor especially deplorable.

A further argument adds weight to this viewpoint and holds that, from its conception, the Nepalese state has always been fundamentally extractive, with office-holding synonymous with personal enrichment. The Gorkha conquest of what is now modern Nepal was supported by birta, the parcels of land offered to loyal officials or military officers in gratitude for their service. These prizes were public office for private gain, since revenues could be extracted from the land and there was no distinction between tax income and the personal income of the ruling official. The political culture of Nepal is that of an extractive state in which officials abuse their power, which in the first place is gained by virtue of their networks and loyalties rather than individual merit. Possibly, then, despite the undoubted proliferation of material temptation in modern-day Nepal, a form of corruption has been embedded into the political culture for generations.

Additionally, this nostalgic image of traditional Nepali village life can be discredited by noting that, since Nepalese culture is so strongly based upon a rigid system of caste, there has never been a reality of
meritocracy in Nepal. Whilst caste rather than virtue defines one’s position in public life, there is fundamental corruption.

It is not possible to measure corruption with any precise degree of accuracy, and this difficulty is hugely amplified when seeking to measure historic corruption. Therefore, it is impossible to judge whether corruption in Nepal is worse or better now than 50 or 100 years ago, especially since definitions of what constitutes acceptable behaviour are so fluid. What is undoubted is that Nepalese people perceive that corruption is more problematic. This may indeed mean that corruption is more severe and more widespread, however it certainly also indicates that there is greater awareness of corruption and that the problem is more transparent. This is to be welcomed, and the continued movement towards greater transparency provides significant reason for great optimism. The more a problem is understood, the more likely a positive solution.
3. Democracy, politics and government

“When it comes to basic, fundamental knowledge about how to govern ourselves, we are as lost as we were in Aristotelian times”

The previous chapter discussed the interpretation of Nepalese history that sees the ‘democratisation’ of corruption. This encourages a focus upon how corruption interfaces with politics and systems of government. Does the establishment of democracy in a society necessarily mean that a larger portion of the population will access and abuse power? Is democracy well positioned to curb corruption or do authoritarian systems hold an advantage in this respect?

As far as the theory of democratic government goes, my interviewees were unanimous in their belief that democracy is the best way to govern a state and guard against corruption. If we accept that any power can be abused, it is crucial that those with power are held accountable. Democracy, when founded upon a principle of free and fair elections, enshrines a relationship of accountability in which the elected are held to account by the electorate at the ballot box. This ‘people power’ distinguishes democratic systems from tyranny and dictatorship. Theoretically, this ensures that power within a democratic system is held to account and that those guilty of abusing their power will be removed from power at the next opportunity.

Of course, such a system will only ever work if the electorate are able to access the information necessary to make informed decisions. Transparency emerges once again as a critical characteristic of functioning, and corruption-free, democracy.

No system of government is perfect, however. The American President Thomas Jefferson opined that “democracy is slow, cumbersome and inefficient.” Even the staunchest defender of democracy would not contend that it is best suited to rapidity—public participation in the political process inevitably slows things down. This inflexibility is almost always seen as a worthwhile sacrifice for democratic accountability.

“Democracy is very difficult to manage because the people think that democracy is a free-for-all rather than a responsibility”

There is a gulf between the ideal of a democratic system of government and democracy as practised around the world. Just as there was a consensus amongst my interviewees that the anti-corruption movement was best served by a democratic government, so too was there general agreement that democracy as currently manifested in Nepal has plenty of room for improvement. Nepalese government is currently ineffective and slow to achieve change, providing inadequate leadership to the anti-corruption movement and proving unable to drive rapid social and economic development. One expert contended that, as far as corruption is concerned, democracy “has helped to aggravate the situation.” This may in part be down to the sheer multiplicity of parties. In Nepal, any inherent democratic inefficiency is compounded by the composition of the Constituent Assembly: the house comprises representatives from all hues of the political rainbow (from federalists and
monarchists to Maoists and socialists) and therefore often fails to reach constructive consensus, as demonstrated by the continuing failure to draft an agreed-upon constitution.

How can we explain this gulf between theory and practice? The first thing to recognise is that ideal forms of democratic government do not exist anywhere in the world. Even those Western European nations with much longer histories of nominally democratic government are beset by problems including disaffection, civil disobedience, low voter turnout and political corruption. This is not to say that there are not traditions of democracy in Asia too. However, democracy in Southern Asia has often been a cloak worn by authoritarianism, with Pakistan and Nepal in the 60s, 70s and 80s emerging as prime examples. Electoral democracy has rarely been accompanied by institutions and organisations of sufficient strength to serve as a counterbalance to political power. To achieve a more functioning democracy in Nepal, more powerful public institutions may be necessary to provide checks and balances to the executive. The police force, the CIAA and the Electoral Commission are all examples of bodies that might perform such a function.

What positives can be drawn from these observations? One of my interviewees characterised democracy as a process rather than a system, something being consistently updated and altered. Governments can always be more democratic, accountable and effective and democracy as a system is not a cut-and-paste monolith. Perhaps it is best to see democracy not as a panacea but rather as a process of continuous improvement. The problems experienced by Nepalese democracy are unlikely to disappear; rather, new challenges will emerge and it can be hoped that the political system will move incrementally closer to the democratic ideal described above.

In a bid to focus on practical recommendations, I asked my interviewees to propose specific areas in which Nepal could realistically improve. Responses focussed principally upon two areas: the financing of the political process and the behaviour of the political elite.

Running political parties, and especially those with designs on high office, is expensive. The process by which parties and their election campaigns are financed is one with huge potential to be corrupted. Elections, one of my interviewees noted indignantly, should be about ideas, ideology and policy. Too often in Nepal they are about regional, ethnic or caste affiliations, or else the whims of a party’s financiers. This allows the rich to exercise disproportionate power upon the political process. Of course, such an imbalance is a feature of almost everywhere in the world, and yet there is clear scope for regulation that would cap donations to Nepalese parties and require donors to be transparent about their business interests.

Another feature that contributes to an especially cumbersome form of government in Nepal is the lack of party political tradition. Political communication, coalition-building and the art of political compromise are all areas that have been identified as having the potential for improvement: this may have especially been the case as the interviews were conducted in February 2014 against the backdrop of laborious discussions to form a coalition government following the Constituent Assembly elections of November 2013. Rather than pass these things off as inevitable ‘growing pains’ of a young democracy, the people that I spoke to yearned for strong
leadership to drive the formation of effective government, noting that any system is only ever as good as the people within it.

The key message here is that systems and cultures are slow to change. Furthermore, change is not always a positive progression towards a more moral society – rather, it is a mess of measures, initiatives and shifting orthodoxy. Ensuring that change is steered in a positive direction requires dynamic leadership and the willingness to learn from mistakes.
4. Aid, corruption and international collaboration

“You can only make your own policy if you have an autonomous mind, your own head on your shoulders”

The Nepalese economy is reliant on international aid. Therefore, the role of the international community and the way in which nations cooperate is an unavoidably large part of any discussion of Nepalese corruption.

Does aid encourage or limit corruption? A number of my interviewees were critical of the role that aid has played in Nepal since aid agencies and non-governmental organisations (NGOs) began to proliferate in the country in the early 1980s. This criticism is underpinned by a belief in the importance of ‘autonomy of thought’, that there is no universal answer to the problems faced by countries, and any solutions must be specific to the unique cultural and social contexts of any given nation. The best solutions are therefore likely to come from within a country rather than from abroad, and this means that nations such as Nepal need the freedom to experiment, and to formulate their own discrete anti-corruption programmes. This was an issue upon which my interviewees were virtually unanimous. However, much of the aid received by Nepal from overseas has been ‘tied’: given on the proviso that it is used for specific projects or programmes. This impinges upon Nepal’s ‘autonomy of thought’, limiting the extent to which Nepalese people feel empowered to think through problems without being prejudiced in favour of one potential solution or other.

This ties into broader themes of ownership, frequently discussed by scholars of international development. Where project funds are assigned by donors working in concert with local people, it follows that locals are more likely to feel ownership of the project in question and understand the value of the budgets involved. Accordingly, it is less likely that funds will be wasted. Ownership must be bolstered by strong links of accountability, and it is instructive that there was little appetite amongst those that I interviewed for entirely ‘untied’ aid in which money is transferred with no obligation on the part of the recipient to account for its spending. Rather, accountability is crucial. By Nepalese standards, the NGO sector is extremely lucrative and there is more money in the charity and aid industry than in almost any other. Anecdotes of expensive summits in Kathmandu’s most expensive hotels and of lunch meetings in upmarket restaurants suggest a popular scepticism with the way in which aid money has been spent in the past. In any walk of life, being in charge of a large budget without being held accountable for how it is spent is a recipe for corruption. Where there is little oversight or risk of detection, embezzling or misappropriating funds appears a far more attractive option.

There is an obvious solution to counteract the potentially corrupting influence of the NGO sector which is gathering momentum through the work of Transparency International and others, enforcing a relationship of transparency and accountability on both sides of the donor/recipient divide. How this can be balanced with the necessity of providing the Nepalese with sufficient ‘autonomy of thought’ that the country is able to propose their own locally-workable solutions is an issue that requires a broad discussion between donors, NGOs and the Government of Nepal.
5. Beyond the public sector

These discussions have been focussed very much upon the public sector and upon politicians. This is partly a reflection of the fact that, at least in the popular consciousness, corruption in Nepal is the preserve of public servants. However, a problem as multifaceted as Nepalese corruption surely demands a response that relies not just upon the leadership and collaboration of politicians and civil servants, but upon a whole variety of figures and institutions working in concert in all areas of public life.

“Civil society’s role is vacillating”

Civil society can be defined as the aggregate of NGOs that exist to represent the collective concerns and interests of citizens, acting as a watchdog on the political class and the democratic process. Unsurprisingly, given the context of the interviews and their status as members of Transparency International Nepal, all the individuals with whom I spoke expressed a belief that civil society can and will constitute a crucial element of a democratic Nepal and that civil society organisations are of great importance when battling corruption. For democratic governments to be truly accountable to their citizens in free elections requires an electorate that is well-informed on the issues that matter to them. It is all very well noting that democratic governments are accountable to citizens due to the principle of free elections. By lobbying government and researching anti-corruption strategies, civil society organisations such as Transparency International can perform such a role.

However, for civil society to be successful requires that the organisations themselves are energetic and coordinated, and also that government encourages free and open discussion. The need for coordinated anti-corruption action in Nepal was a theme that was returned to again and again in the discussions that I conducted, for if the role of civil society is recognised and valued there may be much greater conviction that such institutions have the power to drive real change.

“The media sometimes talk about this corruption for two days, three days…”

The media also provides a link between the public and the government. Radio and print media, especially, have an extensive reach over the population of Nepal. A media that is free to investigate, communicate without censure and run campaigns is an invaluable watchdog on the powerful and can establish a relationship of accountability between the ruling classes and the voting public.

To what extent is the media's vast potential realised in Nepal? The international non-profit organisation Reporters Without Borders ranks Nepal only 120th of 180 countries for journalistic freedom. Furthermore, the prevailing attitude to the media amongst the anti-corruption experts was that their enthusiasm for anti-corruption was unreliable: a spate of op-eds and exposés would be followed by silence for weeks. It seems a reasonable observation that a problem as insidious as corruption requires a far fiercer focus, and therefore that the media do not adequately fulfil their role as watchdog. At its best, the media is a fearsome adversary to

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the corrupt, and investigative journalism has a fantastic track record globally as a means through which corruption and duplicity have been discovered and publically exposed. The lack of rigorous investigative work undertaken by the Nepalese media corps is indicative both of a failure on the part of the media and of a failure of government to provide a safe space for discussion.

“The private sector is always held hostage”

Around the world, and especially in those countries especially those with more developed financial and banking institutions, the private sector is often associated with corrupt practices. This seems not to be the case in Nepal. Rather, business and enterprise are more commonly seen as a victim of government corruption and of obstructive regulation. Nepalese businesses hoping to conduct their affairs smoothly and quickly will often have to factor the likely costs of paying bribes to corrupt officials into their budgets. This undoubtedly impedes economic development in the country, a situation that disadvantages the whole of society from low-skilled employees to chief executives. Yet it is too simplistic to characterise the private sector as the guileless victim of a cruel system. Bribery can only be perpetuated if there are people willing to give, and for systems to change will require principled stands by those being held to ransom by bureaucratic corruption. Clearly, a culture exists in both the public and the private sectors in which bribery is seen as a legitimate means through which to achieve goals.

As I have shown here, the discussions that I had covered a range of fields beyond the public sector. However, despite the gulf between the roles of civil society, the media and the private sector, one key theme emerged. This was the need for greater coordination, both within and across sectors. Non-governmental actors tend to be far more influential if they can build a coalition around an area of common interest, and Nepal has great scope for improvement in this regard.
6. Law, legal frameworks and regulation

In the introduction I noted the central role played by the law in disincentivising corruption. Legislation that strongly condemns corrupt behaviour and is stringently applied and supported by clear punishments can be an incredibly useful tool.

Conversely, slack or poorly formulated laws, backed up by inadequate punishment or inconsistently applied, will be detrimental to any anti-corruption efforts.

“It is only by people, and not by law, that these things can be controlled.”

The size of perceived corruption in Nepal compared to the relatively low numbers of corruption-related convictions suggests that legislation does not currently play an optimal role. Certainly, this is the perception of the individuals with whom I spoke, with the most common criticism being the extent to which laws are imperfectly applied: “there is one rule for the higher-ups and their families and one rule for everyone else.” However well a law is drafted, it is meaningless unless it is implemented fairly and consistently by the police and the judiciary. This ties into the argument introduced above - that a society perceived as unfair is more likely to produce citizens who feel that cheating the system is acceptable.

Another, perhaps secondary, role played by laws and regulations is to limit the opportunities for corruption in the first place. A regulation that, for example, requires a publicly-elected official to declare their assets and interests strongly discourages corruption and puts into the public domain the information with which an official can be held to account if they begin to abuse their post. There remains, however, a vexed question as to how much anti-corruption regulation is desirable. Anecdotal evidence as well as the Global Competitiveness Report suggests that much corruption in Nepal stems from over-regulated processes, with unnecessary regulations rendering interactions with state officials or government departments cumbersome and frustrating.\(^3\) Inflexible processes that cause undue strife to citizens are perhaps more likely to result in attempts to circumvent the rules, and my interviewees were especially critical of the licensing-issuing sections of Nepalese government.

Any solutions are, of course, difficult to implement. The ideal framework mixes tight and loose: ‘tight’, strict regulations to prevent grand corruption and eliminate loopholes matched with sufficient ‘looseness’ and flexibility that processes are swift and user-friendly.

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7. Conclusion

Corruption in Nepal is complex and intractable. There are few easy solutions, and this study has raised and discussed a wide range of corruption-related issues whilst avoiding suggestions of practical use.

Nonetheless, there are a number of key lessons that emerged from my interviews which should be considered by those interested in anti-corruption in Nepal. These are not intended to be exhaustive, but rather to inspire further discussion and activism.

Firstly, and perhaps most importantly, there was an overwhelming note of optimism. No one felt that the Nepalese situation was hopeless or beyond repair. If one concludes, as I have above, that any individual or culture has the potential to be corrupted, then the reverse also applies. Government or NGO funded programmes aimed at promoting values of integrity have met with mixed success, and yet such initiatives – if adequately supported by legislation and strong leadership – are surely crucial. Improvement is always possible, and fatalism serves no one.

Secondly, accountability continually emerged as a central theme. Whether discussing politicians, those enforcing the law or those running donor-funded programmes, my interviewees were unanimous in their conviction that transparent budgets and processes are crucial in that they allow for a relationship of accountability. Transparency should not be a goal for its own sake and should rather be aimed at strengthening oversight, which might be exercised by a variety of agents, from the electorate to NGOs.

The final point that should be emphasised is the importance of leadership and of coordination. Any movement requires vision and a group of strong figures able to lead by example and question the status quo. Such individuals must be able to demonstrate their absolute integrity. Of perhaps greater importance is coordination between the various fragmented parts of the anti-corruption movement. If voices from government, the public service, the media, civil society and the private sector are able to speak as one, their message will carry far greater weight.