

By Surendra Phuyal*

That question is asked by all in the Himalayan nation — everyone from international visitors, who have to deal with bribe-taking officials right at Kathmandu's international airport, to the hapless citizens of this country of approximately 30 million.

In July 2009, Nepal's anti-graft body, the Commission for the Investigation of Abuse of Authority (CIAA), came up with a smart idea to discourage staff at Kathmandu's international airport from taking bribes. CIAA suggested top officials at the Civil Aviation Authority of Nepal (CAAN) make "pocketless" pants mandatory for all staff.

The suggestion came after widespread reports and complaints by airline passengers about petty corruption, such as bribery and theft, by staff of CAAN, various airlines, customs and immigration, and even by security personnel posted at the airport. CIAA's pitch made international headlines, but it seems the plan served only to make a mockery of Nepal's corrupt officialdom. The suggestion even prompted CAAN officials to discuss the idea, but they failed to come up with a concrete plan of action.

The result: The "pocketless" pants are nowhere to be seen, complaints from airline passengers haven't stopped and bribery continues at the Kathmandu airport, if reports in local media are accurate.

Pervasive Corruption

Nepal has the dubious distinction of being one of the most corrupt countries in the world. Corruption — from petty to grand — is endemic here. In recent years, Nepal has fared terribly in global indexes of transparency, accountability and corruption. For instance, in Transparency International's (TI) 2008 Corruption Perceptions Index, Nepal scored 2.5 out of 10 (down from 2.7 the previous year).

Like the Kathmandu airport, customs, immigration, land-revenue, transportation management and police departments across the country continue to have a bad reputation. They are considered hotbeds of often petty — and at times heavy — corruption.

TI's 2008 index ranked Nepal as the country with the fourth highest level of corruption among the eight members of the South Asian Association for Regional

Cooperation (SAARC). Overall, Nepal ranked 124th out of 180 countries included in the report.

Bribery and corruption have been thriving for years in key offices responsible for Nepal's public service. And that culture is showing no signs of changing for the better, despite the ground-breaking "revolution" and political changes that have swept Nepal in recent years.

After rebel Maoists joined the 2006 peace process, a 601-member Constituent Assembly (CA) was elected in May 2008. The CA, which doubles as parliament, abolished the centuries-old monarchy: The kingdom was gone and the Federal Democratic Republic was born. The CA is currently working to prepare the new constitution of "New Nepal."

Transitional lethargy

Many experts following Nepal's on-again-off-again anti-corruption drive think the country's transitional issues and never-ending political instability have sidelined the drive against corruption. In the words of Aashis Thapa, executive director at TI Nepal, "The messy transition has put the drive to fight corruption on the back burner. It's a classic example of transitional lethargy."

That's the main reason why, many experts agree, Nepal has neither improved its corrupt image nor prospered on other socioeconomic development and transformation fronts in recent times. "As far as an anti-corruption drive is concerned," says Kedar Khadka, director of the Good Governance Project at Pro-Public, a Kathmandu-based nongovernmental organization, "political will is lacking and the progress made so far is very discouraging."

Other pundits point out that politicians, including CA members, have shown "absolute insensitivity" to the drive against corruption, and haven't even talked about signing the United Nation's Anti-Corruption Convention.

Some Action

CIAA officials say things are improving when it comes to fighting petty corruption in government offices and to investigating irregularities in major construction projects. Bed Prakash Siwakoti, a commissioner, says that since the CIAA has warned everyone against corruption, things are gradually changing.

“People think twice before taking bribes these days,” he boasts, giving examples of ongoing investigations into several suspected cases of financial irregularities or lack of accountability in government offices.

This year alone, CIAA says it has initiated legal action against 1,000 civil servants as well as senior Nepal army and police officials who failed to submit their personal property details by the stipulated deadline. CIAA adds that it has also exposed several cases of irregularities in a number of ongoing infrastructure development and construction projects.

Since 2002 and 2003, CIAA has brought about 600 cases against corrupt politicians, officials and businessmen, Commissioner Siwakoti says. Those charged in recent times include former Prime Minister Girija Prasad Koirala, who, CIAA claims, had a role in a notorious airplane leasing deal for the state-run airlines. The deal was hammered out almost a decade ago and two years ago, a special court acquitted him.

Many big shots, or so-called “tall figures,” in Nepalese politics, including Vice President Paramanda Jha, a former judge, have faced corruption charges in the past. But few have received legal punishment.

CIAA officials claim they have succeeded in about 85 percent of the corruption charges filed in the special anti-corruption court. But Pro-Public’s Khadka challenges the claims, saying that CIAA has succeeded in a much lower number of cases. “In most cases, CIAA has lost; it’s a pathetic situation,” he says.

Waning faith

Experts and officials watching the country’s anti-corruption drive blame the culture of impunity and widespread politicization as the major factors weakening Nepal’s fight against corruption.

“In a country where corruption is culture, corrupt people are never frowned upon or boycotted by society. What can you expect?” asks Bikash Thapa, a journalist covering development and infrastructure.

That Nepal’s politicians and rulers have ignored the anti-corruption drive becomes clear from the state of the CIAA, which has remained without a chief commissioner for a long time. That attitude, experts think, is one reason why CIAA has faced so many humiliating losses in the special

court. “The situation has gotten so bad that few people have faith in CIAA or its anti-corruption drive today,” says Pro-Public’s Khadka.

Nepal’s drive against corruption took an interesting turn recently. On July 31, 2009, Prakash Tibrewala, considered one of the biggest defaulters on the country’s foreign-exchange laws, was arrested in a village near Kathmandu. Three years ago the District Court found him guilty of misappropriating US\$600,000 while procuring medical equipment from abroad, but he fled and hadn’t been punished.

Given corruption in virtually every sector of Nepal society, that’s an unusual case, experts say, but they add that the government needs to do much more to crack down on corruption. As TI’s latest study points out, the dealings of most of the political parties in Nepal are not transparent.

Even the former rebel CPN-Maoist party, the largest party in the CA, has failed to maintain a clean image when it comes to financial discipline, transparency and accountability. The party faces accusations of using dozens of cars and SUVs allegedly stolen by thieves in neighboring India.

Maoist leaders deny the charges. But several Indian media reports suggest that hundreds of cars stolen in India were, and still are, being sent to Nepal using various covert roadways.

The worst news, perhaps, is this: The CA — which is drafting the country’s new Constitution — is trying to rid the CIAA of its constitutional status and to reduce it to a mere department, requiring it to be accountable and answerable to the Auditor General before bringing any case against anyone in the special anti-corruption court.

Dismayed by that development, a former CIAA commissioner, Surya Nath Upadhyay, wrote in a recent issue of the *Republica* newspaper, “The forerunners of the anti-corruption movement were hoping that some improvements would be made in the new Constitution, but their hopes have been completely dashed. If the CA members want to reduce the CIAA to an investigative department of the police ... better do away with it. Now you can have a free ride. Congratulations.”

**Surendra Phuyal is a Kathmandu based reporter who contributes daily news and analyses to international news organizations, including columns for The Kathmandu Post*

newspaper in Nepal. He was an Alfred Friendly Press Fellow in 2003 and a Spring Jefferson Fellow in 2007.