



STATE OF INCLUSION IN PUBLIC ENTERPRISES AND CORPORATIONS

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BACKGROUND

In 2006, when hundreds of thousands of Nepalis joined what was described as the April Uprising, they were not just demanding political changes but also reforms in the ages-old structure of the State. They wanted to end the absolute control of the so-called upper class Brahmin-Chhetri caste groups over the State, turn it into an institution inclusive of all castes, communities, regions and gender groups.

Propelled by that public uproar, the post-uprising government finally adopted an inclusive policy, reserving seats for women, Dalits, Janajatis and backward communities in the bureaucracy. As a result, Nepal's civil service is now much more

inclusive than it was a decade ago. People from marginalized, excluded and backward communities are now finding their way into the system.

However, this widely-appreciated inclusion policy is yet to be adopted by various Public Enterprises, Authorities and Corporations. These state utilities are either fully or partially owned by the State. Nevertheless, these institutions have blatantly disregarded a policy adopted by the state itself. Despite being in operation for decades, most of these organizations have always been dominated by a few privileged caste groups. Never have they made efforts to accommodate women, Dalits, Janajatis and other marginalized communities.

Most of these state utilities are rooted across the country, and play an important role in the national economy. As they fall under the ambit of various ministries, and their boards are filled with political appointees, it would be logical to expect them to follow the government's inclusion policy. But they have not. And what is more upsetting is that there is not much anger against these state utilities for not being inclusive in line with the government's own policy

CIVIL AVIATION AUTHORITY OF NEPAL (CAAN)

The CAAN was known as the Department of Civil Aviation when it was formally established under the then Ministry of Work, Communications and Transport in 1957. The Department was transformed into an autonomous authority, which became known as the CAAN after Civil Aviation Policy 1993 was promulgated.

As the regulator of civil aviation as well as the service provider in the areas of air navigation services and aerodrome operations, the CAAN is one of Nepal's major state utilities. It is governed by a board headed by the Tourism and Civil Aviation Minister. And the secretary of the Ministry for Tourism and Civil Aviation is the Member Secretary of the board, which also includes a representative

Ethnic clusters	NOC	NIC	GS	NEA	NRA (Advisory)	NRA (Executive)	NA	NTC	GS	CAAN	NWSC	SP	NA	Total
Women									1		3		3	7
Dalit														0
Janajati Newar	1	1				1				1				4
Janajati other	1			2	1		2			1	1	1	2	11
Madhesi		1		1	2	1		1		1	2		1	10
Tharu			1								1			2
Muslim														
Khas Arya Brahman	3	6	6	4	5	5	6	2	5	5	8	6	8	69
Khas-Arya other														
Backward Region	2		2		3						2			9
Total	7	8	9	7	11	7	8	3	5	8	16	7	11	

NOC : Nepal Oil Corporation

(Advisory Board)

GS: Gorkhapatra Sansthan

NIC: National Insurance Corporation

NRA: National Reconstruction Authority
(Executive Committee)

CAAN: Civil Aviation Authority of Nepal

GS: Guthi Sansthan

NA: Nepal Airlines

NWSC: Nepal Water Supply Corporation

NEA: Nepal Electricity Authority

NTC: Nepal Telecom

SP: Sajha Prakashan

NRA: National Reconstruction Authority

NA: Nepal Academy

of the Ministry of Finance as its member. The government appoints four other board members – one from tourism sector, one as an aviation expert, one representative of Nepal Airlines and one representing private airlines.

Of the eight CAAN board members, there is one Newar, one Janajati and one Madhesi (12.5% each). The remaining four board members belong to the hill Brahmin community (62.5%). There is not a single woman or Dalit. The board is not inclusive at all, and the way it is composed is unlikely to ensure inclusion even in the future.

NEPAL OIL CORPORATION

Established in January 1970 by the Government of Nepal as a state-owned trading company, Nepal Oil Corporation (NOC) deals with the import, transportation, storage and distribution of various petroleum products. It has set up regional offices in each of the five development regions, and has employed more than 600 people. The NOC is managed by a Board of Directors, which formulates policies and programs.

The Board is chaired by the Secretary of the Ministry of Supplies, and has a joint secretary of the ministry and representatives of the Ministry of Finance, the Department of Commerce and Supply Management, Nepal Bureau of Standards and Metrology and the NOC trade union as

its members. The NOC General Manager is a member of the Board. In this seven-member board, there are 3 Khas-Arya Brahmin, 2 Khas-Arya Chhetri and two Janajatis. Khas-Arya Brahmins and Chhetri occupy 70% space in the board. There is not a single representative of women, Dalit, Madhesi or other marginalized communities.

The NOC management guidelines are silent about the state's policy of inclusion. But there is one woman in its eight-member management committee.

NATIONAL INSURANCE CORPORATION

The National Insurance Corporation was established to boost the economy by raising capital and mobilizing internal resources. It was originally founded as a private company, but was transformed into a state-owned utility when the National Insurance Corporation Act 1968 was promulgated. Its chairman is appointed by the government, and its board members are representatives of various government bodies.

This corporation is also not inclusive. In its eight-member Board of Directors, there is one Janajati (12.5%) and one Madhesi (12.5%). The rest six members belong to the so-called upper-caste hill Brahmin-Chhetri community (75.5%).

GUTHI CORPORATION

Guthi was an integral part of Nepal's social and economic activity in the early modern era. But even today, it is an important socio-economic institution. In the Kathmandu Valley, Guthis are responsible for managing and preserving temples, shrines and social properties as well as carrying out religious festivals. Guthi is a social trust with a fund donated by philanthropists, and uses this money to conserve tangible and intangible heritage sites.

The government has developed a corporation to oversee and support all Guthis. Like other state utilities, it is also run by a board that comprises representatives of the Ministry of Home Affairs, the Ministry of Culture, the Department of Land Revenue and other government bodies. Eight of its nine board members belong to the Khas-Arya Chhetri-Brahmin community. There is just one Tharu in the name of inclusion, who makes only 11% of the board members. Brahmins and Chhetris make up for 66.66% and 22.22% of the board members respectively. There is no representation of women, Dalit and other marginalized communities.

NEPAL ELECTRICITY AUTHORITY

Established in 1985, Nepal Electricity Authority is responsible for generating, transmitting and distributing adequate, reliable and affordable power in Nepal. This state-owned corporation plans, constructs, operates and maintains all generation, transmission and distribution facilities in Nepal's power system.

The NEA has established branches and stations in most of Nepal's 75 districts. Its Board of Directors is led by the Secretary of the Ministry of Energy while other members are from the Ministry of Finance as well as from among consumers and experts. Like other state utilities, its Board of Directors is also not inclusive, with four of the total seven members belonging to the Khas-Arya Brahmin community. There are two Janajatis and one Madhesi. While Khas-Arya Brahmins occupy 57.14% of seats in the board, Janajatis and Madhesis get 28.57% and 14.28% seats respectively.

NATIONAL RECONSTRUCTION AUTHORITY

Nepal Reconstruction Authority (NRA) was established in the aftermath of the devastating April-May earthquakes in 2015. It is a largely autonomous agency responsible for coordinating all the post-earthquake reconstruction projects. The NRA doles out housing grants for those whose homes were destroyed by the earthquakes, rebuilds public infrastructure and relocates the quake-affected human settlements.

The 11-member advisory board of the NRA is headed by the Prime Minister, with the main leader of the main opposition party being its Vice Chair. There is one Janajati and one Madhesi, but there is no representation of other marginalized communities. The NRA also has a seven-member executive committee, where there is one Janajati and one Madhesi while others are Brahmins. While Khas-Arya Brahmins make up for 71.42% of seats, Janajati and Madhesi occupy 14.28% and 14.28% seats respectively..

NEPAL AIRLINES CORPORATION

Nepal Airlines Corporation is the national flag carrier of the country. Launched in 1950, the airlines operates domestic and international flights. It runs branches in the districts where it operates flight service.

The airlines' board of directors has just two Janajatis. The remaining six members are Khas-Arya Brahmins. While Brahmins occupy 75% of the seats, Janajatis are only in 25% seats. There is no representation of Janajati, Madhesi and other marginalized communities.

NEPAL TELECOM

Nepal Telecom is the state-owned telecommunications service provider. It also advises the government on formulating policies to develop Nepal's telecommunications sector. It was a state monopoly until a private company began telecommunications service in 2003. Its board has just three members. Of them, two are Brahmins while one is Madhesi

GORKHAPATRA SANSTHAN

Gorkhapatra Sansthan, partially owned by the State, publishes Nepal's oldest newspaper *Gorkhapatra* apart from other publications like *the Rising Nepal*, *Muna*, *Yubamanch* and *Madhupark*. One of its five directors is a woman while the rest are male. But all the five members belong to the Khas-Arya Brahmin community, including the only woman member. There is zero per cent representation of Dalits, Janajatis and other marginalized groups. The publishing cooperation is governed by an independent act, which does not have provisions for inclusion.

NEPAL WATER SUPPLY CORPORATION

When it was established in 1973, it was known as *Pani Adda*. It took on several other names before it became known as Nepal Water Supply Corporation. Today, it runs offices in 20 cities, is responsible for addressing water needs of a large chunk of Nepal's urban population.

Its board of directors is chaired by a government appointee. The Nepal Water Supply Corporation Act 1990 has a provision requiring appointment of at least two women members in the board. It is a reason to rejoice, especially because other state-owned enterprises do not have such policies. However, even this act does not make it mandatory for inclusion of all communities.

The NWSC has a bigger board as compared to other state utilities, with as many as 16 members. Of them, three are women while 13 are men. Caste and ethnicity wise, it has 10 Khas-Arya, one Tharu, two Madhesis and one Janajati. The remaining two members from the Ministry of Health and the Siddhartha Municipality have not been named. Khas-Aryas occupy 62.5% of seats and the remaining positions are divided among Madhesi (12.5%), Janajati (6.25% and Tharu (6.25%).

SAJHA PRAKASHAN

Sajha Prakashan is a century-old publication house owned by the state, and falls under the jurisdiction of the Ministry of Education. This service-oriented corporation promotes Nepali language, literature and arts. It has 27 branches throughout the country, where 288 people are employed. Apart from publishing literature books, it publishes and distributes school textbooks.

All the seven members of its board of directors are male. Ethnicity wise, there is one Janajati (14.28%) and others are Brahmins (85.71%). Four of the seven members are appointed by the government while the rest are chosen from among shareholders. The act governing Sajha Prakashan has no provision for inclusion, and the government is also indifferent to this principle while

NEPAL ACADEMY

Nepal Academy is mainly responsible for promoting literature, culture and art, but also supports philosophical and sociological researches. While the academy is governed by a 36-member assembly, it is managed by an 11-member council. Members of these assembly and council are called

academicians, who are appointed by the Prime Minister based on the recommendations made by the Ministry of culture.

Of the 11 academicians who are responsible for managing the academy, only three are women. Ethnicity wise, there are two Janajatis (18.18%) and one Madhesi (9.09%). Others belong to the Khas-Arya community (72.72%).

CONCLUSION

It has been more than a decade since the government introduced a policy to ensure inclusion of women, Dalits, Janajatis, Madhesis and all other marginalized communities in the bureaucracy. As a result, the bureaucracy is becoming increasingly more inclusive. But that state policy has made no dent on the enterprises full or partially owned by the state. All of the 12 major Public Enterprises, Corporations and Authorities studied for this article have disregarded the state policy of inclusion. As high as 80% of the board members of these state utilities belong to one caste group: Khas-Arya Brahmins. Only 15 % of positions are divided among other marginalized communities. A closer look at the very few positions grabbed by underprivileged communities shows an even more sorry state of inclusion in our state utilities. Most of the marginalized people who are lucky to be in the boards of these state institutions are privileged men from Janajati and Madhesi communities. There is no representation of Dalit. Very few women have found space. Nepal is an ethnically diverse country, but that does not reflect in the compositions of the governing boards of these state utilities.

RECOMMENDATIONS

- *Since these Public Enterprises, Corporations and Authorities are fully or partially owned by the State, they should also adopt the government's policy of inclusion.*
- *In the name of inclusion, only about 15 per cent of these board members belong to Janajati community. But most of these come from Newar or other privileged Janajati clusters. So it is important to ensure that underprivileged Janajatis find space in these state utilities.*
- *There is zero percent representation of Dalits. So it is important to introduce a special policy to include Dalits in these state utilities.*
- *Women's status is not better either. There are a few women members in some state utilities. But they all belong to the same dominant Khas-Arya community. It is important to ensure that women from all ethnic communities are represented.*

-Laxman Darnal is a journalist