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## Review of 'Looking at Development and Donors: Essays from Nepal' by Devendra Raj Panday

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[A] timely and relevant exploration of the political and legal dynamics surrounding the writing of Nepal's 1990 constitution.

**Dannah K. Dennis on *Constitutional Nationalism and Legal Exclusion: Equality, Identity Politics, and Democracy in Nepal***

passages of the 1990 constitution, article by article, in light of the interviews she conducted with an impressive array of politicians involved in the 1990 constitution and her extensive analysis of legal primary source documents. She highlights the lack of caste and gender inclusivity among the framers of the 1990 constitution as but one example of the system of exclusions that still operates in Nepali politics. She argues that the continuation of the Shah monarchy in the 1990 constitution was a crucial decision that ensured the official definition of the Nepali nation in "traditional" ethnocultural terms. Significantly, of all the issues under debate, the continuation of the monarchy was essentially taken for granted by the framers of the 1990 constitution. This failure to scrutinize the ontological and ideological foundations of the Nepali state resulted from a naïve belief in the power of law, as embodied by the new democratic constitution, to tame the entrenched authoritarian political power of the monarchy.

I agree with Malagodi's assessment that the anthropological and historical scholarship on Nepal is lacking "a general picture of Nepal's legal arrangements and its dynamics" (p. 25). While this book makes significant contributions toward filling that gap, particularly in Chapter 6 on the Supreme Court, a systematic overview of Nepal's legal institutions and governmental processes would be enormously helpful to scholars working in this field. I hope that Malagodi

will provide us with such a work in the future. In the meantime, this thorough and thoughtful book will be highly valuable to anthropologists, historians, and political scientists who are interested in contemporary social, legal, and political developments in Nepal. It will also be more broadly relevant to scholars interested in the role of nationalism and identity politics in the development of constitutions, particularly from the standpoint of historical institutionalism.

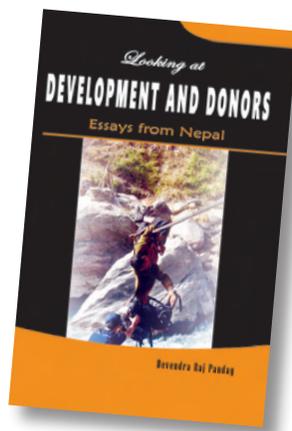
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### ***Looking at Development and Donors: Essays from Nepal***

**Devendra Raj Panday.** Kathmandu, Nepal: Martin Chautari Press, 2011 (2067 V.S.). 419 pages. ISBN 978-99-378-3892-4.

### **Reviewed by Heather Hindman**

It is challenging to review a text such as Devendra Raj Panday's *Looking at Development and Donors: Essays from Nepal*. Panday has been a front-line observer of the ups (and unfortunately many downs) of Nepal's sixty-plus year "experiment in democracy." Furthermore, of the essays contained in the book, all except the first have been previously published or written for other contexts and vary greatly in genre, time of authorship and audience. Yet it is this intimate experience of being on many sides of an issue - inside and very much outside the government - engaged in and turning away from international assistance - that gives this text its strength. Dr. Panday is a fluent speaker of the language of foreign aid and diplomacy, with all of its accompanying acronyms and shifting ideologies, as well as an astute observer and sometimes participant in the revolving door of Nepal's politics and economic priorities. One distinctive strength of this book, perhaps particularly in the first chapter, "Past, Present and Future of Development and Aid in Nepal," is its capacity to speak the language of international aid, with references to SAPs, MDGs and the Washington Consensus, and place



it alongside a history of Nepal's many 'Plans,' changing governments and shifting (or stable) hierarchies. I have seen few texts that could be read by, and benefit, both expatriate international aid practitioners and Nepali bureaucrats. Whether either audience is willing to listen to his injunctions is a different question.

Dr. Panday's career, as well as this book, reflects an unusual characteristic: his eyes are open to the many corruptions and failures of both Nepali governments and foreign aid agencies, yet he does not succumb to despair. One could forgive him such a turn to pessimism given his own struggles, and the chronological order of the essays in *Development and Donors* show moments of hope and disappointment, as Panday's proposals for new direction often end in quagmires and hijacking by powerful polities. Yet, giving up on either foreign aid or Nepal is not a position Dr. Panday allows, given the importance of the issue at hand. As he notes, a majority of the funds expended by the Nepali government come from foreign donors, and as such, they, and their changing priorities, set the agenda for the development of the nation (pp. 32-4). Given the alliance Panday observes between Nepal's elites and foreign entities, outsiders have been allowed to dictate the direction of Nepal's development, causing him to question where the democracy is in this system. This elicits a proposition from Panday that perhaps Nepal needs to say 'no' to foreign aid more often, especially

given his argument that many aid programs implemented in Nepal have cost the country's poor more than they have gained (pp. 57-8).

The individual essays in the book, written across a nearly forty year span of Dr. Panday's public life, reflect the unique circumstances for which they were composed rather than a single over-arching argument. That said, there are a number of themes that reappear across the essays, several of which are rarely heard in either Singha Durbar or the halls of the World Bank. While acknowledging the dominance of rhetoric describing 'LDCs' or 4th World Nations, Dr. Panday insists that more relevant comparisons are found in the challenges and successes of Nepal's South Asian neighbors. Particularly in the early essays, Panday notes that Nepal's achievements have not matched its neighbors and the continuing turn to investment in agriculture presages a nation never to achieve economic independence. Yet, this is more than an argument about the country's inability to achieve the same economic success as India (although it is worth noting that Amartya Sen's most recent book makes a converse argument about contemporary India's inability to achieve the same social development as its neighbors, including Nepal). It is an argument also about how such data occludes much of the diversity of the nation-state of Nepal and serves only the classificatory goals of global governance institutions and donors. The text also allots blame for the current

state of Nepal across many constituencies, although Panday reserves particular critique for the bureaucracy of development and its professional administrators. In a compelling essay from 1983, Dr. Panday observes the inner-workings of the development industry, with its system of auditing and blame assignment, reminiscent of the criticisms of Arturo Escobar, which did not appear until more than a decade later. Panday observes that it is in the best interest of most of those in power not to solve the very problems that it is the charge to ameliorate. Furthermore, many managers are incentivized to produce only short-term, measurable results, assigning blame for a lack of overall improvement to "technical," or "political" issues.

In the middle sections of the book, one can see Dr. Panday's investment in civil society as a solution to many of these problems, which might be solved through more effective NGOs, new public sphere institutions and greater transparency. These elements, along with a more robust democracy, offer him hope, in the context of the optimism of the 1990s, for a more effective and egalitarian partnership between foreign donors and Nepal's leaders, under the watchful eye of an emergent Nepali populous. Yet the same conundrum remains as to how compromises can be made between a nation determining its own destiny while those dreams are funded, and too often chosen, by the ever-changing whims of international aid agencies. The

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combination of events in the mid-to-late 1990s, including Panday's direct service as a Finance Minister, prove disappointing, as the dreams of Jana Andolan I fade simultaneously with the rhetorics of "partnership" that previously pervaded development fashion. This growing disenchantment clearly influenced Dr. Panday, and his essays from the late 1990s and early 2000s reflect a more cynical and frustrated scholar. It is only in the final four essays, written during and after his involvement with Jana Andolan II (2006), when a more optimistic and prescriptive voice returns. While brief and largely historical in nature, in these final essays Panday returns to the theme of civil society, with caveats about the potential of the concept to be usurped by foreign donors, eager to promote the voice of the populous, yet with their own interpretations of what form and message that should entail. The proposals of the final essay, a *Kathmandu Post* article entitled "Lessons on Aid Effectiveness," seem reminiscent of his 1980s proposals: reduce the control of and dependence upon foreign aid, demand that Nepal be an equal participant in the allotment of such funds, attend to the diversity of the nation and focus upon what is good for the country, rather than the fads of international economics.

*Looking at Development and Donors* and its author Dr. Panday face an impossible task, to review the last 35 years of Nepal's struggles with politics, finance and international interventions. As several of the articles note,

it often seems questionable if the key powerbrokers, Nepali and expatriate, actually wish for Nepal to succeed or if their industry is better served by on-going struggle. Likewise, Dr. Panday, in these essays and in life, seems to struggle with whether his substantial talents as a economist and intellectual are best put in the service of the government, the international community or civil society, each of which includes its own limitations. As a result, at times this book seems to 'sit on the fence' - unwilling to commit to a position - or perhaps just unwilling to commit to any of the familiar political sides that have been the only options for some time now. There is an inevitable concern about the ability of an American-educated elite from a well-known Kathmandu family to understand, let alone solve, the problems of the vast numbers of impoverished, rural Nepalis. Yet one thing seems apparent: all that has been tried so far has achieved limited success. This text offers welcome hope as well as perspective on the contemporary period of stagnation and the failures of the Constituent Assembly. Occasionally that hope seems misplaced, as in Panday's celebration of the improvement of conditions for women, minorities and third-gendered Nepalis - a situation seemingly more true in law than in practice. What I find most encouraging in Panday's ideas are the criticisms he has received, at times being accused of being pro-Maoist, while at other times being charged with adopting a neoliberal approach. Perhaps it is only in the wisdom of someone who

provokes the ire of these extremes that can find a truly novel solution to the on-going crisis of the international development industry in Nepal.

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