

Guarding the Guards: Education, Corruption, and Nepal's Commission for the Investigation of Abuse of Authority (CIAA)

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Abstract

With development, democratization, and market reforms, corruption has become pervasive in Nepal, especially in areas where government licencing is required. Medical education is a site of considerable political and public contention, because of the nexus that links politicians, educational entrepreneurs, and the licencing of medical colleges. The case of Lokman Singh Karki, the notorious chief of the Commission for the Investigation of Abuse of Authority (CIAA) from 2013 to 2016 is explored, as is that of his nemesis, the campaigner for the reform of medical education, Dr Govinda KC. The CIAA was for a time converted into a prime instrument of corruption instead of being a defence against it. Different scales of reciprocity and differing moral valuations of reciprocity lie at the heart of the fierce moral debates over the rightness or wrongness of Dr KC's hunger strikes.

Keywords

corruption – education – Nepal – political parties – abuse of authority

Introduction: Politics Nepali-style¹

Vignette 1: From time to time the curtain is drawn back and the public is allowed a brief glimpse of the backstage realities of Nepalese politics. One such incident was the police gunning down of the Kathmandu gangster, Kumar 'Ghainte' (Shrestha) on 20th August 2015.² As one might expect, some people were concerned that this was summary justice on the part of the police, whereas others were delighted to see the police killing gangsters notorious for extorting money from local businesses. The surprise came two days later. Gagan Thapa, Nepali Congress (NC) MP, stood up in Parliament and supported his colleague who had asked for Ghainte to be declared an official martyr, which would mean that his family would be entitled to support from the state.³ Gagan Thapa's public image is not that of a typical corrupt politician with a reputation for being bought or doing deals on the side. On the contrary, he is a very popular 'youth' leader (despite being born in 1976) who made his name as a firebrand republican in the street protests of 2006 that led to the fall of the monarchy.⁴ He is frequently spoken of as a future NC leader and prime minister. Despite being part of Nepal's oldest political party, and linked by marriage to its establishment, he is regarded by many as part of a new, supposedly more honest, globally aware, and transparent generation, someone who would and will make a difference when

- 1 We are grateful, in addition to the participants in the Bergen workshop in December 2018, to S. Mullard, B. Ghimire, T. Bell, D.P. Martinez, K. Hachethu, I. Zharkevich, J. Pfaff-Czamecka, C. Letizia, S. Cowan, J. Whelpton, L. Michelutti, and two anonymous reviewers, for helpful comments and suggestions provided at short notice. None of the named individuals should be held responsible for anything stated here; we alone take responsibility for any inaccuracies or misinterpretations. Krishna Adhikari was employed on a University of Oxford John Fell Fund grant [AED00050] for research into cooperatives at the time of composition and on the British Academy GCRF project [HDV190020] "The Dalit Search for Dignity," while final revisions were being made.
- 2 Footage is available on Youtube. See Nepal Metropolitan Crime Division.
- 3 According to *Onlinekhabar* (2015). *Ghaintelai shahid ghoshana garna Congress sabhasadko mag* [Congress MPs demand that Ghainte be declared a martyr] www.onlinekhabar.com/2015/08/315147 (accessed 2018.12.2), it was Congress MP Kaushar Shah who demanded Ghainte be declared a martyr. According to B.K. Ghimire (2018), *Gagan Thapako drishtima Badal ra Kumar Ghainte* [Badal and Kumar Ghainte as seen by Gagan Thapa], *Dainik Nepal*, www.dainiknepal.com/2018/03/308926.html (accessed 2018.12.2), Thapa draped a Congress Party flag over Ghainte's body at his funeral. Ghimire dates the influx of 'money power' into the political parties to the election of 1999. Thapa defended himself in *Nyuj Abhiyan*: newsabhiyan.com/newsdetails.php?nid=6769 (accessed 2020.8.27).
- 4 For an ethnography of these protests, their background and consequences, see Snellinger (2018). *Making New Nepal: From Student Activism to Mainstream Politics*. University of Washington Press. For a review article on Nepal since 2006, see Shneiderman, S., Wagner, L., Rinck, J., Johnson, A.L., Lord, A. (2016). "Nepal's Ongoing Political Transformation: A Review of Post-2006 Literature on Conflict, The State, Identities, and Environment." *Modern Asian Studies* 50(6): 2041–114.

he finally reaches positions of responsibility (as he went on to do as Minister of Health, for nearly a year, from 2016 to 2017). Thapa's publicly expressed support for a known gangster suggested to the public that even Gagan Thapa was in a – presumably reciprocally beneficial – relationship with him.

Vignette 2: in July 2018 a photograph of two politicians (PM KP Sharma Oli and Maoist leader Prachanda) and a businessman (Durga Prasai) sitting down to a meal, with gourmet red rice (*marsi*) from Jumla, was doing the rounds of social media. At first glance, who should mind? A businessman seeks to mediate between two big political parties, the UML (i.e. the Nepal Communist Party–Unified Marxist–Leninists) and the Maoists, and to persuade them to work together for the sake of the country, to keep their majority government on track and to continue talks for the unity of their two parties. But people were outraged because Durga Prasai is the owner of B&C Medical College and hospital in Jhapa. The interests of hospitals and medical colleges are known to be closely linked to powerful political parties. Setting up a medical college is one of the fastest ways to get rich in Nepal. The fees for studying medicine are high and parents will pay almost any amount in extra 'contributions' to ensure their child gets offered a place to study medicine. Dr Govinda KC has been going on hunger strikes for years precisely in order to protest against the booming expansion of dubious medical colleges churning out underqualified doctors (as discussed in detail below). Many MPs from the major parties have themselves made investments in medical colleges and claim to be acting in the country's interests by opening them. At the time of the photo (July 2018) Dr KC was conducting his fifteenth hunger strike.⁵ The photographic evidence of the politicians and the businessman eating together was taken as proof of collusion and intent to act outside the law for mutual benefit.⁶

These two vignettes portray what the general public gets to see, which is just the tip of the proverbial iceberg.⁷ What remains hidden is the role of

5 Later that year, in November 2018, Dr KC threatened to go on his sixteenth hunger strike. He eventually staged the 16th of his strikes in the eastern district of Ilam, on 9 January 2019, and ended it after 24 days. On the issue of medical education, see Sapkota, R. (2015). "Manufacturing Fake Doctors." *Nepali Times* 775.

6 In January 2020 Durga Prasai was again in the news, this time accusing Dr Shree Krishna Giri of the Medical Education Commission of having demanded Rs 200 million to facilitate the registration of his medical college. In response Giri filed a complaint of slander against Prasai and a warrant was issued for Prasai's arrest.

7 For analyses of corruption in India that likewise focus on the paradox that 'everyone knows' and yet it is still a scandal when irrefutable proof emerges into the public sphere, thanks to video footage or audio recordings, see Mazarella, W. (2006). "Internet X-Ray: E-Governance, Transparency, and the Politics of Immediation in India." *Public Culture* 18(3): 473–505, and Sundaram, R. (2015). "Publicity, Transparency, and the Circulation Engine: The Media Sting in India." *Current Anthropology* 56(S12): S297–S305.

bureaucrats, working together with businessmen and politicians, to make deals happen. If the ranking by Transparency International is a reliable indicator, Nepal's place in 2019 (113th out of 180 countries) reveals that perceptions of corruption are worse than in India or Sri Lanka and only slightly better than Pakistan. Corruption is multi-dimensional, widely prevalent, and institutionalized; and it is intrinsically tied to politics. At the same time, members of the public often take out demonstrations in support of Dr KC's campaigns, showing that Nepal's citizens are far from accepting this state of affairs as normal or right.

In the late 1980s Nepal accepted the liberalization and privatization policies advocated by the World Bank and IMF in their structural adjustment programmes. Following the return of parliamentary democracy and political parties in 1990, Nepal privatized several public services and government-owned factories in line with the idea that market-oriented entrepreneurs were better able to run them than government appointees. Others had to be closed.

While some countries have managed to safeguard education and health as public services too important to be privatized, Nepal has allowed entrepreneurs to enter almost every sector. As a result, education and health – services required by everyone – have become highly commodified market products and the most sought-after fields for private investment in the country. Because of the government's role in licensing colleges and hospitals, and because the demand for tertiary education and for healthcare has expanded exponentially, the opportunities and incentives for large-scale bribery have expanded in tandem. In the face of rising corruption and the abuse of authority – in what anti-corruption advocate Dr Devendraraj Panday calls “the universe of corruption and anti-corruption”⁸ – the anti-corruption body, the Commission for the Investigation of the Abuse of Authority (CIAA), has itself become embroiled in serious charges of corruption. Thus, it is not only, as Muir and Gupta say, that “the threat or actuality of corruption calls forth its opposition;”⁹ opposition to corruption can itself become corrupt. Who indeed will guard the guards?

In this paper we attempt to sketch some contemporary cases of corruption in Nepal, with a particular focus on medical colleges and the attempts of the CIAA to control them, in order to demonstrate that the combined processes of democratization, development, and economic liberalization that have been under way since 1980, and intensifying after 1990, have greatly increased the opportunities for corruption on the one hand, while also, on the other hand,

8 Panday, D.R. (2018). *The Idea of Integrity and the Universe of Corruption and Anticorruption*. Redlinks Books.

9 Muir, S. and Gupta, A. (2018). “Rethinking the Anthropology of Corruption: An Introduction to Supplement 18.” *Current Anthropology* 59(S18): S7.

increasing to a certain degree the visibility of, and the possibilities for, public resistance against corruption.¹⁰ It would be quite wrong to assume that there was no corruption in the past, but there were fewer opportunities, because the economy was much smaller and both politics and economics were much more tightly controlled. As Rankin et al. rightly point out,¹¹ corruption can be used as a “diagnostic of power”: following the money and the networks that ensure that money continues to flow is a way to see how the Nepali state has transformed from being a centralized, quasi-patrimonial state to a much more open and democratized, but still very unequal and opaque, party-dominated polity.

In addition to illustrating the increasing scale and scope of corruption, we also argue that there are fierce moral contests about corruption within Nepal; and these contests are not new. These contests often focus on what the proper locus of reciprocity is and on what counts as negative reciprocity. Thus, there is a powerful moral discourse about working selflessly to “build” (i.e. develop) the country. Yet that ideal of selfless altruism, embodied for many Nepalis by Dr Govinda KC, comes into conflict with the particularistic help expected and provided to others, especially to those defined as kin. The ideal of generalized reciprocity with the whole nation conflicts with the nearer-to-home mutuality and support expected between kin and those who are “one’s own people,” as close as kin. There is a sliding scale of assessment of such ‘help’. At one end of the scale, kin are expected to assist each other and that includes helping to provide relatives with economic opportunities. At the other end of the scale, the exchange of favours (or of money for favours) is acknowledged, if only through the secrecy in which it is shrouded, as illicit at best, or, very likely, illegal. The attempt by Lokman Singh Karki to convert Sushila Karki, who, despite the shared surname, was not related, into a kinswoman, as described below, was an attempt simultaneously to turn the rules about conflicts of interest to his advantage and to establish an expectation of mutual assistance between them.

The Nepali language has a considerable vocabulary of terms (most shared with Hindi) to refer to gifts given to a superior in order to please them and win their favour: *najarana*, *koselipat*, *upahar*. In the patrimonial and

10 See Panday, *The Idea of Integrity*, and S. Upadhyaya and Ghimire, D. (2017). (VS 2073). *Samaj ra bhrashtachar: ayam ra parinam* (Society and Corruption: Dimensions and Consequences). SangriLa Books. Panday, D.R. (2005). “Democracy and Corruption.” *Liberal Democracy Nepal Bulletin* 1(2): 1–15, accepts that the quantum of corruption increased dramatically after 1990, while also arguing that there is no point in comparing the pre- and post-1990 periods.

11 Rankin, K.N., Hamal, P., Lewison, E. and Sharan Sigdel, T. (2019). “Corruption as a Diagnostic of Power: Navigating the Blurred Boundaries of the Relational State.” *South Asia: Journal of South Asian Studies*: 1–17.

patron-client-dominated society of the past, such gifts were expected, especially during the performance of *cakari*, the culturally enjoined practice of deferential submission and flattery. A separate vocabulary of giving and returning, *lenden*, is used for more egalitarian reciprocal exchanges. The word that most directly translates as bribe is *ghus*. Interestingly, it was even used, with the highly negative connotation still common today, by King Prithvi Narayan Shah in the advice to his successors, the *Dibyopadesh*, that he dictated a month before his death in 1775: "... Let there be no injustice in the country. Justice is crippled both by people who give bribes [*ghus*] and those who take them. Confiscating the property of these two [types of people] and taking their life should not be considered sinful. They are the biggest enemy of the King."¹² There is a widely understood metaphor of "eating," "consuming," or "digesting" bribes in Nepal, and a fat belly is often associated with corrupt practices, hence the evocativeness of the photo discussed above. Colloquially, corrupt people are referred to as *khanchuwa*, literally "those who consume."¹³

Though Nepalis are not shy of talking about corruption and cases are frequently reported in newspapers, there has been limited systematic material published on the subject so far.¹⁴ This paper aims to make a contribution through an analysis of some secondary material. We collected all the sources we could, both in Nepali and English, on the main incident described, the CIAA's dealings with medical colleges during the tenure of Lokman Singh Karki. In this context it is worth paying tribute to the brave journalists and activists, many of them cited in the references, who have written about these matters, often at considerable personal risk.¹⁵

12 Stiller, L.F., S.J. (1968), *Prithwinarayan Shah in the Light of Dibya Upadesh*. Kathmandu, p. 44. We have reworked Stiller's translation after comparing it to the original Nepali.

13 The direct translation of "corruption," *bhrashtachar*, is a modern neologism.

14 But see Kondos, A. (1987). "The Question of 'Corruption' in Nepal." *Mankind* 17(1): 15–29; Borgström, B.E. (1980). *The Patron and the Pancha: Village Values and Panchayat Democracy in Nepal*. Vikas; Pfaff-Czarnecka, J. (2008). Distributional Coalitions in Nepal: An Essay on Democratization, Capture, and (Lack of) Confidence. In Gellner, D.N. and Hachhethu, K. eds., *Local Democracy in South Asia: Microprocesses of Democratization in Nepal and its Neighbours*, Sage. Dor Bahadur Bista's culturalist explanation of hierarchy and patronage in Nepal in terms of caste feeling and personalist networks (*aphno manche*: "one's own people"), is widely cited (Bista, D.B. (1991). *Fatalism and Development: Nepal's Struggle for Modernisation*. Orient Longman). Subedi, M. (2014). "Aphno Manchhe: Unequal Access to Public Resources and Institutions in Nepal." *Dhaulagiri Journal of Sociology and Anthropology* 8: 55–86, gives an ethnographic account of this Nepali concept with evocative informant statements, and compares it to *guanxi* in China. For an overview of anthropological work generally, see Muir and Gupta, op. cit.

15 For two recent collective studies of related phenomena in India, Pakistan, and Bangladesh, see Michelutti, L. et al. (2018). *Mafia Raj: The Rule of Bosses in South Asia*. Stanford University

Licences, Payoffs, Kickbacks

During the Panchayat period (1960–90) the state banned political parties and made organizing on a “communal” (i.e. ethnic) basis illegal. The official Panchayat ideology encouraged selfless hard work for the sake of “building the nation.” The increasingly blatant gap between the high ideals professed by the regime and the actual practice of those close to the Palace and the elite was what, in due course, brought the Panchayat system down. Gaining a business or import licence through closeness to the royal palace could be the path to riches for a few. Among the families at the very top there were stories of dissipation including at least one notorious case of girls being raped and killed. Some members of the elite, making use of their connections, aimed to make money through smuggling ancient statues to the world’s antique markets or of gold to India. Despite these high-profile cases, the scale of corruption was minimal compared to what was to come later, partly because opportunities were fewer and restricted to a small circle close to power. At the same time, public knowledge and debate about corruption were also restricted, because there was no free press and criticism of the Palace was banned. Corruption certainly existed, but people were afraid. Involvement in corruption laid one open to arbitrary and severe action from the Palace and/or government; consequently, many preferred to avoid it. However, one should certainly not romanticize the period as some, in hindsight, are inclined to do.

After 1990, there was political freedom. Parties could organize, and so could the “free press.” The economy was liberalized. Inefficient state-owned monopolies (sugar mills, cigarette factories) eventually lost so much money, with management jobs being distributed as sinecures to party loyalists, that they had to be sold off and/or closed down.¹⁶ An atmosphere of democratic free-for-all spread through all spheres of life. A few examples:

1. **Pervasive political binarism.** Bureaucrats or academics with no party links had no protection and struggled to get promotion. Post 2006, with the Maoists established as a third pole, and the King out of the picture, a

Press, and Harriss-White, B. and Michelutti, L. (eds) (2019). *The Wild East: Criminal Political Economies in South Asia*. UCL Press.

16 According to a report (Wagle, B., Acharya, K., and Sapkota, S. (2013). *Analysis of the Performance of Public Enterprises*. www.samriddhi.org), all public enterprises in Nepal run at a loss, except for the Nepal Telecom Corporation. “In terms of huge cumulative losses and loans” the standout public enterprises were the Nepal Oil Corporation, the Udaypur Cement Industry, the Janakpur Cigarette Factory, Nepal Orind Mangasite, the Nepal Airlines Corporation, and the Nepal Electricity Authority.

three-way division of spoils (*bhagbanda*) between the three major political parties became the normal practice.

2. **Maoist extortion.** The Maoists took the system of raising revenue long used by political parties and activists and raised it to the nth degree. Businesspeople felt it was easier to pay up, having negotiated hard for a discount, than to risk retaliation for refusing. Huge amounts were raised. Some, it is widely believed, was invested in hotels and casinos. When they split, the NCP-M of Comrades Vaidya and Biplab, the so-called “dash Maoists” (because of the hyphen in their name), had nothing. The others, the majority of the party, led by Prachanda, became known as the “cash Maoists.” It is speculated that huge quantities of money had been taken out of the country, and then had to be laundered to be brought back in. The Maoists were rumoured to have been left with large amounts of Indian currency that they could not use after Modi’s surprise demonetization in November 2016.
3. **The political system.** The mixed proportional representation (PR) system introduced for the elections of 2008 was very positive in terms of representation. Institutionalized quotas for the inclusion of previously marginalized groups made the parliaments of 2008 and after far more representative than any parliament in Nepal’s history. However, PR also encouraged corruption: businesspeople and contractors preferred to pay money to the party (effectively buying a place as an MP) rather than having to campaign by going out to villages and asking people for their votes. PR seats were and are also given to politicians’ wives, girlfriends, and close relatives, in order to fulfil the quotas for female candidates while keeping control of the party. Elections are expensive and large amounts of cash are needed for victory. This encourages political leaders to seek support from the wealthy, who, understandably, wish for a return on their investment. The need for large amounts of money to run their political machines means that political leaders are incentivized to seek cash in return for appointments and promotions in senior government jobs, including the police force, and to resist anything that might loosen their control of government-run institutions, including universities.
4. **The party-NGO nexus.** The number of NGOs expanded enormously after 1990 and NGOs, like businesses, need good links to politicians if they are to work efficiently. Many of those who had been part of the leftist movement in the 1980s, rather than going directly into politics, entered the development field. Other leftists went into the private sector from the

bureaucracy, because they were subject to harassment during periods of Congress domination in the 1990s. Their personal links to erstwhile comrades, most of whom went into what became the UML, remained. What is now recognized as a UML–NGO nexus has its origins in the underground leftist politics of the 1980s. Those connections help to construct what Rankin et al. call “intersecting networks of mutual obligation that in themselves constitute mechanisms of distribution.”¹⁷

5. **INGO–NGO relations.** Donor countries and INGOS have sought to impose accountability on the Nepali NGOs that they fund, but rarely practise transparency themselves, a point that is not lost on Nepalis. In addition, the availability of huge amounts of foreign money, and the imperative to spend it quickly, may be partly to blame for the rise of “NGO culture” in the capital.¹⁸
6. **Sport.** As one example one could cite sport, and in particular football (soccer), where large amounts of money have been available and have been squandered, with no benefit to the game in Nepal.¹⁹ Nepal’s other sports bodies (e.g. for cricket and the Olympics) have allegedly been involved in similar problems.
7. **Migration.** There are numerous opportunities for corruption and the exploitation of later migrants by earlier migrants, once they get established (see, e.g., the film *Playing with Nan* by Dipesh Kharel, on Nepali migrants to Japan). As illustration, a vignette: a nurse friend at a UK Nepali event was openly very friendly to a certain Nepali man, who was married to a nurse and had acted as a broker for many of the nurses who came to the UK; as soon as his back was turned, she made a grimace of

17 Rankin et al. *Corruption as a Diagnostic of Power*, p. 15.

18 There are numerous critiques of the aid “industry” in Nepal: e.g., Shrestha, N. (1998). *In the Name of Development: A Reflection on Nepal*. Educational Enterprises; Leve, L. (2007). “Failed Development’ and Rural Revolution in Nepal: Rethinking Subaltern Consciousness and Women’s Empowerment.” *Anthropological Quarterly* 80(1): 127–72; Panday, D.R. (2000). *Nepal’s Failed Development: Reflections on the Mission and the Maladies*. Nepal South Asia Centre; and (2011). *Looking at Development and Donors: Essays from Nepal*, ed. S. Tamang. Martin Chautari; Fujikura, T. (2013). *Discourses of Awareness: Development, Social Movements and the Practices of Freedom in Nepal*. Martin Chautari; Gyawali, D., Thompson, M. and Verwij, M. (eds) (2016). *Aid, Technology and Development: Lessons from Nepal*. Routledge.

19 As documented by Cowan, S. (2018). *Corruption in World Football and the Fall of Ganesh Thapa*. In S. Cowan *Essays on Nepal, Past and Present*. Himal Books, pp. 299–340. (also at recordnepal.com)

disgust and hatred. As Rankin et al. stress, people are obliged to participate in systems of patronage distribution that they themselves dislike and name in ironic terms, a kind of distance and critique that could form the basis of a fairer and more distributive politics.²⁰

8. **Syndicates and middlemen.** In many areas of the economy syndicates have emerged that control access (e.g. in the transport sector: bus, truck, taxi businesses; in the vegetable markets, as at Kalimati; in migration; in government offices; in the sand and gravel extraction business; in the land and real-estate business; in telecoms). Such syndicates discourage competition, prevent entry into the market, help evade taxes, and promote rapid and monopolistic accumulation rather than long-term productivity or value for money. Most of those who run syndicates are close to the leaders of the major political parties.²¹ The informal and unregulated land business, involving numerous brokers (*dalals*), known collectively as the *bhu-maphia* (land mafia), has been the quickest and surest way both to move up in class terms and to acquire political influence.
9. **Education.** The need for new colleges to be affiliated to a pre-existing university in order to be able to grant degrees, and the control over that affiliation by a small number of politicians at the centre, is at the heart of debates over higher education in Nepal and is discussed further below.

In the Panchayat period institutions for the control of corruption were used by those at the top to instil fear and maintain political dominance.²² Post 1990, there was a democratization of political legitimacy and a democratization of corruption. Political parties took the place of previous hierarchies.²³ Parties need money to pay their cadres and keep them operating. The full-time office

20 Rankin et al. Corruption as a Diagnostic of Power, pp. 16–17.

21 On syndicates, cartels, and the links to political parties, see Pangeni, R. (2018). *Cartel of Contractors in Cahoots with Govt Officials Swindles Billions of Rupees*, Govt Report Reveals. <https://cijnepal.org.np/cartel-contractors-cahoots-govt-officials-swindle-billions-rupees-govt-report-reveals/>.

22 On the Panchayat period, see Joshi, B.L. and Rose, J. (1966). *Democratic Innovations in Nepal: A Case Study of Political Acculturation*. University of California Press; Borgström, B.E. (1980). *The Patron and the Pancha: Village Values and Panchayat Democracy in Nepal*. Vikas; Whelpton, J. 2005. *A History of Nepal*. Cambridge University Press.

23 See Hachhethu, K. (2002). *Party Building in Nepal, Organization, Leadership and People: A Comparative Study of the Nepali Congress and the Communist Party of Nepal (Unified*

bearers of the communist parties, including those in the organizational wings of the former UML and Maoists, receive a monthly salary. During elections parties need especially large amounts of money. Businessmen need contracts and licences. There is an obvious mutual interest in cooperation between businessmen and politicians.

All positions and all licences became subject to the system known in Nepal as *bhagbanda*, or “dividing the shares” (as in an inheritance), or – as political scientists would call it – an oligopolistic spoils system. The system became particularly entrenched during the 20 years from 1997 to 2017, when there were no local elections because of the Maoist insurgency. The two main political parties divided the spoils between them without having to face the electorate. After the Maoists came into the mainstream, the system stayed in place with the addition of an extra major player. Essentially, the three main parties after the 2008 election – the Congress (NC), the Unified Marxist-Leninists (UML), and the Maoists – divided everything up between them, with a few occasional concessions to the larger of the small parties. Within Tribhuvan University it is well known that the different research and academic institutions are assigned to each of the three main parties, which therefore have a free hand in appointing their directors. Academic positions as lecturers, readers, and professors, which are supposed to be filled by a competitive merit system that only opens once every few years, are likewise subject to heavy interference from the parties. It was reported in 2018 that the University Service Commission appointed a large number of administrative positions in line with this division of spoils system, a practice which was investigated by the CIAA.

Education and Health

Nepal has few assets (as has often been observed) except the stunning natural beauty of its landscape and the resourcefulness of its people.²⁴ Young people now comprise the country's principal export (migrants have an average age of 24), bringing in annual remittances of \$6.2 billion.²⁵ After Nepal's unique

Marxist-Leninist). Mandala Book Point; Hachhethu, K. (2015). *Trajectory of Democracy in Nepal*. Adroit; Ramirez, P. (2000). *De la disparition des chefs: Une anthropologie politique népalaise*. CNRS.

24 For an argument on these lines, see Shakya, S. (2013). *Unleashing Nepal* (2nd ed.). Penguin.

25 BBC (2018). *Nepal bhitrine rakam badhyo, digo nahune chinta* [Money flowing to Nepal has increased, concern that it will not last long]. www.bbc.com/nepali/news-45292919.

landscape, and perhaps in some ways inseparable from it, people and culture are also a large part of what attracts tourists.

Given these geographic and economic facts, the development of the country's human capital – in other words, education – is now one of the country's biggest industries and arguably its most crucial. Private education is a continuously booming area. It has been so, as noted above, since at least the end of the 1980s. In some ways, education in Nepal (like healthcare) can be seen as a development success story. At a rough estimate, there are now ten universities, between 17 and 20 medical colleges, and in all about 1,400 colleges affiliated to the universities.²⁶ In both areas, there has been a huge expansion of private provision, with a gradual atrophying of the state sector. For those who can afford it, high-quality healthcare and (at secondary level) high-quality education is available; for those who are forced, by poverty, to use the state sector, it is a very different story.

It is where the two fields of health and education come together – medical education – that, perhaps unsurprisingly, there has been the greatest potential for getting rich. Everyone wants their son (and, increasingly, their daughter) to become a doctor. Linked to the desire for education and economic improvement, helping people to go abroad, whether for work or for education, is also a sphere where large amounts of money can be made. This is known euphemistically as educational consultancy or manpower agency work; more pejoratively, such “go-between” middlemen or brokerage professions are known in Nepali as *dalals*, in other words, as pimps. The links between medical colleges, big money, politicians, the Nepal Medical Council, compliant law courts, and the overwhelming desire of parents to get their children a medical degree have long been known.²⁷

Compared to setting up a college, which requires affiliation and licensing, setting up a private school was until 2016 much easier.²⁸ It was, in fact, one of the easiest ways for educated Nepalis to seek a return on investment in their own education (*the* easiest way is to provide private tuition, as many teachers do, to supplement their income). In a crowded market many private schools fail, for one reason or another, to attract sufficient pupils; but many schools succeed, some spectacularly so. As in India, in some areas more than half of all children attend private schools. Some private schools are impressive institutions

26 See <https://wenr.wes.org/2018/04/education-in-nepal>.

27 Sapkota, Manufacturing Fake Doctors.

28 With the eighth amendment to the Education Act (BS 2073), it was specified that henceforth only educational trusts would be allowed to open new schools. This was widely interpreted as a major victory for existing private school operators.

with a reputation for excellent results and some even provide a rounded education into the bargain. Such schools have made their owners (sometimes sets of partners) rich, and they have acquired the local trappings of success: cars, luxury apartments, frequent foreign holidays. Other private schools that we have seen (e.g., in the Tarai, where the boom in private schooling came later than in most parts of the country) are little more than a chicken shed, in which parents' dreams for their child's future are cruelly exploited, while less than a kilometre away much more solid government-provided school buildings, with far better-paid teachers, sit half-empty and under-used.

Medical colleges appear to be relatively easy to set up in Nepal, so much so that Indian investors have come over the border to establish several (including the highly regarded Manipal in Pokhara). In India, engineering colleges are found in every small town, but medical colleges are more tightly controlled. In Nepal both medical and engineering colleges are supposed to be controlled but it seems that it is always possible to find a way around the rules. The Rajnarayan Pathak case discussed below involved the opening and running of an engineering college. One of Dr KC's main complaints is that numerous medical colleges have been set up in Kathmandu, Pokhara, and towns in the Tarai, but not in the districts of Nepal that need them most and where the ratio of doctors to patients is desperately low.

Lokman Singh Karki and the CIAA

Lokman Singh Karki, son of Bhupal Man Singh Karki, who had at one time been chair of the Raj Sabha, or royal council, during the Panchayat regime, is a notorious figure in Nepal. After serving in the royal palace in the 1980s, Lokman became a civil servant by royal appointment (not by the usual competitive route) and held various high-ranking positions in the 1990s, during which time he was accused of involvement in gold-smuggling, among other abuses of power. Despite being censured by the Rayamajhi Commission for involvement in suppressing the People's Movement of 2006, he was appointed Chief Commissioner of the CIAA (Commission for the Investigation of the Abuse of Authority) in May 2013, a position he held until he was impeached by parliament in October 2016. The CIAA had been established as a separate body in 1977. It was widely rumoured that Karki paid a huge sum to ensure that he was appointed Chief Commissioner, anticipating that he would easily make back far more than that in kickbacks and bribes during his tenure. It was also widely understood in Kathmandu circles that there had been strong support for his appointment from India, which hoped to control the actions

of many Nepali politicians through him.²⁹ Only two notable people came out and protested in public that Karki was a completely inappropriate person to be appointed: Kanak Mani Dixit, a well-known journalist and activist, and Shambhu Thapa, a lawyer. Both were repaid by Karki with detailed investigations into their personal affairs as soon as he took office. The pursuit of Dixit and his various involvements generated considerable international coverage.³⁰

The accusations against Karki were summarized in an anonymous account published online in September 2016:

Since his taking over on May 2013, the Chief Commissioner has steadily promoted the CIAA as a parallel state authority, using his considerable powers to investigate and intimidate politicians as well as bureaucrats. In doing so, Karki has utilized the organs of state machinery with such disregard to due process and ethics that the Supreme Court itself has felt compelled to step in more than once to admonish him to follow rules and regulations.

Karki has built his power through several means, most importantly by influencing the Nepal Police leadership, which has given him full leeway to deploy police officers... Beyond monetary gain for himself and his cronies, Karki has impacted the national economy in many different ways, the most important by far being the fear he has injected into the bureaucracy so that it now essentially refuses to function...³¹

One much-commented aspect of Lokman's appointment was the fact that his brother owned a well-known medical college, KIST (kistmct.edu.np), and the CIAA intervened in support of KIST and to harass its rivals. According to Hari Bahadur Thapa, it was part of a well-worked-out plan:

Upon joining the CIAA, Lokman Singh Karki quickly busied himself taking one after another measure in the medical field. He was involved shamelessly in opening a medical college in his family's name and in destroying his competitors. Creating pseudo complaints, he engineered

29 Paudyal, M. (2016). Battle Royal in Nepal (8 Oct). (www.myrepublica.com/news/7092).

30 E.g. <https://www.outlookindia.com/website/story/the-arrest-of-kanak-mani-dixit/296836>.

31 Ujoori (2016). Drama in Real Life in Nepal: The Anti-Corruption Chief, the Chief Justice and the Activist Doctor. ujoori.wordpress.com/2016/09/26/lokman-regime-drama-in-real-life/.

ways to grant licences to new medical colleges. He engineered a situation such that one had to take prior permission from the CIAA, not from the [concerned] government mechanism, for opening medical colleges.

Not only that, anyone who went against the intent of the CIAA chief was charged with corruption. Jyoti Baniya, who was gaining popularity in consumer forums (*upbhokta manch*), was trapped by the CIAA in 2014 (VS 2071). Baniya had been appointed to the Medical Council, to represent consumers. The Council alleged the involvement of Karki in granting affiliation to colleges that lacked the required infrastructure. Baniya made it public that Karki was seeking to take revenge against him. The CIAA did not oppose this. Baniya said: "When affiliation was granted to KIST medical college in which CIAA chief Karki and his family have investment, I wrote a note of dissent; he is bringing a charge against me to take his revenge."³²

The way in which the CIAA and medical interests were able to work together is outlined by journalist Ramu Sapkota (and he confirms Baniya's accusations):

Even the anti-graft body like the CIAA has been meddling in the council's affairs in determining seat numbers. In one letter dated 15 August 2014 about the proposed accreditations to Birat Medical College and Devdaha Medical College, and another on 1 December 2013 regarding the number of allocated seats for various colleges, the CIAA cleared the number of student seats on offer. The owner of Birat Medical College is a close family member of CIAA chief Lokman Singh Karki.

Jyoti Baniya served as an NMC member and says he was against this arbitrary CIAA decision. He told us: "There were no clear grounds on which the number of seats were increased in Gwarko's KIST Medical College." Baniya found out that the NMC was taking instructions from the CIAA secretariat and when he questioned it, the CIAA filed a corruption charge against him.³³

32 Thapa, H.B. (2017) (VS 2074). *Rajagaja: dal, darbar, adalat ra akhtiyar bhitarka bhrashtachar* [The luxurious ruling: Corruption inside the Parties, Palace, Courts and CIAA]. Fine Print, p. 268.

33 Sapkota (2015). Manufacturing Fake Doctors.

Despite the facts that Karki used his position for personal advantage and to pursue personal vendettas, it took a long time for politicians to challenge him. Journalist Mahabir Paudyal summarized the reasons as follows:

[The] major parties [cannot] speak up against [Lokman Singh Karki] first because they have lost the moral ground by appointing him despite opposition from within their own parties and the media. Besides, each has had some corruption scam hanging over them like sword of Damocles. Congress leaders have the fear of CIAA reopening the infamous four million US\$ Sudan scam. Maoist leaders fear the likely prosecution over billion rupees cantonment corruption. As for UML, most of its leaders have association with NGOs, which are accused of misusing donor's money. Just in case, somebody raises the issue, CIAA has had a group of loyalists from among political parties, media and intelligentsia for its defense. The CIAA head holds keys of secret files of dubious deals of all. If they dare to raise heads he will open those files.³⁴

Further insight into Lokman Singh Karki's methods of working can be glimpsed from the memoir published by Sushila Karki's husband, Durga Subedi.³⁵ Sushila Karki is, as her name suggests, a Chhetri of the Karki clan, and she is, like Lokman, also from Biratnagar. However, she and Lokman are not related. She is as famous for incorruptibility as Lokman is for the opposite. She became the Chief Justice of Nepal's Supreme Court in July 2016, despite numerous attempts to prevent her appointment on the part of those politicians (and others) who feared what might happen under her jurisdiction. Lokman Singh Karki had particular reason to be concerned. There was a case pending in the Supreme Court that challenged his appointment as CIAA Chief Commissioner; he needed to quash the case in order to continue in office. Lokman sought to do this by creating a kin relationship with Sushila, so that Sushila would be excluded, under conflict of interest rules, from ruling on his case. Durga Subedi, Sushila's husband, documents the various attempts Lokman made to try and create a relationship. Lokman visited Sushila's mother's house in Biratnagar and bowed down to her feet, and "the gossip mill (*halla*) related that Sushila's mother had blessed Lokman." Following this, Lokman turned up to visit Sushila at her official residence, bringing a large group of people, including Sushila's younger brother, with him.

34 Paudyal "Battle Royal."

35 Subedi, D.P. (2018) (VS 2075). *Viman bidroh: euta rajnitik apaharanko bayan* [The airplane hijack: The story of a political abduction]. Kitab Publications.

I saw them [entering the gate] and immediately came downstairs and stopped the group in the compound. I knew what might happen if they entered the house.

After I had prevented them entering the house, they explained, “We have come because Lokman would like to consume the water in which he has washed his ‘elder sister’s’ feet.” I was astonished.

One of them whispered to me, “It seems that her feet will be washed in a silver basin (*khadkulo*)!” Another said, “The car outside the gates has 10 crores [100 million rupees] as a wedding gift (*goddhuva*).”

I suddenly realized how dangerous and what a dirty player this man, Lokman, was. If Sushila came to know, the situation could be very problematic. Perhaps it would be difficult to control. I thought hard about how to get them to leave. Then I called over one of the military guards (*sainik bhai*), and asked him, “Please send them away, as their appointment time is over.”

He then sent them out. They went away with the silver bowl and the ‘marriage gift’ of a 100 million rupees.

Later, when they met, Prachanda simple-mindedly asked Justice Sushila, “Why did you not take that big 100 million?” Because of that, there was almost open warfare (*jhandai jhagada paryo*) [between them].

Later, in a public programme, Sushila said openly, “Prachanda asked me why I did not take the 100 million they had sent me.” After this, Prachanda stopped meeting her and stopped speaking to her, as he realized that she would make it [whatever he said] public.³⁶

Following Lokman Singh Karki’s disgrace and impeachment in 2016, his personal website has been deleted but his Twitter account and public Facebook page still exist, frozen in aspic, with the last statement dated April 2017.³⁷ The announcements are all for the secular and religious holidays of the state’s festival year: World Teacher’s Day, World Food Day, Poverty Eradication Day, Christmas, and so on. Karki evidently believed that going through the motions

³⁶ Subedi, *Viman vidroha*, pp. 269–70.

³⁷ Last accessed 2019.10.27.

of issuing vacuous statements on these global days of action would somehow turn him into a serious politician.

In an extraordinary turn of events, Sushila Karki, as Chief Justice, also faced an impeachment move in April 2017, brought by the Maoist party and the Nepali Congress, during Prachanda's prime ministership. She had sentenced seven senior policemen to jail and imposed fines for their part in the infamous 'Sudan scam', in which three quarters of the money set aside in 2009 to buy armoured personnel carriers for Nepali troops was embezzled. The politicians were so afraid that they could be next that they inaugurated the impeachment measure. This caused such a huge public outcry that the motion was withdrawn.

Dr Govinda KC, Campaigner for the Reform of Medical Education

Govinda KC is a doctor (an orthopaedic surgeon) and an activist, a Gandhian figure who has never married.³⁸ He studied in Bangladesh and returned to Nepal to work in Kathmandu's main government hospital, Bir Hospital. He has devoted his life to public service, holding health camps in remote areas, and travelling to disaster sites (including the earthquakes in Gujarat in 2001 and Pakistan in 2005). He does not hesitate to take a political stance, using hunger strikes in order to force concessions from the government of the day. In the public eye, he stands at the opposite end of the spectrum from Lokman Singh Karki. He says: "People are making a business out of education and health and I am fighting against it."³⁹

KC became increasingly concerned at the rapid expansion of medical education, the concentration of new colleges in the Kathmandu Valley, and the lowering of standards.

38 On the idealistic and politicized doctors who helped bring about the 1990 revolution, see Adams, V. (1998). *Doctors for Democracy: Health Professionals in the Nepal Revolution*. Cambridge University Press.

39 Buddhair, M. (2018). "Fight to Reform Health, Education Still On." *Kathmandu Post*. Dr KC has been publicly criticized by Yogesh Bhattarai, a modern UML youth leader in the mode of Gagan Thapa, both for not understanding the parliamentary bills that he campaigns against and for politicizing the issues (see Kaphle, L. (2019). *Dr KCko dhipi ra hathle samsad jhukdaina: Yogesh Bhattarai* [Yogesh Bhattarai: Parliament will not bow down to Dr KC's stubborn insistence]. *Naya Patrika*, 31.

While continuing their campaign to clean up the medical sector, Dr KC and his colleagues and followers came to learn that Lokman Singh Karki was a kingpin in the corruption that had overtaken medical education. They also came to the conclusion that the medical sector was but a bellwether for corruption and power-plays by the CIAA Chief across a spectrum of sectors from real estate to large development projects... The extent to which Karki is threatened by Dr KC was seen when the CIAA put out a statement that the doctor was mentally unstable and that the Government had to have him treated.⁴⁰

In Dr KC's own words:

Many who were being examined for illegal activities have managed to get a clean chit from CIAA and are now being groomed for important posts by the Commission. While protecting known charlatans, the CIAA pursues honest officials and administrators who have been victimized by false complaints and vendetta-seekers, and the Commission is not beneath mentally and physically torturing such victims. Over time, the Commission has institutionalized a system where innocents are punished while the guilty are let off in collusion.⁴¹

As just one example of Lokman's modus operandi, on 28 May 2016 Kathmandu University was due to hold the entrance test for its postgraduate course. Two days before the examination the CIAA intervened on the pretext of an alleged leaking of the question papers. The CIAA took charge of the whole process under Lokman's direct control. He formed an expert committee and got them to prepare exam questions and hold the entrance exams, raising suspicions of collusion between the setters of the exam and some of those taking it.

Dr KC made the sacking of Lokman Singh Karki and that of another Commissioner, Rajnarayan Pathak, his number one demand during a hunger strike between 10 and 25 July 2016. A Medical Education Investigation Council formed to investigate the Kathmandu University scandal found that there was no evidence of leaked questions, that the committee of experts Lokman set up were acting under fear, and that the CIAA intervention was unfounded and irregular. They recommended that Lokman Singh Karki should be disqualified from any future public and constitutional positions. Two months later KC

⁴⁰ Ujoori, *Drama in Real Life in Nepal*, p. 3.

⁴¹ KC, Govinda (2016). "In Defiance of CIAA's Parallel State." *Setopati* (8 June).

launched another hunger strike demanding Karki's impeachment. Eventually, an impeachment motion was brought against Karki in parliament. In the mean time the Supreme Court gave a verdict disqualifying Karki's original appointment to the CIAA.

Rajnarayan Pathak, like Lokman Singh Karki, was widely alleged to have amassed wealth through his handling and settling of high-profile disputes in the education sector. Although Pathak, with Karki's support, initially survived KC's protest, he was eventually caught in another bribery scandal, this time involving an ownership dispute over Nepal Engineering College. A leaked audio recording proved Pathak's involvement in taking a bribe of 7.8 million rupees, through a central committee member of the Rastriya Janata Party, in return for help transferring the legal title of the college from a non-profit-making body to a private company. The CIAA charged Pathak, who resigned from his position, with abuse of authority and bribery.⁴²

Corruption Preventing the Development of the Educational Sphere

Corruption and irregularities in higher educational institutions were common even before Lokman Singh Karki's appointment to the CIAA. Alleged irregularities over the licencing of educational institutions were not limited to the fields of medicine and engineering. Universities were frequently accused of being motivated mainly by the desire to generate revenue through the sale of licences, rather than through any interest in extending or improving their programmes. After Karki became Commissioner, the CIAA conducted a series of sting operations in a number of old and new universities. High-level dignitaries including Vice Chancellors were arrested for committing irregularities and suspended from their positions. Though the CIAA was initially praised for catching the 'big fish' of academia, many of these charges proved unfounded and the officials were later reinstated in their positions. As the cases discussed above show, the CIAA under Karki was more interested in taking a slice of the spoils itself, than in checking abuse.

One of the most pernicious consequences of widespread kickbacks and bribes, and of the CIAA bureaucracy put in place to stop them, is that honest people are discouraged from trying to set up anything new because of the obstacles that are placed in their way. Civil servants fear to put their name to anything in case they are held responsible in some future investigation

42 http://ciaa.gov.np/images/publications/1553848579pressrelease_b.pdf. For the video, see <https://www.youtube.com/watch?v=rAbqSFTXUDM>.

by the CIAA. Apparently, a large proportion (some say 60%) of the development budget remains unspent each year, partly for this reason, among others. The practice of accumulating large amounts of work and rushing everything through in the last month of the financial year has also encouraged corruption and embezzlement.⁴³

As an example of the chilling effect of the political nexus and attempts to control corruption, we outline an instructive case of educational failure (on the principle that one learns more from failure than success). This was an opportunity lost for Nepal to enhance its reputation as a destination for education; presumably, there have been many such cases. The example concerns a proposed college for development studies that we happened to hear about.

A large number of highly qualified Nepalis with international development experience, educational qualifications (two thirds had PhDs), and administrative experience of education both inside and outside Nepal – some of them friends, some acquaintances, some colleagues – came together around 2012 with the idea of setting up an international-standard college in Nepal. The aim was to attract students from all over Asia and to provide education in development studies, agriculture, forestry, and related disciplines at a level that would mean Nepali students would no longer need to go abroad for training in this field. (Nepal is an acknowledged world leader in community forestry.) Jointly the partners invested a 150 million rupees, bought land near Bhaktapur, and did a huge amount of work preparing the curriculum for five Masters and six BA courses – in short, an investment of years of effort and not inconsiderable sums of money. In the end it all came to nought, as in 2015–16 the university from which they sought affiliation was so politicized that all the applications were rejected. The Vice Chancellor, though sympathetic to their case, feared to take decisive action and approve one rather than another application in case he was investigated by the CIAA. The politically active campus lecturers were heavily involved, through their links to the political parties (i.e. they believed that they could, through party pressure, affect the outcomes of such applications). Suspensions were high on all sides because, out of the 14 or 15 competing applications for affiliation, about 60% were perceived to be linked to the UML, 20% to the Maoists, and 20% to Congress. As a part of the spoils-sharing system, non-UML activists feared that the UML would end up dominating the sector. The representatives of this particular bid were approached by the Maoist-affiliated campus lecturer leaders who requested a twenty-million-rupee ‘contribution’ to facilitate their application. This demand was refused. In

43 Sapkota, C. (2016). “Unspent Budget.” *The Kathmandu Post* (28 Oct).

the end, the land was sold, the investors' money returned, and the whole plan abandoned. The opportunity – to harness numerous highly qualified Nepalis' energy and enthusiasm for a promising initiative that would have earned both foreign currency and considerable prestige for Nepal – was lost.

The pervasive atmosphere of distrust and suspicion continues, as can be illustrated by the fact that in July 2018 students and teachers from the University of Agriculture and Forestry, Rampur, staged protests against the University's decision to provide affiliation to eight private institutions to run courses. They accused the authorities of financial irregularities (*arthik chalkhel*) in granting the licences and they demanded that they be revoked. The government eventually stepped in and cancelled the licences.

Conclusions

Dr KC's position as a Gandhian campaigner with no family provides him with the Archimedean point from which he can judge the whole system. He is somewhat removed from the tangled webs of reciprocity in which most Nepalis with families to support and children to educate find themselves, meaning that they end up at least complicit in systems of exchange that are defined as corrupt. The huge response from the public shows that there is a demand for and a belief in the kind of moral stance taken by Dr KC. The public demonstrations in his favour, and the disapproval of the photograph described in Vignette 2 above, show that many members of the public do not approve of the way licences are handled and do not accept it as 'the way things are done'.

Thus, while we wholeheartedly endorse Torsello and Venard's call for the anthropological and ethnographic study of corrupt processes, and while we fully agree that paying attention to local practices, cultural expectations, and understandings complexifies and improves judgements around corruption considerably, we also think that their endorsement of cultural relativism tends to undermine recognition of the fact that, even before the onset of globalization, standards could, did, and do vary *within* societies.⁴⁴ Moral judgements are themselves complex and contested. The secrecy and discretion with which bribery and payments are handled demonstrates that whatever people may say about the need to "arrange things" or "come to an understanding," or about the inevitability of breaking eggs when making an omelette, they are aware that what they are doing is illicit.

44 Torsello, D. and Venard, B. (2016). "The Anthropology of Corruption." *Journal of Management Inquiry* 25(1): 34–54. Cf. Muir and Gupta, op. cit.

The cases we have discussed (only a tiny fraction of those that could have been discussed) demonstrate that corruption is about reciprocity and that there is often an attempt, even where the principals are not related to each other, to describe the relationship in kinship terms. However, this is not the diffuse and generalized reciprocity that, ideally, is supposed to reign within the household, even if, as we saw, Lokman Singh Karki tried to invoke the ideal of kin mutuality by establishing a relationship with the Chief Justice who happened to have the same clan name as he did. Nor is it the balanced reciprocity of equals, in which a roughly equal or only slightly increased return is expected, and can be expected, at some time in the future. Rather, corrupt exchanges are an illicit version of the negative reciprocity of the market, in which asymmetrical favours are traded (money or other goods for licences or political favours), often under conditions of constraint or threat.⁴⁵ Corruption and bribery are exchanges that bind the parties, whether kin or not, in a shared experience of guilt and complicity, regardless of the fact that one or other side may consider themselves to have been coerced into the relationship.⁴⁶

The Nepalese case also shows how corruption has vastly increased as democratization, economic liberalization, educational levels, personal wealth, geographic mobility, and life expectancy have also all increased. As power has diffused from the centre and the centre itself has become more contested between different political parties and other powerful forces, competition for power has encouraged corruption and negative reciprocity. Health and education, on which we have focused here, have been marketized; the rewards for those providers who are able to restrict access to the market, and enable oligopolistic capture for themselves, are huge. These are not, by any means, the only areas in which corruption occurs. It is pervasive in all areas of government action.

Reports from the Office for General Audit (which is, so far, less susceptible to political interference than the CIAA, because it does not have a policing role) suggest that local government units have a very large number of irregularities.⁴⁷ Needless to say, however, opportunities for spectacular levels of

45 For the classic exposition of these terms – balanced, generalized, and negative reciprocity – see Sahlins, M. (1965). On the Sociology of Primitive Exchange. In Banton, M. (ed.) *The Relevance of Models for Social Anthropology*. Tavistock. Reprinted in Sahlins, M. (1974). *Stone Age Economics*. Tavistock, Ch. 5.

46 Michelutti et al. *Mafia Raj* and Harriss-White & Michelutti (eds) *The Wild East*, give examples of such coercion from the wider region.

47 For example, Sejuwal, K. (2019). "Financial Irregularities Rampant in Local Units of Karnali: Auditor General's Report." *Kathmandu Post* (April 16).

corruption are only possible at the highest levels of government, when commissioning airports, military equipment, fast-track motorways involving huge amounts of digging equipment, and the like. As people and wealth have moved to the cities, the price of urban land has skyrocketed; this too has encouraged corruption. As more and more people have sought to go abroad, both for education and for employment, intermediaries who undertake to facilitate their passage have emerged and the possibilities for fraud and exploitation have multiplied. As education has been commodified, under the conditions of neo-liberalism, opportunities to licence educational and health institutions have encouraged corruption.

As we have seen, even the laws and the institutions designed to discourage corruption can, in the wrong hands, be used to intensify it. In the end, it is only the courts and the court of public opinion that act as a restraining force. Politicians have begun to understand that the court of public opinion is a threat to them and so have now taken actions to restrict the ability of journalists to expose corruption, for instance by criminalizing the recording of conversations without consent in the 2018 revised Penal Code. Concern has been expressed about the increasing readiness of the police to arrest those who criticize or satirize corruption in online forums or in popular songs.⁴⁸ As in so many other parts of the world, politicians are widely held in huge contempt. The default assumption of the general public today is that they are knee-deep in corruption as a condition of doing their job.⁴⁹

48 Chhetri, S. and Rai, B. (2019). "Rapper's Arrest is Latest in Government's Attempt to Crack Down on Free Expression." *Kathmandu Post* (Feb 15).

49 New cases are reported in the newspapers on a regular basis. In 2020, the CIAA charged 175 people, including leading politicians, businessmen, bureaucrats, and land agents, with registering government land in the highly desirable Baluwatar neighbourhood of Kathmandu in private names: Sharma, S. (2020). "Corruption Case against Gachchhadar, Ex-CIAA Chief Basnet in Baluwatar Land Grab." *Setopati* (Feb 5).