Putting Power and Politics Central in Nepal's Water Governance

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Abstract

Power relations and the politics shaping and reshaping these relations are key in determining spaces of influence in water governance. Nonetheless, current discourse on water governance tends to de-center these political aspects, while presenting water governance decision-making processes merely as a neutral, technical and a-political exercise. Taking Nepal as a case study, this paper puts power and politics central in water governance debates. It brings to light how water resources management is closely linked with state transformation processes, manifested in the country's political move towards federalism. In particular, it looks at: 1) political fragmentation characterizing development planning processes in the country; 2) how this works in tandem with the prevailing sectoral egoism in water resources management; and 3) its implications for river basin planning approaches.

Keywords*: federalism; institutional analysis; Nepal; power relations; water resources management.*

1. Introduction

Over the past decades, Nepal has undergone a rapid period of political reform as it has transitioned from a government led by a monarchy towards a democratically elected federal government. Driven by the political move towards federalism, to place greater decision-making authority to local governing bodies, this period has been characterized by power struggles between major political parties, government agencies, civil society organizations, and local communities competing for decision making across scales. This paper links water governance with state transformation processes in Nepal. It brings to light how power relations centered on the politician-bureaucrat relationship shape the country's water resources management. In particular, it looks at: 1) political fragmentation characterizing development planning processes in the country; 2) how this works in tandem with the prevailing sectoral egoism in water resources management; and 3) its implications for river basin planning approaches.

Scholars have discussed current weaknesses in river basin planning approaches, centering on its neglect of political structure and processes (Allan, 2003; Blomquist and Schlager, 2005; Gyawali et al. 2006; Wester et al. 2003). They have shown how

such neglect manifests in the presentation of river basin planning as a prescriptive policy concept (Lautze et al. 2011; Biswas, 2004; Varis et al. 2008), while highlighting the need to recognize that water resources management decisions are made based on political choices and contestation (Cohen and Bakker, 2014; Warner et al. 2008; Wester et al. 2003). Public administration scholars have also discussed politician-bureaucrat relationships and their positioning as power holders in their respective political and bureaucratic domains (Mosse, 2004; Quarles van Ufford, 1988; Niskanen, 1971). They have shown how bureaucratic decisions are linked to political decisions, thus implying that water resources development and management decisions cannot be discussed in isolation from the wider political constellation.

Building on these works, the paper contributes to the current discourse on river basin planning and state transformation processes in two ways. First, it brings to light the close linkages between sectoral egoism and political fragmentation, and how the two can work in tandem through politician-bureaucrat relationship. It shows how the prevailing sectoral egoisms, rooted in bureaucratic competition between different government ministries is politically sustained and reproduced. It illustrates politician-bureaucrat relations shaping and reshaping state transformation processes, and how competing development agendas, rooted in political parties' interest to gain and sustain their power within the government, drive the country's water governance, resulting in fragmented development planning. Linking water governance with state transformation processes, the paper highlights the need to put power and politics central in our understanding of water governance structures, processes and outcomes.

Second, it argues that amidst the move towards federalism, the current fragmented development planning processes could also serve as entry points for civil society groups and the wider society to convey their voice and exert their influence. While ongoing federalism would manifest in internal power struggles between government bodies across scales, it would also provide opportunities for local community to put pressure to local governing bodies to be more accountable. The paper presents power struggles as spaces to influence. Putting political space central in water governance analysis, it discusses how federalism could create, sustain and reproduce such space, *"for whom, and with what social justice outcomes"* (Gaventa, 2009:31). Here, we define political space as a space where plurality, conflict, and power can be visible and contestable as such. Or, as stated by Dikec (2005: 172): *"space becomes political in that it becomes the polemical place where a wrong can be addressed and equality can be demonstrated"*.

To understand how politicians and bureaucrats navigate their ways through their interactions and how these manifested in the country's fragmented development planning processes, we conducted in-depth semi-structured interviews with 16 government officials from various government ministries, 7 political party representatives, 3 international donor representatives, and 5 civil society organizations. Throughout these interviews, taken from March 2017 to May 2018,

we also gathered information on how the different actors perceive current challenges in water resources development and management and how these challenges are linked to ongoing state transformation processes and the prevailing political fragmentation. Interviews were transcribed word-for-word. Each transcription was coded using predefined nodes, including nodes defined by the first author before the fieldwork, and new nodes for information that emerged during the interviews. The coding process was done manually and designed in line with the requirement of NVIVO tool.

In the following sections, we discuss Nepal's political move towards federalism and its implications for the country's water resource management, before highlighting the need to put power and politics central in water governance analysis in section 3. Following that we illustrate and discuss how political fragmentation and bureaucratic competition between central government ministries result in fragmented planning and disjointed development activities, while unpacking politician-bureaucrat relations in section 4. Finally, we reflect on the implications of state transformation processes for river basin planning approaches, while connecting the latter with the notion of political representation and social justice, thus positioning local governing bodies as local community's first point of contact to convey their needs and hold the government accountable.

2. Nepal's Political Move Towards Federalism and its Implications for Water Resource Management

Nepal's decade long civil conflict between Maoist militants and state forces ended in November 2006 with a Comprehensive Peace Agreement that opened the most democratically contested chapter in a process of state restructuring (Shneiderman and Tillin, 2015; Stepan, 1999). Consensus on federalism is hard to achieve as political actors hold not only different but also conflicting ideas about what federalism should entail (e.g. by ethnicity, and/or by means of political recognition) and what it should achieve (Lawoti, 2012; Lecours, 2013; Middleton and Shneiderman, 2008; Paudel, 2016). Nonetheless, political parties agreed that the federal system would be comprised of three levels of administrative governments at respectively central, provincial, and local.

Prior to the move to federalism, Nepal followed a two-tier local government system based on the Local Self Governance Act (LSGA) of 1999. Nonetheless, the last elected representatives left office in 2002 when their terms expired. While past attempts to hold election for local government bodies were thwarted due to political unrest, this resulted in the government representatives under the Ministry of Federal Affairs and Local Development (MoFALD) to take over instead. The lack of accountability and accessibility of these local institutions in the absence of elected representatives have hampered planned developmental activities, including controversies related to corruption and misappropriation of funds (Asia Foundation, 2012).

In line with the ongoing processes to move to the federal system, the government held election for local government bodies in three stages during May to September

2017. Through this election, four categories of local governing bodies are being formed, including 6 metropolises, 11 sub-metropolises, 276 municipalities and 460 rural municipalities. These local governing bodies are part of district and formed primarily based on population size and annual revenue. For example, each metropolis has minimum population of 280 thousand and annual revenue of at least 100 million Nepalese Rupees. Each sub-metropolis has minimum population of 150 thousand and annual revenue of at least 400 million Nepalese Rupees. Further, each municipality has minimum population of 20 thousand and annual revenue of at least 4 million Nepalese Rupees. Each of them has similar function within their territory with the district acting as a coordination unit. The elected local bodies would serve for 5 years. After an 18-year hiatus, the recent local election plays an important role to provide power to the people under the existing government structure.

As part of the Federal structure all three levels of the government are responsible for formulating and implementing policies and plans following seven-steps of planning process including budget development and management. This means that local level government will also be responsible for collecting taxes and revenues. The provincial government steps in when matters concern more than one local unit. State government as a whole still maintains power to develop plans of national interest. In terms of natural resource management all three levels of government have powers but the central government remains in charge of large-scale projects which include irrigation and hydropower projects. As the restructuring process is ongoing and given the unfamiliarity and unclear consensus on how federalism should take place, there is bound to be power struggles between government bodies throughout the three level administrative units as well as within the unit themselves. While such struggles would probably center on issue such as revenue collection, this will also indirectly affect the way water resources development and management is currently being done, as this would have implications for tax and revenue collection as well (e.g. royalty fee for hydropower development).

For water resources development and management in particular, at the time of writing, nine different ministries are responsible for dealing with water-related issues in Nepal (see Table 1). In 2018, the Government of Nepal (GoN) merged the Ministry of Irrigation (MoI) and Ministry of Energy (MoE) into the Ministry of Energy, Water Resources and Irrigation (MoEWRI). This merge was not new, as initially both ministries were located under the MoEWRI, before the latter was split into respectively MoI and MoE in 2009 (Bhandari and Lama, 2016). Prior to the formation of local governing bodies in recent election, these ministries manage their activities through line agency offices at provincial and district level. Some of the ministries include (semi) autonomous agencies, in addition to the dedicated departments. For example, Water and Energy Commission Secretariat (WECS) and Nepal Electricity Authority (NEA) are parts of Ministry of Energy (MoE) but they work as independent agencies. Following the recent elections, discussions are focused on how to create better administrative linkages between central ministries and local governing bodies, while ensuring transfer of responsibility and decision-making power from the first to the latter. These include the idea to transfer central

government ministries staff to provincial and local level, to support local governing bodies.

Table 1: Government ministries responsible for water-related issues

Ministry	Area of responsibility
Ministry of Energy, Water Resource and Irrigation (MoEWRI)	Water resources management including irrigation and hydropower development.
Ministry of Water Supply (MoWS)	Drinking water supply and water sanitation provision
Ministry of Agricultural and Livestock Development (MoALD)	Crop production and agricultural development
Ministry of Urban Development (MoUD)	Water related to urban development
Ministry of Education, Science and Technology (MoEST)	Education, innovation and scientific research
Ministry of Forest and Environment (MoFE)	Forest management, environmental conservation, pollution prevention and control
Ministry of Physical Infrastructure and Transportation (MoPIT)	Development of physical infrastructure to link rural areas
Ministry of Federal Affairs and General Administration (MoFAGA)	Development of local infrastructure in the rural areas
Ministry of Land Management, Cooperatives, and Poverty Alleviation (MoLMCPA)	Develop land use plans for efficient and sustainable management of available land resources

Water resources development and management in Nepal cannot be discussed and analyzed in isolation from the ongoing process of state transformation and the political move towards federalism. Politically, federalism will shift political decision from central government to local governing bodies. Administratively, it will shift bureaucratic decision from central government ministries to local governing bodies. Both will have implications on how the country's water resources can be managed.

In the past decades, the government has directed the country's water resources management towards river basin planning approaches (Merrey, 2008; Molle, 2008), derived from the principles of integrated water resources management (Biswas, 2008; Chikozho, 2008; Dombrowsky, 2008; McDonnell, 2008), as means to address the problem of persistent lack of cross-sectoral coordination. The idea of integrated water resources management was incorporated into its Water Resources Strategy (2002) and National Water Plan (2005), but was never implemented, partly due to prevailing sectoral egoisms (Suhardiman et al. 2015). Following federalism, the question remains as to whether river basin planning could still be referred as key principles in the country's water resources management, and if so, how river basin planning can be done with greater participation from local governing bodies. At

present, the government and major political parties have agreed on the three-tier government at respectively central, provincial and local level. Nonetheless, current discussions on the division of tasks and responsibilities between the different administrative level, and how they should coordinate with each other are still ongoing.

In the next section, we highlight the need to put power and politics central in water governance analysis.

3. Centering Power and Politics in Water Governance

Water governance scholars have brought to light the importance of politics, power structure and power relationships in shaping water resources management, primarily in the context of irrigation system (Wittfogel, 1967; Wade, 1982; Mollinga and Bolding, 2004; Molle et al. 2009) and hydropower development (Molle et al. 2009; Katus et al. 2015)[1]. This paper broadens the scope of water governance analysis to include the important role played by politicians in shaping and reshaping water governance decision. While various scholars have discussed the role of politicians in shaping water governance decision-making processes and outcomes, there is very few analyses that unpack such role in relation to water resources management. For example, Wade's analysis of institutionalized corruption in irrigation system management in India shows the close linkage between bureaucratic and political decisions on actual management of state funds. Nonetheless, the study does not elaborate on the politician-bureaucrat relationships and how the latter shape and reshape water management decisions.

Political science studies look at politician-bureaucrat relations through two distinct analytical lenses. The first lens looks specifically at the political forces (i.e. Parliament, Senate, Judicial system) (Weingast and Moran, 1983; Waterman and Meier, 1998; Miller, 2005) governing and influencing bureaucratic functioning (Furlong, 1998). It positions politicians as the power holders and emphasizes the role of political authorities in shaping the bureaucracy (Moe, 2002), bringing to light the bureaucracy many 'masters'. The second lens highlights the role of government bureaucracy as an agent with its own interests and identity (Niskanen, 1971; Quarles van Ufford, 1988). It discusses the notion of bureaucratic autonomy or the political power of the agent in policy making, and how such power can be gained by ensuring the agent's access to important resources. This lens focuses on the analysis of agencies expertise and mission (Rourke, 1984) and how they use these as a source of power vis-à-vis the power of politicians to control the bureaucracy. As stated by Olsen (2008: 17): *"The bureaucracy is an institution with a raison d'etre of its own, organizational and normative principles with intrinsic value, and some degree of autonomy and legitimate non-adaptation to leaders' orders and environmental demands".* Quarles van Ufford (1988), Moe (1989) and Mosse (2004) also discuss

[1] See also Suhardiman et al. (2017) on the importance of understanding power relations and politics shaping and reshaping water governance and collective action across scales.

this notion of 'bureaucratic identity', emphasizing the importance of understanding the government bureaucracy's main interests, and basic mechanisms in shaping its strategy to gain, sustain, and reproduce power (Espeland, 2000).

Building on these works, the paper unpacks politician-bureaucrat relations, shaping and reshaping water resources development and management direction in Nepal. It brings to light politicians' and bureaucrats' various strategies to presume power. It illustrates how politicians could push government bureaucracy to follow certain political decisions through the central positioning of the Prime Minister as their political agent. Similarly, it shows how bureaucrats could to a certain extent resist political domination, while relying on their technical expertise. We argue that this is possible bearing in mind that water resources management has been areas of public administration in which bureaucrats or technocrats have a relatively large say in determining development decisions.

In our analysis, we build on Lukes' (2005) three dimensions of power. In particular, we look at: 1) how actors and institutions define and exercise their influence over others through various means such as financial, technical, socio-political resources (instrumental power); 2) the role of socio-economic and political context within which decisions and actions are embedded (structural power); and 3) actors' ability to shape social norms, values, and identities in favor of their interests (ideational power). We look at how politicians and bureaucrats shape and reshape these different dimensions of power (e.g. access to power, the types and sources of power that they possess), and how they strategically use the obtained power to produce authority, gain control and achieve their respective political and bureaucratic interests, amidst the country's political fragmentation. How does political fragmentation drive the country's development planning processes and with regard to water resources management in particular? What are politicians' and bureaucrats' various strategies to navigate through this political fragmentation? And what are the implications for the country's water resources development and management? These are the primary questions explored here.

4. Political Fragmentation Characterizing Development Planning in Nepal

In this section we illustrate how the country's development planning processes are driven by political parties' competing development agendas, how politicians and bureaucrats navigate through these internal power struggles within the government, and how it manifests in disjointed project development activities.

4.1. Development planning driven by political competition

After the political transition that brought the new Maoist government into power in 2008, the country's political landscape is characterized by continuous power struggles between the 5 major political parties. These parties are: Nepal Congress, Communist Party of Nepal Unified Marxist-Leninist (CPN-UML), Maoist, Rastriya

Prajatanta Party (RPP), and Rashtriya Janata Party Nepal (RJPN[2]). These power struggles are most apparent from the high frequency of change in the country's political leadership. For example, in 10 years since the Maoist government took power, Nepal has had nine different Prime Ministers, each serving for less than 2 years on average. Changes in political leadership, due to political fragmentation has over ruled the need for holistic planning in the country's overall development in general, and water resources management in particular. Driven mainly by major political parties' competing development agendas, the country's overall development is politically divided and sectorally fragmented.

Politically, the country's overall development is shaped and reshaped by major political parties' competing development agendas. For example, while National Congress would bring to light the need for large infrastructure development such as hydropower dams as key means to promote the country's economic growth, other political parties (such as CPN-UML) would oppose the idea, while referring to the populist notion and how the dam would impact local community instead. Internal power struggles driven by competing development agendas are most apparent from how development of large infrastructure projects (e.g. various hydropower dam projects such as Arun 3, Upper Karnali, among others) often got delayed due to changes in government's policies and/or strong opposition from other major political parties. For example, while the government (at that time led by the Nepal Congress) had signed the Memorandum of Understanding with the hydropower company to build the Upper Karnali hydropower project back in 2008, the project was continuously delayed due to major political parties' opposition to it (e.g. CPN-UML). At time of writing, CPN-UML, now the ruling party within the government, has agreed to proceed with the dam development. Nonetheless, recent attacks on the company's office in Surkhet district indicate certain degree of political fragmentation, even within the different communist parties. Similarly, Arun 3 hydropower dam was to be constructed back in 1990s, but was delayed significantly, and was inaugurated only in 2018.

Institutionally, political fragmentation is translated into the central government bureaucracy through the establishment of inner circle of power, centered on the Prime Minister's (PM) role as the highest decision-making authority within the government bureaucracy, and his strong political affiliation with the ruling political party. The establishment of this inner circle of power is most apparent from how the PM appointed the members of the National Planning Commission (NPC), deriving mainly from his closest political alliances. In turn, the political relationship between the PM and NPC members transforms the latter's role from a potential think tank responsible for formulating comprehensive and systematic development plans, into merely a group of political advisors loyal to the PM and the ruling political party, not necessarily equipped with relevant knowledge to direct the country's overall development. Here, the NPC organizational functioning is driven mainly by the need

[2] The eight Madheshi parties put their differences aside and came together to establish the Rashtriya Janata Party Nepal for the elections in 2017.

to deliver political leverage to the ruling political party, through the sustenance and extension of the PM's political power.

The central positioning of NPC as the PM's inner circle of power is most apparent from how NPC membership changes every time a PM is changed. For example, when the new PM from the Communist Party of Nepal (CPN-UML) came in power, he would restructure the NPC membership composition, ensuring his political alliances are included, while removing potential political opposition with allegiance to the previous PM from the Nepal Congress. As said by one of civil society representative: *"Not a single PM wanted to maintain the previous NPC members simply because they cannot trust these members. They are not part of his political alliance. And to stay in power, the PM has to be able to rely on his political alliances"* (interview with civil society organization, February 2017). Consequently, the new NPC would prepare a new development plan rather than continuing with the existing plan formulated by the previous NPC members. Viewing the previous NPC as its political competitor, the new NPC thought that continuing with the existing plan and implementing it successfully would only give credit to the previous PM and his political party.

The PM's inner circle of power also includes the central government ministers. As the latter are politically appointed positions, major political parties can appoint their representatives and cadres for the positions, in accordance with the number of seats the parties have in the parliament. At present, the Communist Party of Nepal (CPN-UNL) holds minister positions in most of the ministries including Ministry of Home Affairs (MoHA), Ministry of Finance (MoFin), Ministry of Defence (MoD), among others. In general, the ruling party appoints its ministers based on the budget the central government allots each ministry. Depending on the relationship with other parties in the coalition government, the PM may choose to appoint a minister from another party to a ministry with a large budget to strengthen political ties. As a minister's bureaucratic leadership is rooted in his/her political affiliation with the major political parties, s/he would shape the leadership in line with the political party's political agenda and interests. S/he is loyal to the political party who had appointed him/her the position, rather than accountable to his/her ministerial staff. Consequently, development plans and activities are defined and implemented as means to advance the political party's political and development agenda regardless of how the plans and activities coincide with people's development needs and whether or not the government has the technical capacity to implement the plans. Thus, each appointed new minister would prepare new sectoral work plan and priorities rather than taking up the existing plan formulated by his/her predecessors. As expressed by one of our interview respondents: "*When a new minister came into office, s/he would start with a new development initiative to show his/her party's political leverage. S/he would never continue with existing development activities belong to his/her predecessor, as this might work against the interest of the political party s/he is affiliated to. Thus, every time a new minister comes, existing plan will be replaced by a new plan, not necessarily linked with the first, resulting in inconsistent and disjointed development"* (interview with international donor agencies, February 2017).

The way the PM would choose its ministers and NPC members based on political connection significantly sidelines the importance of technical expertise and administrative experience in the country's overall development plans. The combination of the need to deliver political leverage and the lack of technical expertise result in inconsistent and ad-hoc development plan based on short-term political interest, while lacking the long-term strategic development visions. This reflects the current systemic failure in the country's development planning, most evident in NPC's inability to come up with a solid, comprehensive development plan for the country. Initially Nepal has 5-year development plan. Later, this was reduced into 3-year plan, due to political situation in the country in general and following the government's decision to go for federalism in particular. In theory, NPC should develop a national development plan that incorporates all sectoral ministries' development plans and activities. In practice, however, when PM changes almost every year, NPC membership and minister appointment change too, leaving the newly appointed members and ministers very little time to formulate and implement their development plans and programs. Technically, NPC plays a key role in formulating national development plans such as periodic plan and annual program in coordination with the Ministry of Finance. Nonetheless, when it comes to actual influence the NPC is unable to exert power due to a lack of resources and authority to implement these plans. Thus, apart from some development projects funded and implemented with support from INGO and international donors, the overall role of NPC in the execution of development plans remains limited.

From the perspective of planning and program implementation, it is nearly impossible for NPC members and ministers to develop a long-term development plan. This is not only because the defined plan has to be in line with the major political parties' development agendas since it is common for NPC members to be politically appointed, but also due to the fact that in most cases such plan could not be materialized and completed given frequent power change at the level of PM, ministers and NPC members. As expressed by one of our interview respondents: *"Nepal's development planning processes resemble policy inconsistency and lack of continuity. The first minister came and planted the seed of his/her development program, but had to go almost as soon as s/he arrived. The second minister arrived and instead of continuing with the program, s/he wanted to know where such program came from, which party supported it, thus further delaying the program implementation if not halting it altogether, before s/he had to go too. When the third minister came, s/he would have his/her own idea and instead of implementing the earlier program, s/he would develop a new one. So, the cycle of developing a new program after one another, but without having ample opportunities to implement these programs continues"* (interview with civil society representative, February 2017). When the notion of planning in the country's development is reduced into the need to provide political leverage for the political parties through its political leaders (in this case the PM and politically assigned ministers) ruling in very short duration (less than one or two year), this results in scattered, inconsistent and sometimes conflicting national development planning. Put differently, as the overall

rationale of planning is driven by the need to ensure political stability through alliance formation and consolidation, development then took place on ad-hoc basis, based on ever changing political agenda and interests, thus overlooking the long-term perspective of development planning altogether.

In the next sub-section, we discuss how political fragmentation provides stronger rooting for the preservation and reproduction of sectoral egoisms among central government ministries.

4.2. Political fragmentation preserving the practice of sectoral egoisms

Sectoral egoism, rooted in bureaucratic rivalries between government agencies responsible for water resources management is a prevalent feature in developing countries worldwide (Suhardiman et al. 2012; Suhardiman et al. 2015). In Nepal, these bureaucratic rivalries are most apparent from the relationship between Ministry of Energy, Water Resources and Irrigation (MoEWRI) and Investment Board of Nepal (IBN). Established under the Maoist government in 2011 to attract foreign direct investment, IBN is formally responsible for hydropower dams with electricity generating capacity larger than 500MW, while MoEWRI/Department of Electricity Development (DoED) is responsible for hydropower dams with electricity generating capacity smaller than 500MW. In practice, however, both conduct their tasks without any coordination with each other. This lack of coordination is most apparent in several planned hydropower projects in the Arun river basin. Upstream of the river, there is Kimathanka Arun hydropower project with electricity generation capacity of 450MW, produced mainly for domestic use and is under the responsibility of MoEWRI. Downstream of this dam, there is another planned dam: Upper Arun, with 335MW electricity generating capacity and Ikhuwa Khola with a capacity of 30MW. This dam is under the responsibility of Nepal Electricity Authority (NEA) and will produce electricity for domestic use. Further downstream there is Lower Arun 3 dam, with planned power generation capacity of 900MW, though the purview will come under IBN, due to its electricity generating capacity exceeding 500MW. Despite these dams' location, cascading each other, there is hardly any fine-tuning or coordination between the different agencies responsible for the dam development. This lack of coordination resulted in conflict situation surrounding the amount of available water to generate electricity as well as with regard to the design of the dam (e.g. dam height in relation to water level). Similarly, ineffective and ad hoc dam construction will also result in ineffective development of transmission line and grid system. [3]

[3] Bureaucratic rivalries between MoEWRI and IBN are also evident in the way licensing issue has plagued the country's hydropower development. In charge to give licenses to develop hydropower projects to private companies, MoEWRI screws up the possibility to develop systematic hydropower development plan to better position hydropower development for the country's development, when it simply grants such license based mainly on first come first serve mechanisms. As it stands now, private developer can build hydropower dam almost everywhere in any river, without having to link this dam with other planned/operating dams. The licensing issue highlights how MoEWRI can easily

We argue that ongoing political fragmentation in Nepal contributes to preserve and reproduce sectoral bureaucratic rivalries. While bureaucratic competition is rooted in the different sectoral ministries' interest to secure access to development budget and increase their bureaucratic power, we argue that the political fragmentation and the way development plans and activities have been driven primarily by political parties' competing development agendas has provided stronger rooting for preserving the practice of sectoral egoisms. The current systemic failure in Nepal's development planning processes as resembled in the government's inability to come up with a strategic national plan indirectly enables sector ministries to proceed with their respective sectoral development agenda, without having to coordinate with other ministries, or risking the agenda being questioned or contested. This systemic failure in the country's development planning also allows political parties in power to capitalize on their access to top leadership within the government, as means to serve their parties' interests and access to development fund.

The absence of strategic development plan is created, sustained, and reproduced by political parties' interests to use it as a means to advance their political interest and gains. It reveals the rules of the game commonly agreed by major political parties, to distribute their share based on where they position their ministers within the government bureaucracy. As each minister is representing the political party that has assigned him/her, sectoral development planning is driven by each political party's agenda and interest to gain popular votes and political basis, while relying on government's development budget for that. For example, party A can gain access to government's development budget through its minister position in MoEWRI, while party B is doing this through MoAD. As stated by a political party representative we interviewed: *"Major political parties often have competing development agendas. However, in practice they will focus their efforts on how to divide the government's development budget among themselves, through their respective access to different sectoral ministries. Hence, no need to fight with each other if everyone gets the piece of the cake"* (interview with political party representative, May 2018).

The ruling political party lacks any incentive to support other political parties' sectoral development program, fearing the latter might distort or stood in the way of its own development priorities. Similarly, from the perspective of political parties in opposition, they also lack political incentive to support NPC's work to develop the national plan, as this will give credit to the ruling political party. Not to mention the potential of such plan in distorting their own individual 'plan' centered on their leadership in various government ministries. Hence, from the major political parties' perspective, sustaining the prevailing sectoral egoism, centered in bureaucratic competition between different sectoral ministries seem to be the most

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challenge and distort IBN's role in dealing with large hydropower projects, especially when they (have already) given the license for smaller projects in the surrounding or in the same localities.

logical way forward to achieve their respective development agendas and political leverage.

The current systemic failure in the country's development planning processes is also linked with the practice of institutionalized corruption, especially surrounding lucrative project deals, as the latter is often used as a source of political leverage (Suhardiman and Mollinga, 2017). As stated by civil society representative: *"Despite the current political fragmentation, institutionalized corruption prevails, linking government ministries with their respective political parties. This practice of cronyism within the government agencies centers on NPC members' decision-making power to approve development projects proposed by sectoral ministries. In return, these members receive a certain percentage of fund, which they then again used to channel to their respective political parties, as part of their political leverage"* (interview with civil society representative, February 2017).

The practice of institutionalized corruption within the government bureaucracy is most apparent from the way the Ministry of Finance (MoFin) reviews sectoral ministries' development budget. In general, sectoral ministries would propose their development budget to MoFin. MoFin would then decide on the budget ceiling, which is around the same with the allocated budget of the previous year plus approximately 10% increase[4]. In practice, however, MoFin could allocate lower and higher development budget to relevant sectoral ministries, depending on their political relationship. Sectoral ministry could propose a considerable budget increase to MoFin and get it if they belong to the same political alliances (e.g. when both ministers are appointed by the same political parties). As said by official from MoFSC: *"When I joined the ministry in 2016, I managed to increase the budget allocation considerably, up to 20 percent. While I have presented the overall development plan to justify the increase, my ability to secure this budget increase is also linked with my political connection with MoFin minister"* (interview with official from MoFSC, February 2017).

This highlights how government's decision is driven primarily by political parties' interest to gain and increase their political power, regardless of the proposed programs' relevance and whether or not it fits local population's development needs and aspirations. Political parties' interests dominated and steered administrative government decisions. Political connections define what is possible and how things should be done through what channels. When money from institutionalized corruption comes from lucrative development project funds is fed back into the system through political parties' domination in ongoing policy discussion, this highlights not only massive policy-disconnect between national and local, but also reveals how policy discussion at national level has been captured by elites' interest.

[4] This rule of 10% additional budget increment serves not only as procedural rule to favor gradual increase in fund allocation, it also ensures the sustenance of existing power structure within the government bureaucracy.

The government's and political parties' approach to center their efforts on their political networks and alliances, and inner circle of power has distanced themselves from the reality on the ground and what the people really want and need.

In the next sub-section, we unpack how political fragmentation and the central positioning of ministers as political representative of the major political parties shape organizational functioning and dynamics of central government ministries, centering on the relations between politicians and bureaucrats.

4.3. Politician-bureaucrat relations shaping Nepal's water resources management

Operating within the context of political fragmentation in the past decades, a minister often holds his/her position for a very short duration (less than a year). This is because once the ruling party changes, both the new PM and each political party in the government would then appoint their respective ministers to hold different posts within the government offices, as their first point of contact to ensure the representation of their often competing political interests.

While they were in office, a minister would focus his/her leadership on initiating as many 'new' development initiatives and projects as possible, as a means to deliver political leverage, regardless of whether the defined plan can be implemented within the very short duration s/he is in office, or whether the plan corresponds with local community's development needs. As shared by one of our interview respondents: *"New ministers love to lay the foundation of the work, to show that his/her political party is doing something useful for the people, or at least plan to do so, regardless of how such plan would benefit local community. Not to mention the fact that they themselves know that they would never be able to complete the plan implementation, given their short time at the office"* (interview with civil society representative, February 2017).

Presenting the new sectoral development plan merely as his/her political leverage, a minister often would initiate new development projects in his/her area of origins. This way, the projects' implementation sites are defined as a means to gain and ensure electoral support for relevant political parties. As stated by official from Department of Irrigation (DoI): *"For example, one minister initiated a lot of small projects (hundreds of them) on pond rehabilitation and ground water lifting in Saptari, his home district. This way, he ensures that many people from his home district would get benefits from the projects and in doing so increase and strengthen his political power base"* (interview with official from DoI, February 2017).

Fragmented national development planning driven by political competition between the different political parties is translated into disjointed development activities. As shared by official from DoI: *"With ministers come and go every year and the pressure for each new minister to start a new projects and program rather than continuing and completing the ones initiated by his/her predecessor, result not only in piling up of number of unfinished development projects, but also disjointed development activities"* (interview with official from DoI, February 2017). While all these existing projects

would continue, in the sense that the government cannot stop them once they have started, delay in project completion becomes the new development trend in the current political climate. Such delay is inevitable because when a new minister takes office, he will use most of development budget to fund his new projects, instead of using the fund to complete those started by his predecessors.

Political and bureaucratic fragmentation results in scattered decision-making and inconsistent development activities in water resources management across scales. For example, prior to the formation of Ministry of Energy, Water Resources and Irrigation (MoEWRI) in 2017, the Ministry of Energy (MoE) was developing a plan to build a hydropower dam with 1200MW capacity (Budi Gandaki dam). This is despite the fact that IBN is formally in charge for hydropower development projects with electricity generating capacity larger than 500MW. Moreover, focusing mainly on the water use for hydropower electricity generation purposes, MoE overlooks the benefits that can be gained from regulating water flow for both electricity generation and irrigation purposes. Technically, they would release the remainder of the water (which can be used to irrigate more than 1 million ha of agricultural land in Nepal) to India for free. Similarly, in terms of design, if the dam is designed as a multi-purpose dam, this will result in a reduced dam height. Currently, the dam is at its maximum height.

Similarly, prior to the formation of MoEWRI, Ministry of Irrigation (MoI) was working on a new large irrigation system (Mega Dang Valley Irrigation Project), taking the water from Se river to irrigate 50,000 ha agricultural land as its command area, MoE is building a hydropower dam (100MW) upstream of the irrigation system intake. Once noticing this problem, MoI informed MoE minister. Following this flagging, the hydropower dam construction activities were halted. Yet, they still do not know what will happen with it (e.g. cancelled altogether or resume later on). MoE plans and constructs this hydropower dam without informing and consulting other sectoral ministries. So, they are aware about this problem only after construction occurred. As stated by official from MoFSC: *"This sectoral approach is applied not only by MoE, but all sectoral ministries. If they have to build any physical infrastructure, they will just build it without informing or consulting with others"* (interview with official from MoFSC, February 2017). At present, MoI is merged with MoE into MoEWRI. This merge could technically strengthen the overall sector coordination; though bureaucratic rivalries could also shift to department level.

At the department level, government staff struggle with this inconsistent development planning and disjointed activities. As shared by official from Department of Irrigation (DoI): *"We as technical staff could not cope with the fact that each year, the new minister would start with a new development project, knowing that the project implementation would be delayed the next year, following the change in political leadership"* (interview with official from DoI, February 2017). DoI has applied two strategies to deal with the problem. First, it will focus on activities that will not be affected by new projects, such as system O&M to improve the irrigation system's overall productivity. As this activity does not depend on new projects, DoI

can still do their work in this regard. Second, it will propose to the new minister that it first conducts feasibility study and detailed assessment before proceeding with the proposed new project initiatives. If the feasibility study is favorable, it can proceed, but it should not proceed without any feasibility study. As shared by official from DoI: *"This way, at least DoI can prevent any possible damage if government budget is spent for development projects that are not economically feasible"* (interview with official from DoI, February 2017).

This highlights how government bureaucracy could to a certain extent resist political domination, by relying on their technical expertise to direct the overall sector development. Nonetheless, it also reveals how political actors cripple the administrative government system, as the political domination limits and reduces sectoral ministries' ability to formulate long-term sectoral development plans and programs. Here, political fragmentation results not only in scattered development plans and activities, it is also translated into an ineffective and inefficient development approach, where resources are wasted on new projects, while knowing that these projects will not be completed before other new projects come.

5. Discussions and Conclusion

Linking water resources management with the ongoing process of state transformation in Nepal, the paper highlights the importance of power relations and political forces shaping and reshaping water governance structures, processes, and outcomes. It shows how the ruling and major political parties could predetermine the overall performance of administrative government, while ensuring that national development plan and programs are formulated and implemented in line with the defined political agenda, neither incorporating the country's long-term development vision nor coinciding with local community's and the wider society's development needs and aspirations.

It illustrates how political fragmentation contributes to the preservation and reproduction of sectoral egoisms, rooted in bureaucratic rivalries between central government ministries responsible for water resources management. Here, political fragmentation works in tandem with sectoral development planning approaches centered on government ministries' bureaucratic interests to deliver political leverage, not necessarily linked with local community's views and perceptions and/or the grass roots realities. Thus, it presents the underlying rationale behind the current inconsistent and disjointed development planning and activities as well as internal power struggles between major political parties, sectoral ministries, and how such struggles manifest in politician-bureaucrat relations. It sheds light on the overall shaping of politician-bureaucrat relations and how the latter strategically maneuver political domination at ministerial and/or departmental level, while relying on their technical expertise in the sector development.

The country's systemic failure in development planning provides the rationales and justifies the current move towards federalism. Following federalism, decision making authority and responsibility will be transferred from central government to

elected local governing bodies. Responding to this, central government ministries often raise the issue of lack of capacity, including the local government's inability to plan and implement, as key foundation to halt the transfer of tasks and responsibilities. In practice, however, our study shows that central government themselves are perhaps not in any better position than their governing counterparts at the local level. We argue that while transfer of tasks and responsibilities would not automatically solve the problem of sectoral development planning in the country, it will certainly increase the level of accountability between political party representatives and their political constituents. As stated by civil society organization: "*There will be a lot of cases where local governing bodies would misuse their authority. Yet, local community would also have more direct access to demand clarification from these local bodies. The accountability line will be more straightforward*" (interview with civil society organization, May 2018). Similarly, while this transfer would certainly involve a certain degree of power struggles, positioning these struggles as spaces to influence (Dikec, 2005), we argue that they will provide a space for civil society and local community to play more active role in the country's water resources development and management.

In the context of river basin planning, the political move towards federalism and the establishment of local governing bodies connect the idea of river basin planning with the overall notion of political representation and social justice (Clement et al. 2017). Prior to federalism, river basin planning was driven mainly by central government ministries in charge for water resources management. Here, the idea to have river basin plan is derived from central ministries' objective to control, develop, and manage the country's water resources to be economically viable and environmentally sustainable. Amidst the ongoing discussion on federalism, central government ministries have strategically position river basin planning as a means to preserve their bureaucratic power, that is by emphasizing the need for centralized planning in water resources development and management (Suhardiman et al. 2018). Following federalism, river basin planning can no longer overlook local governing bodies' roles and responsibilities, and local community's development needs. This brings to light the need to incorporate grass-roots development perspectives in the formulation of river basin plan. It also highlights how the planning process will require a lot of consultations with various key stakeholders, as more actors and institutions are participating in the overall decision-making processes.

From a policy perspective, the question remains as to how to harmonize and link the need for basin level planning with local people's development needs and aspirations. The way fiscal decentralization is designed, implemented and monitored will play a key role in ensuring smooth transfer of roles and responsibilities following federalism. Rules and procedures defined in fiscal decentralization will predetermine the pathway for transfer, and how the latter will ensure transparency and accountability. Similarly, the way local community and the wider society shape and reshape their access to decision making processes as a space to influence would also determine as to whether local governing bodies could

represent local community's views and thus serve as more accountable people's representatives.

Acknowledgements: This study is made possible by the generous support of the American people through the United States Agency for International Development (USAID) under the Digo Jal Bikas (DJB) project (http://djb.iwmi.org). The contents are the responsibility of the authors and do not necessarily reflect the views of USAID or the United States Government.

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