STATE OF SOCIAL INCLUSION IN NEPAL

CASTE, ETHNICITY AND GENDER

EVIDENCE FROM **NEPAL SOCIAL INCLUSION SURVEY** 2018

SUMMARY

Central Department of Anthropology
Tribhuvan University
Kirtipur, Kathmandu, Nepal

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Foreword

I am delighted to introduce this report of the study on the "State of Social Inclusion in Nepal (SOSIN)," which is a result of collective endeavors of our academics, professional experts, associates and students at Tribhuvan University.

Tribhuvan University is the first national institution of higher education in Nepal and has a history of commitment to academic inquiry geared to the needs and expectations of the Nepalese people and international partners. One of the main objectives of the University is to be involved in the production and dissemination of empirical research and knowledge in the fields of arts, science and technology.

In this context, we promote systematic research on various themes. The SOSIN study, carried out by the Central Department of Anthropology at Tribhuvan University, aims to foster scientific understanding of the issue of social inclusion in Nepal. Social inclusion is a national agenda for Nepal and is also a key part of the Sustainable Development Goals (SDGs). Many policymakers and scholars have cited the lack of empirical data on the subject of social inclusion in Nepal. This research addresses this lacuna by providing scientific and comprehensive data on the gender and social inclusion at the national level and insights on inclusive governance and disaster resilience.

I hope that this contribution will generate vibrant scholarly debate, furthering the cause of intellectual discovery and the tradition of independent analysis. I also hope that it will assist policymakers to find solutions to the complex problems of exclusion and inequality in Nepal.

I would like to thank the United States Agency for International Development (USAID) in Nepal for providing valuable support for this research. This was a unique opportunity to synchronize research, teaching and policy application. I express gratitude to the National Planning Commission, Nepal for supporting the research and for the Commission's commitment to institutionalizing data use in planning processes. I would also like to congratulate the Central Department of Anthropology for making such a valuable and timely contribution to the field of social science research in Nepal.

Prof. Dr. Dharma Kant Baskota
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FOREWORD

Since 1961, the United States Agency for International Development (USAID) has partnered with the people and Government of Nepal. Our partnership has contributed to some of Nepal's most dramatic and remarkable development successes, including: laying Nepal's first roads; installing its first telephone exchange; supporting the elimination of malaria from the Terai region; enabling agriculture to flourish across the country; increasing literacy rates; drastically reducing child mortality; and facilitating peace and democracy in the later decades. Today, USAID is building on these successes and continues to support Nepal's efforts to become more prosperous, democratic, and healthier.

Nepal's constitution envisions a nation that is inclusive, without any forms of inequality or discrimination. Inclusive development is also at the core of everything that USAID does and it is a hallmark of our work in Nepal. We believe in a future where all people, irrespective of caste, ethnicity, gender, sexual orientation, class, religion, area of origin, language, or disabilities, can exercise full and meaningful participation in their social, economic, cultural, and political lives; enjoy the benefits and opportunities of development; and contribute to their society**.** Our activities in Nepal are thus guided by the principles of Gender Equality and Social Inclusion (GESI) and achieving the sustainable development goal of *Leaving no one behind.*

USAID, therefore, partnered with the Central Department of Anthropology of Tribhuvan University to generate comprehensive knowledge and evidence on the social inclusion status of 88 caste and ethnic groups. The information was disaggregated by sex in various dimensions of social, economic, cultural and political lives, including electoral processes and civil service. The State of Social Inclusion in Nepal (SOSIN) study has consequently produced a wealth of empirical data and analysis on the current state of social inclusion in Nepal that can be used to measure progress in ending gender inequality and caste and ethnicity-based exclusion, as well as the remaining challenges. The data is also useful for designing new policies and interventions that help to achieve sustainable GESI outcomes, and to track progress in Nepal's graduation from least developed country to middle-income country status.

We hope that the research will help everyone understand the extent to which inequalities remain pervasive and deep-rooted in Nepali society and identify practical ways to *Reach the furthest behind first*. It is USAID's goal that the study drives evidence-based monitoring of social inclusion, and that this in turn promotes not only understanding of social inclusion, but also advances equity and opportunity for Nepalis who have been excluded for far too long.

Sepideh Keyvanshad
Mission Director
USAID/Nepal

PREFACE

Over the last decade, Nepal has witnessed a major political transformation. The country moved from a centralized monarchical system to a federal republic. The new constitution promulgated in 2015 envisions equality and social inclusion as major goals for creating a democratic and just society. Yet deeply-rooted social, economic, and political inequalities based on gender, caste and ethnicity remain major challenges.

With this background, the Central Department of Anthropology (CDA) at Tribhuvan University undertook this study on the "State of Social Inclusion in Nepal (SOSIN)." The study aims to produce a nuanced understanding of the situation and dynamics of social inclusion and gender equality. Using both quantitative surveys and qualitative assessments, this research generates empirical data about the current state of equality and social inclusion in Nepal and allows for the tracking of progress. This research is a sequel to the research project "Social Inclusion Atlas and Ethnographic Profile (SIA-EP)" implemented by the then joint Department of Sociology/ Anthropology at TU in 2012-2014 with support from the Norwegian Embassy in Nepal. The SIA-EP established a comprehensive national database disaggregated by gender, caste and ethnicity, built a Multidimensional Social Inclusion Index through re-analysis of major national surveys, and produced profiles of 42 highly marginalized caste/ethnic groups to understand the micro-dynamics of exclusion.

SOSIN, carried out in 2018-2019, builds on the previous work and engages with emerging issues related to the theme. The SOSIN research has four major components, all of which use a common lens of social inclusion to understand Nepal's democratic institutions and development progress.

The first component of SOSIN is the Nepal Social Inclusion Survey (NSIS), which collected detailed data from 17,600 sample households across the country. The report "Nepal Social Inclusion Survey (NSIS) 2018" contains analysis covering a wide range of topics related to social inclusion, including household assets, health and social security, work and livelihood, language and education, social, cultural and gender relations, inclusive governance and women's empowerment and reproductive health. This study is unique in the sense that its results are disaggregated by sex, eleven main social groups and by 88 distinct caste/ethnic groups. The findings also provide evidence for tracking changes on a number of key indicators between 2012 and 2018.

The second SOSIN component is a socially disaggregated analysis of Nepal's progress on the Sustainable Development Goals (SDGs). The report "Who Are Left Behind? Tracking Progress on the Sustainable Development Goals in Nepal" presents sex-, caste- and ethnicity-disaggregated data from NSIS 2018 on selected SDG indicators. Data for a total of 40 indicators are presented, including 36 indicators from the National Planning Commission's SDG framework and four additional indicators proposed based on their relevance to rights and social justice. This report will be valuable for institutionalizing planning and targeting left-behind gender and social groups in order to achieve the SDGs, in line with the spirit of "leaving no one behind."

The third component of SOSIN is an analysis of the state of inclusive governance in Nepal in the new, post-federalization political context. The report "State of Inclusive Governance in Nepal" examines how inclusive governance policies have been translated into practice. Based on the NSIS 2018 survey data, ethnographic field work and secondary data, this report examines the representation of different castes, ethnicities and genders in the bureaucracy, elected local bodies and various committees related to education, health services and community-level development works. It presents perceptions, awareness and practices regarding inclusion within five key 'pillars' of governance, namely: the rule of law; participation; representation; transparency; and accountability. The report analyzes disparities between different caste, ethnic, religious and minority groups, as well as gender differences across these groups and examines possible hindrances to inclusion.

The fourth SOSIN component is a study on community disaster resilience. The report "Community Resilience Capacity: A Study on Nepal's 2015 Earthquakes and Aftermath," provides empirical data on disaster effects, recovery and resilience in the 14 most-affected districts. The study pays particular attention to disproportionate impacts, differential resilience capacities and social inclusion. As global climate change makes Nepal increasingly prone to multiple types of disasters, the results of this study help to enhance understanding of resilience capacity, improve on-going recovery tasks and strengthen disaster risk reduction and management planning.

Exclusion of certain groups of people from meaningful participation in the social, political and economic life of the nation can contribute to inequality and instability. Exclusion is a costly impediment to economic growth, perpetuating poverty and powerlessness among the marginalized. Disparities based on gender and social identity have persisted and may continue to widen, especially when compounded by disasters like the earthquakes and the ongoing economic downturn due to COVID-19. This study is expected to help policy-makers plan, promote and monitor progress on social inclusion as both a desired outcome and a required strategy for sustainable growth and inclusive democracy. As an academic enquiry, this study will also be helpful for researchers, teachers and students interested in the theoretical contemplations and practical applications for the betterment of human conditions.

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ACKNOWLEDGEMENTS

With a commitment to integrating social research with teaching and combining academic analysis with policy application, the Central Department of Anthropology (CDA) at Tribhuvan University has been involved in systematic research on pertinent themes such as social inclusion in Nepali society over the last 15 years. The set of studies under the title "The State of Social Inclusion in Nepal (SOSIN)" is the most recent addition to the series and constitutes the flagship of the CDA's research program.

The successful completion of the SOSIN research was made possible with the generous support of various institutions and the efforts of around 200 individuals. We would like to extend our sincere thanks to all for their valuable contributions.

More than 38,000 men and women from different social backgrounds across the country shared their information, experiences and insights for this research. We express our deep gratitude to the respondents for their time and contributions in building the foundation for this research and analysis.

We express our special thanks to Prof. Sudha Tripathi, former Rector of Tribhuvan University, for giving permission to undertake this research project. Mr. Dilli Ram Uprety, the former Registrar, Prof. Dr. Shiva Lal Bhusal, the former Dean, Faculty of Humanities and Social Sciences, and Prof. Neelam Kumar Sharma, the ex-Executive Director of the Center of Research, Tribhuvan University deserve special thanks for their continuous support from conception to completion of the research. We would also like to extend our appreciation to Prof. Umesh Mandal, current Executive Director, Center of Research, for his passion and support.

We extend our sincere thanks to Prof. Pushpa Raj Kandel, Vice-Chairperson, National Planning Commission (NPC) for his guidance on the SOSIN research. We are deeply thankful to Mr. Min Bahadur Shahi, Member of NPC for his invaluable support to the research and his expressed commitment to utilization of the data in national planning and monitoring systems. We are grateful to the SOSIN Advisory Committee members: Ms. Mohna Ansari, National Human Rights Commission; Dr. Teertha Dhakal, Secretary, Office of the Prime Minister and Council of Ministers; Mr. Dilli Raj Joshi, Deputy Director General, Central Bureau of Statistics; Dr. Surendra Labh, Member, Policy Research Institute; Dr. Bimala Rai Poudyal, Member of Parliament; Mr. Rudra Singh Tamang, Secretary, Ministry of Federal Affairs and Local Development; and Dr. Ganesh Yonjan, social development expert and former Nepal Ambassador to Japan. These advisors provided guidance and support throughout the entire process of this study.

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We express our special thanks to Prof. Laya Prasad Uprety, former Head of the Central Department of Anthropology, who served as the SOSIN Project Coordinator during the first half of the research project. His support and guidance were crucial in successfully conceptualizing, designing and implementing the research. We would also like to express our appreciation for his continuous help and careful review of the reports and research papers.

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Finally, our heartfelt thanks go to the field enumerators, supervisors and ethnographic field researchers who took part in collecting information, and research fellows and associates who provided inputs at various stages in the research. We thank Mera Publications for their careful editing and Dr. Dovan Rai for assistance with data visualization. Credit is due to the SOSIN statistical team who provided technical support to all research components. We also thank the staff members at the SOSIN office for taking the very important responsibility of everyday management for the work.

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1 CHAPTER
CONTEXT OF THE STUDY

1.1 Political Context

Emerging with the political changes of the 1990s and becoming more and more central and explicit over the last three decades, social inclusion is now at the core of Nepal's national agenda. The Comprehensive Peace Accord (CPA) signed in 2006, committed to end discrimination and exclusion based on caste, ethnicity and gender as integral to the reform and restructuring of the state. After nearly a decade of deliberation the 2015 Constitution emerged with its vision of Nepal as an inclusive and democratic state with a federal structure, broad-based prosperity and an inclusive society. It explicitly guarantees non-discrimination on grounds of origin, religion, race, caste, tribe, sex, economic condition, language, region, ideology or other similar grounds.

In order to attain the Constitutions' goal of inclusion, the Government of Nepal (GoN) adopted various policy measures and programs to promote social inclusion through its Fourteenth Three-Year Plan (2073/74–2075/76), which emphasized gender equality and social inclusion (GESI) mainstreaming as key cross-cutting policy. The Fifteenth Five-Year Plan (2076/77–2080/81) now aims to end all kinds of discrimination, poverty and inequality by restructuring systems and institutions to better develop the capacity of individuals and groups to access resources and opportunities. In this context, a number of government ministries have applied GESI strategies to make sure women, the poor, Dalits, Adivasi Janajatis, Madhesis, Muslims and members of other historically excluded groups participate actively in the formulation, implementation, monitoring and evaluation of the plans, policies and programs that affect them. Thus, the inclusion of all marginalized groups and individuals in the country's social, cultural, economic development, and political processes is now a top priority.

1.2 Historical and Cultural Context of Exclusion in Nepal

At the confluence of the South Asian and East Asian sub-continents and dispersed throughout the hills and valleys of the great Himalayan range and a band of the Gangetic plains to the South, the population of Nepal is made up of two broad groups of people. First, are people from the Indian sub-continent who speak various Indo-European languages and have migrated into the Himalayas along different routes at different periods of history. These people are organized in a vertical hierarchy of endogamous sub-groups or castes based on their hereditary occupations and the relative ritual purity of these occupations according to the *Hindu Varnashram* system[1].

The second group of people that make up Nepal's population are the *Adivasi Janajatis.* Identified as "tribals" by the British colonialists, *matwalis* or "liquor-drinkers" during the Shah-Rana rule, they are now identified as *Indigenous Nationalities*[2] by the Government of Nepal. Adivasi Janajatis from the Hills and Mountains speak many languages from the Sino-Tibetan family and those from the Plains speak Indo-European languages. The Adivasi Janajatis were not ritually stratified within or between different groups.

Among the Hindu caste groups, according to the *Varnashram* scheme, the Brahmins who, as priests and professed mediators between the gods and men had to follow strict rules to remain pure, are at the top of the hierarchy. Just below them are the *Kshatriya* or warrior/king caste known in contemporary Nepal as the Chhetris. Brahmin and Chhetri men go through an initiation into the sacred texts after which they are given the sacred thread and become "twice born" (*tagadhari)* committing to follow rules about avoiding alcohol, certain foods, contact with certain caste groups, etc. At the bottom of the hierarchy and traditionally designated as "impure" and "untouchable" (*achhut*), are castes designated to perform the artisanal work essential to an agrarian economy (e.g., tailoring, leather work, pottery-making, iron work, etc.) and waste removal along with agricultural wage labor. Although some members of the group contest this designation, they are currently known as Dalits, a name that alludes directly to their history of oppression (Kharel 2010) within the caste hierarchy as well as their struggle for emancipation.

Historically, although there had been a complex and highly developed culture centered in the Newari kingdoms of the Kathmandu valley for millennia, it was the military conquests of the Hill Brahmin and Chhetri caste groups during the last part of the 18th century that actually formed Nepal as a nation state. The political dominance of the Brahmin/Chhetris enabled them to frame the state in terms of the caste hierarchy – thereby further entrenching themselves at the top in relation to the Adivasi Janajati and other groups. This incorporation into the Hindu caste system, which was formalized in

[1] The Hindu *Varnashram* system divides society into four *varnas* or social classes - Brahmins, Kshatriyas, Vaishya and Shudras. Brahmins occupy the highest and the Shudras the lowest position in the society.

[2] National Foundation for the Development of Indigenous Nationalities Act, 2002. The Government of Nepal.

the *Muluki Ain* or Civil Code of 1853[3], affected Adivasi Janajati self-identity and their understanding of their place in the social order. Like the Adivasi Janajatis and the Dalits in the Hills, the entire population of the plains or *Tarai/Madhes* area bordering India was relegated to lower status than people from the hills and mountains (*Paharis*). During the Shah-Rana rule Madhesis or people from the Plains were not even considered citizens and had to get special permission to travel from the Tarai to Kathmandu. The Madhesis maintained their own version of the caste hierarchy but from the *Pahari* perspective, Madhesi Brahmins were considered beneath the Hill Brahmins who shared a single culture with the ruling Shah-Rana regime.

After the restoration of democracy in 1990 and the emergence of identity politics, politically aware Madhesis increasingly questioned their status as second-class citizens in relation to Hill Nepalis. Likewise, Janajatis began to proclaim themselves as *Adivasi Janajati* and therefore not part of the caste system. Many politically aware Dalits also rejected the caste system and the demeaning position it placed them in. For both the Dalits and the Janajatis, the previously "given" nature of the caste hierarchy has weakened over the past 50 years. Yet, for many – especially among the older generation – it has not entirely disappeared. Even though the current Constitution requires punishment of anyone protecting or following the behavioral norms required by the traditional caste hierarchy, these norms and the values and world view behind them persist and continue to result in *de-facto* social, cultural, political and economic exclusion for some.

The social groups that make up the population of Nepal are shown at various levels of disaggregation in the different columns of Table S.1. The broadest grouping is that shown in the far-left column. It makes the basic distinction discussed above between the Hindu caste groups and the Adivasi Janajati groups[4] with a small group including the Muslims[5] and foreigners who fall into the "other" category. The second column disaggregates the population into 11 groups showing further distinctions within each of the major social groups in terms of rank in the traditional Hindu purity/pollution hierarchy and differences by geographic region – specifically between the politically dominant Hill/Mountain (*Pahari*) groups on the one hand and the Madhesi/Tarai groups on the other. In the table, the Hill/Mountain groups are shown in blue and the Tarai groups are in orange. Columns 3 and 4 show the 125 caste/ethnic groups including 4 "other" groups and "foreigners" that were identified and enumerated in the 2011 Census and how they

[3] See *Muluki Ain* (Civil Code), December 22, 1853.

[4] With respect to our characterization of the Adivasi Janajati groups as not being organized internally into a caste hierarchy, the Newars are somewhat anomalous. As the original inhabitants of the Kathmandu Valley they are emphatically indigenous and their language is part of the Sino-Tibetan rather than the Indo-European family; but over time and influenced by Hindu civilization to the South, they have organized themselves along caste lines, including designating certain groups as "untouchables".

[5] In the original Muluki Ain "Muslims" were the only non-Hindu religious group recognized. Buddhist, Kiranti, animist religions were not recorded and probably there were no Christians in Nepal apart from a few Jesuit and Capuchin missionary priests. Muslims were treated as a caste group and given status in the hierarchy as "impure but touchable" (Höfer, 1979:45).

TABLE S.1: NEPAL'S MAIN CASTE AND ETHNIC GROUPS WITH REGIONAL DIVISIONS

3 Broad social groups	11 Main social groups**	130 Caste and ethnic groups* (Census 2011)	
		88 Groups included in Nepal Social Inclusion Survey (NSIS) 2018	40 Groups not included in NSIS 2018
Broad Hindu caste groups (59.4%)	Hill Brahmin (12.2%)	Hill Brahmin [1]	
	Hill Chhetri (19.1%)	Chhetri, Thakuri and Sanyasi/ Dashami [3]	
	Madhesi Brahmin/ Chhetri (0.8%)	Brahmin, Kayastha, Rajput [3]	Nurang [1]
	Madhesi Other Caste (14.5%)	Badhae/Kamar*, Baniya/Kathabaniya, Baraee, Bin/Binda, Bhediyar/Gaderi, Hajam/Thakur, Haluwai, Kahar, Kalwar, Kanu, Kewat, Koiri/Kushwaha, Kumhar, Kurmi, Lodha, Lohar, Mali, Mallah, Nuniya, Rajbhar, Sonar, Sudhi, Teli, Yadav [24]	Amat, Dev, Dhandi, Dhankar/Dharikar, Dhuniya, Kalar, Kori, Natuwa, Rajdhob, Sarbaria, Tarai others [11]
	Hill Dalit (8.1%)	Badi, Damai/Dholi, Gaine, Kami, Sarki [5]	
	Madhesi Dalit (4.7%)	Bantar/Sardar, Chamar/Harijan/ Ram, Dhobi, Dom, Dusadh/Pasawan/Pasi, Halkhor, Khatwe, Musahar, Tatma/Tatwa [9]	Chidimar, Dalit others [2]
Adivasi Janajati (Indigenous Nationalities) (35.8%)	Newar 5.0%)	Newar [1]	
	Mountain/ Hill Adivasi Janajati (22.2%)	Bhote/Walung*, Bote, Brahmu, Byasi, Chepang, Chhantyal, Danuwar, Darai, Dura, Bhujel, Gurung, Hayu, Yholmo, Jirel, Kumal, Lepcha, Limbu, Magar, Majhi, Pahari, Rai, Raji, Sherpa, Sunuwar, Tamang, Thakali, Thami, Yakha [28]	Aathpariya, Bahing, Bantawa, Chamling, Dolpo, Ghale, Khaling, Kulung, Kusunda, Lhopa, Lohorung, Mewahang Bala, Nachhiring, Raute, Samgpang, Thulung, Topkegola, Yamphu, Janajati others [20]
	Tarai Adivasi Janajati (8.6%)	Dhanuk, Dhimal, Gangai, Jhangad, Kisan, Koche, Meche, Munda/Mudiyari, Rajbansi, Santhal, Tajpuriya, Tharu [12]	Pattharkatta/Kushwadiya, Khawas [2]
Other (4.8%)	Muslim (4.4%)	Muslim [1]	Bengali, Punjabi/ Sikh, Foreigners and Unidentified others [4]
	Other (0.4%)	Marwadi [1; 0.2%]	

Source: Adapted from Gurung 1998; Acharya and Subba 2008; CBS 2011; Gurung et al. 2014; Gurung 2014; Bennett and Parajuli 2013.

Notes: *Badhae and Kamar are merged into Badhae/Kamar; Bhote and Walung into Bhote/Walung. Thus the 88 groups actually included 90 groups and with the 40 groups not included in the study, the total adds up to 130.

**Percentages displayed in the tables are from the National Population and Housing Census 2011.

***Blue shading for groups who have traditionally lived in Hills and Mountain (*Pahari*) and red shading for Madhesi/Tarai groups who have traditionally lived in the plains belt (*Madhesis*).

relate to the 11 broad social groups. Column 3 includes groups that were covered by the Nepal Social Inclusion Survey (NSIS) 2012 and had sufficient population and a relatively permanent residence status in a single location to allow them to be analyzed in this study[6]. The 40 groups in column 4 were not included in the NSIS 2018 survey because they were not included in the NSIS 2012[7] and they account for less than 2% of Nepal's population.

1.3 Research on Social Exclusion/Inclusion in Nepal

In Nepal, past studies on social exclusion, poverty and human development have incisively documented the extent to which different social groups are excluded in terms of household welfare outcomes and access to economic and political opportunities (NESAC & UNDP 1998; UNDP 2009 & 2014; World Bank and DFID 2006). These studies offer rich analyses of the historical roots of caste, ethnic and gender-based exclusions and their contemporary manifestations in terms of education, health, employment and household welfare. Moving beyond the conventional approach of analyzing data by geographic and administrative units alone, post-1990 social analysis took caste/ethnicity as important variables in the analysis of Nepali society and its processes (Gurung 1998; NESAC 1998; Acharya & Subba 2008). A study by DFID and the World Bank on gender and social exclusion in Nepal in 2006 was a milestone in the history of analyzing social exclusion in Nepal that since then has influenced public debate, policy measures and scholarly analysis alike (DFID/World Bank 2006).

There are also a number of important periodic national level surveys such as the Nepal Living Standard Survey (NLSS), the Nepal Demographic and Health Survey (NDHS) and the Nepal Multiple Indicator Cluster Survey (NMICS). These surveys have been used to analyze some important issues related to social inclusion. They all provide data disaggregated by sex and sometimes by major caste/ethnic groups, but they are unable to capture the many smaller distinct caste/ethnic groups that comprise Nepal's diverse population. Without data disaggregated to this level, it is not possible to understand the dynamics of social exclusion in Nepal or to track progress on social inclusion. The regular

[6] The first NSIS survey in 2012 included 98 caste and ethnic groups taken from those recorded in the 2001 census. These 98 groups were believed to have a sufficient number of households to ensure an adequate representation in the NSIS sample. However, based on lessons learned from NSIS 2012, 10 groups were excluded from the current, NSIS 2018 survey. The NSIS 2018 covered only the 88 groups from the 2001 Census that had not only a sufficient number of households, but also a relatively permanent residence status in a single location, so that an adequate sample size could be ensured and the location of sample households could be identified.

[7] Although there are about 25 more groups identified by the 2011 Census than by the 2001 Census, the NSIS 2018 does not cover these new groups. This is because the NSIS 2018 survey was intended to follow-up only on the groups covered by the NSIS 2012 so that progress could be assessed (see Main Report, Chapter 2, Methodology).

Census allows all possible levels of disaggregation but by its nature is unable to provide adequate indicators to monitor the state of GESI in Nepal. This is what the Nepal Social Inclusion Survey (NSIS) has been developed for: to understand social exclusion and track progress on GESI. In addition, the NSIS is also well placed to support monitoring of the Agenda 2030 Sustainable Development Goals (SDGs) to help identify which groups need special attention if they are not to be "left behind" on relevant indicators.

1.4 The Current Study

The Nepal Social Inclusion Survey (NSIS) 2018 is a second-round survey conducted by the then Central Department of Sociology/Anthropology, Tribhuvan University.[8] It uses the same methods used in the NSIS 2012 with some modifications (*see* Gurung *et al.* 2014). One of the innovations of the NSIS 2012 survey was its adoption of an alternative approach of sampling that is called "social sampling." The social sampling approach adopts the principle of "sampling in village" rather than "sampling of village." Accordingly, the sampling is based on the existing caste and ethnic population rather than on geographical or administrative units, a common approach called "area sampling." The intention of the sampling approach used in this study is to represent the caste and ethnic groups living in the country rather than the geographical or administrative areas of the country. The reason this approach is needed is that the existing national surveys in Nepal based on geographical and/or administrative units have very small samples for some of the smaller caste and ethnic groups that are not representative of these groups, and are therefore unable to provide a holistic picture of the current state of social inclusion and exclusion in Nepal.

The current survey is based on 88 caste and ethnic groups of the 103 recorded by the 2001 Census. The sample size is 17,600 households, 200 for each of the 88 caste/ethnic groups. A three-stage probability cluster design was adopted and 34,723 interviews were conducted with one male and one female in each selected household. The survey collected information on eight dimensions: 1) demographic characteristics, 2) household assets, 3) health and social security, 4) work and livelihood, 5) language and education, 6) social, cultural and gender relations, 7) inclusive governance and 8) women's empowerment and reproductive health. The findings are organized

8 The first round of the Nepal Social Inclusion Survey was one of four components in a major research project conducted jointly by the then Central Department of Sociology/Anthropology at Tribhuvan University between 2011 and 2013 with support from the Norwegian-funded Social Inclusion Research Fund (SIRF). The overall goal of the project was to better understand Nepal's diversity and the state of human and social development among its many caste and ethnic groups. The first two of the project's four components included the development of a Social Inclusion Atlas which spatially projected Census 2011 data disaggregated by caste/ethnicity at VDC level using GIS and Ethnographic Profiles (SIA-EP) of 42 highly excluded communities. The third and fourth components were the Nepal Multidimensional Social Inclusion Index (NMSII) and the first round of Nepal Social Inclusion Survey (NSIS 2012).

accordingly with disaggregation by sex, by 11 broader social groups and, within these, by 88 distinct caste/ethnic groups. The analysis also tracks changes between 2012 and 2018 for a number of key indicators.

Details of the findings for the NSIS 2018 can be found in the main report, State of Social Inclusion in Nepal: Caste, Ethnicity and Gender (2018). This document is a summary of the full report, which has the findings disaggregated by sex, caste/ethnicity by 11 main groups as well as all 88 distinct caste/ethnic groups.

CHAPTER 2 MAJOR FINDINGS

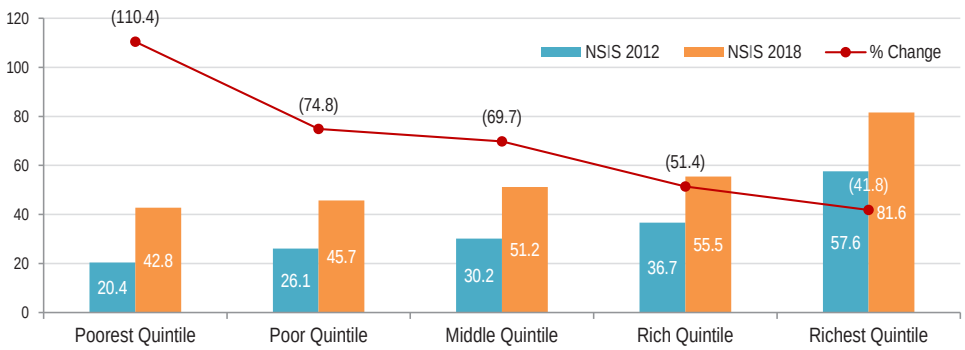
2.1 Positive Trends on Gender Equality and Social Inclusion (GESI)

2.1.1 Evidence of Economic Inclusion

Pro-poor consumption growth

Comparison of the 2012 and 2018 rounds of the NSIS reveals both positive and negative patterns with respect to inequality. For instance, the per capita consumption of the poorest quintile is about half that of the richest quintile. However, there is also encouraging evidence of robust economic growth in Nepal during this six-year period with average real consumption per capita increasing by 71**%**. Even more encouraging is the pro-poor pattern of this increase. Consumption for the bottom quintile grew by 110% compared to 75% for the second quintile, 70% for the middle, 51% for the fourth quintile and 42% for the richest quintile (Figure S.1). This positive finding on consumption growth is supported by other indicators of improved living standards, asset ownership, access to services and decrease in poverty and economic insecurity that are reviewed in the following section.

FIGURE S.1: Percentage change in annual household consumption per capita (NPR) by quintile groups, NSIS 2012-2018



Source: Figure 5.20, NSIS 2018.

House ownership, safe construction and domestic facilities

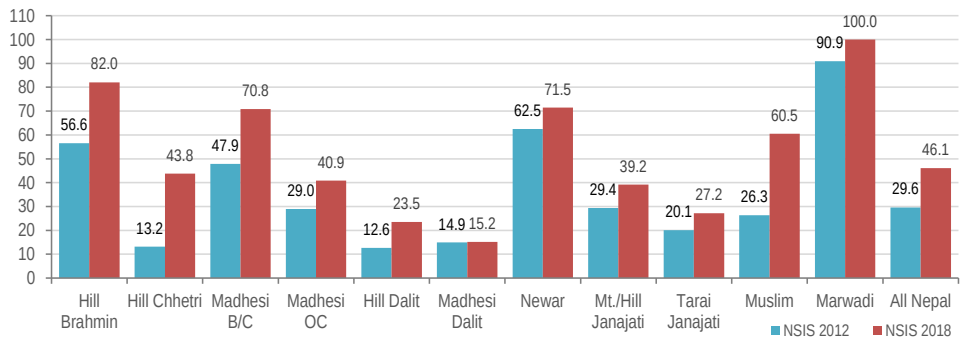
Despite the major earthquakes of 2015 that destroyed many homes in the sample area, house ownership increased by 13% – from 82.3% in 2012 to 95% in 2018 (Figure 5.1, NSIS 2018[9]). Furthermore, the construction quality and thus, the safety of these houses have also gone up. While in 2012 only about 30% of the respondents' houses met the construction criteria to be deemed a "safe" house, in 2018 more that 46% of respondents lived in safe houses (Figure S.2). Living standards have improved in other ways as well. Access to electricity has increased from 74% to 86% of the sample households and ownership of a television from 49% to 66%. Household ownership of a mobile/smart phone is almost universal, up from 86% in 2012 to 98%.

Access to safe drinking water (piped water, tube-well/boring, well and jar/bottled mineral water) rose by about 6 percentage points from 86.5% to 92.8% of the sampled households. The percentage of households with improved toilets grew even more rapidly from 68.5% to 96%. Use of LPG for cooking and heating increased by 17 percentage points from 22.2% to 39.4% of the sampled population.

Poverty

An important indicator of household food security and vulnerability to poverty is the share of food in the total household consumption budget. Basically, the poorer the household, the larger proportion of their budget is likely to go to the purchase of food. The NSIS data show that the percentage of households spending more than two thirds of their budget for food dropped dramatically from 20.3% in 2012 to 3.7% in 2018 (Figure S.3).

FIGURE S.2: Percentage of households with safe housing by social groups, NSIS 2012 and 2018

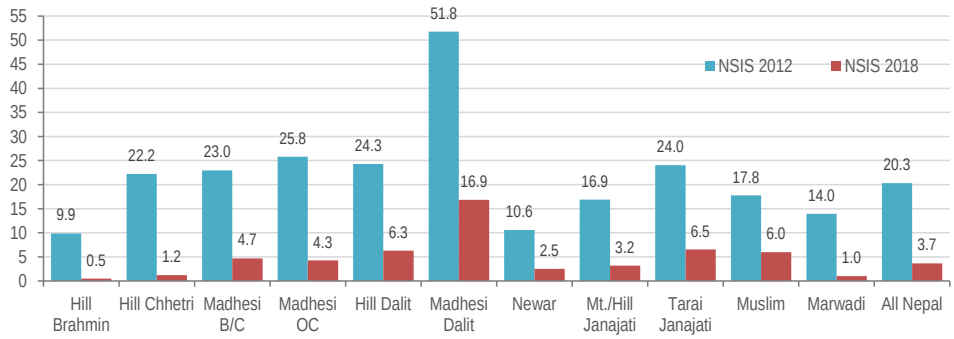


Source: Figure 5.4, NSIS 2018.

[9] The data in this summary report, referred to "NSIS 2018", comes from the main report, Gurung et al. (2020). State of Social Inclusion in Nepal: Caste, Ethnicity and Gender, Evidence from Nepal Social Inclusion Survey 2018. Kathmandu: Central Department of Anthropology, Tribhuvan University, Nepal.

Similarly, using the poverty probability index (PPI at US$1.25 per day[10]) the NSIS 2018 found that only 7.8% of the total sample households are likely to be below the poverty line as compared to 18.3% in 2012. Such positive change in PPI is observed for all social groups.

FIGURE S.3: Percentage of households spending more than two-thirds of total consumption on food by social groups, NSIS 2012 and 2018



Source: Figure 5.22, NSIS 2018.

2.1.2 Improving Social Indicators

Demographic change

There are a number of positive demographic changes that have supported the observed drop in poverty levels. For example, between the 2012 and 2018 rounds of the NSIS, average household size dropped from 6 to 5.1 reflecting Nepal's long-term trend towards lower fertility rates. Related to this and to the increase in life expectancy is the dramatic reduction in the dependency ratio from 58% to 36% in the same period. The average household now has more working age adults available to support its children and elderly members.

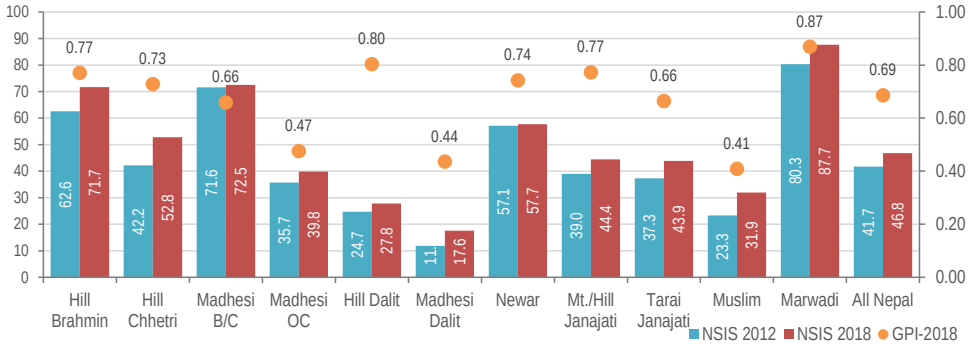
Education

A good educational foundation is increasingly critical to both economic success and meaningful political participation as a Nepali citizen. It is encouraging to see that NSIS 2018 found that 46.8% of the total population aged 18 years and above have completed basic level education (grade 8) – a 5% increase over NSIS 2012 (Figure S.4). However, given the low starting point of the Madhesi and Hill Dalits and Muslims, a large gap in basic education completion still remains between these groups and the national average.

[10] https://www.povertyindex.org/country/nepal.

There has been a more modest increase (2.2%) in the percentage of the population age 6-25 who is currently attending school/college at some level. Less encouraging are the findings on vocational training showing that only 13.2% of the population aged 16 years and above have received any vocational training and a Gender Parity Index (GPI) of only 0.57 indicating even lower access for potential female trainees.

FIGURE S.4: Percentage of population aged 18+ years who completed basic education (grade eight) and above and gender parity index by social groups, NSIS 2012 and 2018



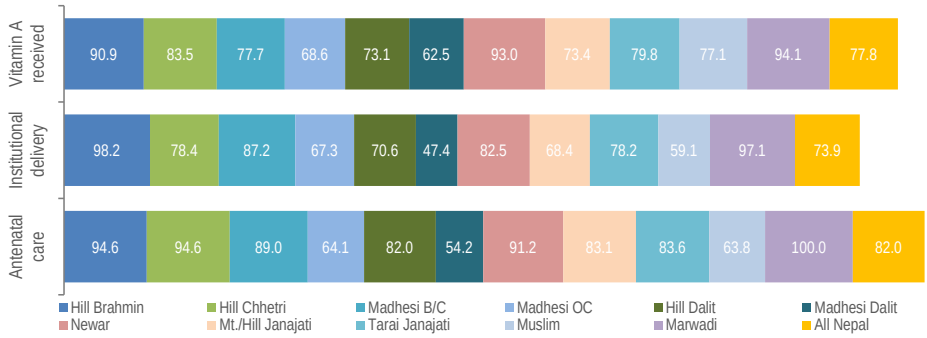
Source: Figure 4.4, NSIS 2018.

Health Services and Social Security

Access to health facilities increased between the 2012 and 2018 rounds of the NSIS moving from 58.4% to 66.4% of the sample population being within 30 minutes walk to a health facility. Data on child immunization, reproductive health care and social security were not collected in the 2012 round of the NSIS, but as part of its effort to provide data for SDGs monitoring the 2018 survey collected data on all three indicators. It found that more than two thirds of the children under 5 were fully immunized (68.4%). On the three indicators in the area of reproductive health the NSIS 2018 found that 82% of the women in the sample households had received antenatal care, 74% gave birth in a health facility and 78% had taken a Vitamin A capsule after delivery (Figure S.5). Finally, Social Security which has been one of the major state mechanisms for directing affirmative action to physically challenged and historically excluded social groups (including general senior citizens (70+), Dalit senior citizens (60+), Karnali senior citizens (60+)[11], single women, endangered ethnic groups and people with disabilities) is reaching almost 85% of those eligible.

[11] Karnali refers to the Karnali Pradesh (Province) after the country was restructured into "Federal Democratic Republic" in 2015. It was Karnali Zone at the time when social security allowance was introduced.

FIGURE S.5: Percentage of women aged 15-49 who received antenatal care, institutional delivery and received vitamin A capsule by social groups, NSIS 2018



Source: Figure 4.14, NSIS 2018.

2.1.3 Progress on Gender Equality

Historically, the chances of living a long, healthy and empowered life in Nepal were much greater for men than for women. This disparity continues; but over the last several decades it has decreased in many sectors – sometimes dramatically. For example, though women in developed countries live longer than men, in 1996 women in Nepal still had a shorter life expectancy than men (53.5 years vs. 55 years for men). Parity was achieved at some point around the turn of the millennium and by 2011 women's average life expectancy had reached 64.5 compared to 63.6 for men (MoHP 2011). The maternal mortality ratio has also dropped dramatically from 539 (deaths per 100,000 births) in 1996 to 239 in 2016 and the total fertility rate dropped from 4.6 in 1996 to 2.3 in 2016 (MoH, New Era & Macro International Inc. 1997; MoH, New Era & ICF 2017)[12]. Female literacy has gone from 24.4% with a GPI of 0.47 in 1996 (CBS 1996) to 62.4% with a GPI of 0.77 in 2018 (NSIS 2018).

Economic empowerment

The NSIS 2018 also revealed some encouraging evidence of progress towards gender equality in unexpected areas such as access to formal financial services. While the overall GPI for having a bank account is 0.91 and shows that on the whole males still have more accounts than females, the gap is not large. And out of the 88 caste/ethnic groups, 35 have a GPI of more than 1.0 meaning that more women than men have accounts in these groups. This is probably due in part to the large number of women who have joined informal women's savings and credit groups over the last several decades in Nepal and graduated from these to more formal financial institutions.

[12] Nepal Family Health Survey (NFHS) 1996 and Nepal Demographic Health Survey (NDHS) 2016.

The NSIS 2018 found that in the sample population overall, 15% of the land plots are owned by women, 81% by men and 4% jointly. This is a slight increase over the NSIS 2012 survey and generally in line with the 2011 Census finding that women owned some land and/or a house in 19.7% of the households. Although the question was slightly different, the NSIS 2018 found that only 7.3% of survey respondents lived in a house owned by a woman – a number that is lower than the 2011 Census which reported that 10.7% of households had a female member who owned a house. Another concerning finding was the 16% drop between 2012 and 2018 in the percentage of women who have a say over how their self-earned income is spent and the14% drop in the percent who can decide to sell land and assets in their own name (NSIS 2018, Annex 8.9a & b).

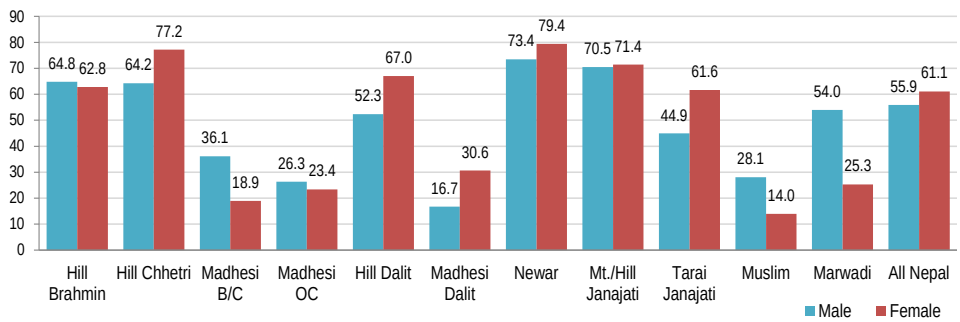
Education

Because the definition for literacy was changed between the 2012 and 2018 rounds of the NSIS and several indicators such as enrollment in Early Childhood Development were only added in the 2018 round, it was not possible to document changes in some key areas. However, the GPI for enrollment in Early Childhood Development in 2018 was 0.99 for the overall sample population. This is much better than the GPI for literacy (0.77) in the same year and suggests positive change towards gender inclusion in education for the new generation. Similarly, gender parity for current school/college attendance was 0.95 in the NSIS 2018.

Governance

Perhaps related to women's involvement in microfinance and other kinds of user groups was the surprising finding that slightly *more* women than men are involved in local organizations (Figure S.6) (NSIS 2018, Annex 6.4a: GPI=1.09). There was also close to gender parity on feeling respectfully heard in local organizations (NSIS 2018, Annex 6.4b: GPI=0.97). Voting is another area where gender parity, though not yet achieved, is still quite high (NSIS 2018, Annex 6.5: GPI=0.94).

FIGURE S.6: Percentage of men and women who were represented in local organizations by social group, NSIS 2018



Source: Figure 6.9, NSIS 2018.

2.2 The Shadow of Historical Exclusions: Patterns of Caste, Ethnic, Linguistic, Regional and Gender-based Exclusion Remains

2.2.1 Identity and Exclusion

Despite encouraging signs of pro-poor growth and widespread improvements in many social indicators, the NSIS 2018 also uncovered evidence suggesting exclusion linked to linguistic, caste, ethnic, religious, regional and gender dimensions of identity. For certain groups like the Dalits and Muslims, the NSIS 2018 data confirms what many other studies have found: that these groups along with individual endangered Adivasi Janajati groups, consistently have the lowest economic and welfare outcomes (CBS, World Bank, DFID & ADB 2006; World Bank/DFID 2006; UNDP 2004; Bennett & Parajuli 2013; Gurung *et al.* 2014). In addition, the NSIS 2018 data documented adverse outcomes for certain historically excluded groups in other areas such as social capital, sense of agency and participation in governance that had not been documented. And, despite its illegality, there is also clear evidence of the continuing practice of untouchability.

As noted earlier, during the period of state formation in Nepal, the political dominance of the Hill Brahmin/Chhetri groups allowed them – or more accurately, their male members – to frame the state in terms of the Hindu caste hierarchy and to define themselves as the default category for "Nepali identity". As the group whose ritual purity placed them at the apex of the hierarchy, they were able to define all other social groups (including the women in their own group) in terms of their difference from the default identity: *the high caste, Nepali-speaking Hill Hindu male*. These dimensions of difference include language, region, religion, caste/ethnicity and gender (See Table S.2). Each dimension of difference is associated with power asymmetries and barriers to inclusion that were built into Nepal's economic, political and social institutions. Given the intersectional nature of identity, almost all groups are affected by multiple barriers.

TABLE S.2: DIMENSIONS OF DIFFERENCE FROM THE "NORMATIVE" NEPALI IDENTITY

11 Main social groups	Internal differences	Overlapping dimensions of difference from the "Normative» Nepali identity
1. Hill Brahmin	Gender	Historically dominant groups who defined the 'norm' and became the (now contested) default for 'Nepali Identity'.
2. Hill Chhetri	Gender	
3. Madhesi Brahmin/Chhetri	Gender	Region, Language
4. Madhesi Other Castes	Gender	Region, Language, Caste
5. Hill Dalit	Gender	Caste/Untouchability
6. Madhesi Dalit	Gender	Region, Language, Caste/Untouchability
7. Newar	Gender	Language, Caste (for some), Religion (for some)
8. Hill Janajati	Gender	Language, Ethnicity/Caste, Religion (for some)
9. Tarai Janajati	Gender	Region, Language, Ethnicity/Caste, Religion (for some)
10. Muslims	Gender	Region, Language, Religion/Caste
11. Other	Gender	Various

Source: Table 1.2, NSIS 2018.

As an internal difference within each group, gender asymmetry affects female individuals in all groups, but is complicated by additional overlapping dimensions of identity such as language, region, religion or caste attached to male and female members of each group[13]. Each dimension of difference from the "normative identity" described above adds its own degree of exclusion.

It is also important to point out that this study has made a distinction between caste and untouchability – even though they are part of a single conceptual and behavioral system. Having been historically defined as part of a ritual hierarchy that was actually encoded in national law, all groups in Nepal have been affected to some degree by the construct of caste. Just being defined as "less pure" than some other group who refused to take cooked rice from your hands, or to allow their daughter to marry your son does affect social, economic and political relations and one's own self-identity. However, the stigma and the behavioral and economic limitations established by the practice of untouchability with respect to the Dalit groups is of a different order and thus it was deemed important to highlight this in the discussion.

One socio-economic characteristic or dimension of identity that is not included in Table S.2, but that does greatly influence welfare and the acquisition of capabilities is class or economic status. As Nepal's population gains wider access to education and the economy becomes more dynamic and open, the old parallel that tended to hold between ritual and economic status is no longer a given. Although the traditional elite still have many structural advantages in terms of access to education, productive assets and political networks, economic success and social power is no longer as closely tied to having the "normative identity" as it was even 50 years ago. More and more, members of historically marginalized groups who have been able to get an education or earn high wages in tourism, high tech or working abroad have been able to join the middle class. In a sense, this is a new kind of identity that is not dependent – or at least much less dependent – on birth.

Though having one or more of the non-normative dimensions of identity set out in Table S.2 still presents invisible barriers to Janajatis, Dalits, women, and others aspiring to the middle class, these barriers have weakened and are no longer unquestioned. In fact, government policies on reservations/quotas for the historically excluded groups and laws punishing gender-based violence and the practice of untouchability place the official weight of the state against these exclusionary practices and the worldview that supports them. The first step is moving to enforcement and wide public adherence to these new rules of civic equality – where all social identities are given equal value. The next step is the individual's internal acceptance of a different more inclusive set of social relations. The first step takes place through the state, while the second, which is much more diffuse and probably much slower, entails a fundamental change in society.

[13] Though we asked, there were no respondents who identified as another gender apart from male or female.

2.2.2 Language-based Barriers to Inclusion for Tarai/Madhesi Groups and Janajatis

Lack of proficiency in Nepali emerges from the NSIS 2018 data as a major barrier to formal and technical education and also appears to make it more difficult to access government services and to participate actively in local and national governance. The Madhesi Dalits have the lowest level of proficiency in Nepali (15.6%) and only 17.6 % of their population has completed basic education through the 8th grade (Table S.3). Hill Dalits are better off here as Nepali is their heritage language – and they have been gaining rapidly in literacy though they are still behind most other Hill groups. But the fact that they have grown up speaking Nepali places them in a somewhat better position than the Madhesi Dalits or the Muslims. For one thing it means that Hill Dalits have access to textbooks and teaching learning materials in their heritage language (Nepali) at close to the same level as the Hill Brahmins and Chhetris do (100-99%) (Table S.3). For Madhesi Dalits, Muslims and even Madhesi Brahmin/Chhetris and well-off Marwadis, access to such materials in their own language is much lower (3.3%, 3.8%, 7.8% and 3.9% respectively).

Columns 2-5 of Table S.3 display data on various forms of linguistic advantage with column 6 as a composite index. While overall, nearly 96% of the respondents reported no discrimination against speaking their heritage language, the cumulative effects of the various language-related factors add up leaving many groups with significant disadvantages. Madhesi Dalits, Tarai Janajati, Muslims and Hill Janajatis all score under 50% compared to the Nepal average of 66.6% – and the Hill Brahmin score of 93.4%.

The next 9 columns in Table S3 display selected social development and governance indicators. Casual empiricism suggests that linguistic disadvantage may be linked to the lower social development outcomes (health and education) and the weaker participation in governance observed among groups who do not speak Nepali as a heritage language. All the Madhesi groups – none of whom speak Nepali as a heritage language – are below the national average in immunization levels (68.4%). Except for the Madhesi Brahmin/Chhetris, and the Tarai Janajatis, the other Madhesi groups are below the national average (73.9%) for institutional child delivery. They also lag on educational outcomes with all but the Madhesi Brahmins and Chhetris below the national average for literacy levels (71%) and only 46.8% of Tarai/Madhes population above 18 having completed basic education.

The same broad pattern holds for the governance indicators. With the exception of the Tarai Janajati and the Madhesi Brahmin/Chhetris who are both close to, or above the national average on several indicators, the rest of the Madhesi groups all have lower than the national average on all the governance indicators. The Madhesi Dalits and Muslims

are consistently at or near the bottom for knowledge of affirmative action, possession of legal identity documents, participation in local governance, representation in local organizations and for having a sense of agency with respect to rights and governance.

Of course, the Madhesi Dalits and Muslims face many other barriers such as caste, religion and poverty that are perhaps even more limiting than language. However, it is interesting to note that with the exception of the indicator on agency, the Hill Dalits got significantly higher scores than the Madhesi Dalits in all the social development and governance measures in Table S.3. In fact, the Hill Dalits out-performed the Madhesi Other Castes in a number of areas suggesting the possibility that fluency in the Nepali language may be more of a positive influence on the success of Hill Dalits than has been realized.

Language is also a barrier for Janajatis since Nepali is not their heritage language and yet it is their main channel for access to education and interaction with the state. Only 53.2% of Tarai Janajatis are proficient in Nepali and 65.6% of Hill Janajatis. An exception here is the Newars, a Hill Janajati group who actually have a slightly higher level of proficiency in Nepali (74.2%) than the Hill Chhetris (73.6%) who speak Nepali as a heritage language. Proficiency in their own heritage languages is quite low for the Mountain/Hill Janajati groups (30.8%) but somewhat higher for the Tarai Janajati (51.6%). However, these totals mask wide variation among individual Janajati groups ranging from 77.2% proficiency in heritage language among the Dura to just 4.8 % among the Yakha (NSIS 2018, Annex 7.6).

The data on discrimination due to speaking a heritage language reveals that only around 3% of the Hill and Tarai Janajatis report experiencing such discrimination. But there are some outliers. Among the Sherpa and the Bhote/Walung around 15% said they had faced discrimination for speaking their heritage language and 19% for their style of speaking Nepali. Several other Janajati groups (Thami, Limbu, Hayu Rai, Yakha and Lepcha, Danuwar, Sunuwar and Byasi from the Hills and Gangai, Jhangad and Dhanuk from the Tarai) also reported experiencing some level of language discrimination. On the whole though, among the 11 main social groups, it was the Muslim and the Madhesi Dalits with the highest percentage of population (15.5% and 15.3% respectively) reporting language discrimination (See Table S.3).

TABLE S.3: LINGUISTIC ADVANTAGE AND SELECTED SOCIAL DEVELOPMENT AND GOVERNANCE INDICATORS BY SOCIAL GROUPS (IN %)

Social group	Linguistic advantage						Selected social development and governance outcomes								
	Proficiency in Nepali*	Proficiency in heritage language*	Textbooks and learning materials in heritage language available in school	Recognition of heritage languages by schools, local govt. officers and social service providers	No discrimination against speaking heritage language	Composite linguistic advantage	Immunization	Grade 8 pass	Knowledge of affirmative action in education, health and government employment	Legal identity	Participation in local governance	Representation	Voting rights	Agency	Composite governance
Hill Brahmin	91.5	91.2	100.0	85.1	97.2	93.0	73.3	71.7	96.3	81.7	37.5	58.3	89.7	64.6	71.3
Hill Chhetri	73.6	74.1	98.8	77.6	98.2	84.5	80.0	52.8	91.5	84.5	43.8	63.6	88.8	46.2	69.7
Madhesi B/C	64.7	76.9	7.4	58.8	94.2	60.4	55.1	72.5	86.2	76.2	18.0	24.9	86.1	61.9	58.9
Madhesi OC	35.8	44.3	6.1	69.4	91.2	49.4	60.7	39.8	80.0	67.2	17.1	21.8	80.9	44.2	51.9
Hill Dalit	56.2	57.0	98.9	81.2	98.8	78.4	68.9	27.8	81.9	85.9	32.9	51.4	82.6	35.7	61.7
Madhesi Dalit	15.6	21.0	3.3	70.4	86.3	39.3	53.7	17.6	70.4	73.5	17.6	19.6	74.3	43.7	49.9
Newar	74.2	45.5	36.8	43.8	94.3	58.9	77.8	57.7	88.3	89.8	31.8	63.6	92.1	49.4	69.1
Mt./Hill Janajati	65.6	30.8	32.5	39.0	96.7	52.9	70.7	44.4	83.2	81.2	42.3	62.1	84.7	45.1	66.4
Tarai Janajati	53.2	51.6	1.3	40.4	95.8	48.5	63.8	43.9	85.5	83.5	34.1	46.9	84.2	45.7	63.3
Muslim	26.1	32.6	3.8	67.1	88.8	43.7	52.8	31.9	74.8	65.9	16.1	18.6	76.2	40.4	48.6
Marwadi	74.7	71.6	3.9	26.2	98.2	54.9	66.7	87.7	87.0	80.2	7.0	35.1	69.1	52.6	55.2
All Nepal	62.9	54.7	52.7	63.3	95.8	65.9	68.4	46.8	86.0	78.5	34.9	51.7	85.3	47.5	64.0

* Proficiency includes literacy so, even though all members of a certain linguistic/cultural group may speak a language, there may be other factors (e.g. poverty, gender and historically low literacy rates among many groups) limiting their ability to read and write it.

While the Janajati's access to health and education is not as high as that of the Hill Brahmins and Chhetris or the Newars, when it comes to access to social services and participation in governance, both the Mountain/Hill and Tarai Janajatis have done fairly well. Both groups also have quite high levels of knowledge about affirmative action, participation in local governance, representation in local organizations and sense of agency. Broadly, the data suggest that on the whole Janajatis have coped with the language barrier better than most of the Tarai/Madhes groups (with the exception of the Madhesi Brahmin/Chhetri group whose caste status and consequent familiarity with Hindu Sanskrit traditions also bring advantages). But further analysis is needed here to better understand these relationships.

2.2.3 Regional Barriers to Inclusion

During the long process of drafting the new Nepali Constitution in the aftermath of the Maoists insurgency, the Tarai/Madhes burst into violence on several occasions. These episodes reflect the long-standing resentment of the diverse groups who have traditionally called this region their home and their demand that the new constitution and the new federal structure recognize Nepalis from the Tarai/Madhes region as equal citizens with Nepalis from the Mountain/Hills. As seen in the discussion of the language barrier, the Tarai/Madhes groups as a whole fall behind the Mountain/Hill groups on many economic and social indicators – though it is often difficult to untangle the regional, linguistic and socio-economic factors at work.

The various sectoral and issue-based indices that have been developed from the NSIS data show that the Madhesi/Tarai and Mountain/Hill groups are close to each other in health (row 3), receipt of social security by mandated groups (row 5) and caste-related discriminatory behavior (row 13). In all other sectors the Madhesi/Tarai groups fall well below the Mountain/Hill groups (See Table S.4). For the Composite Social Inclusion Index that brings together social, economic, linguistic, governance and gender indicators, *all* the groups in the bottom quintile and all but two in the second quintile, are Tarai/Madhes groups (NSIS 2018, Annex 9.16).

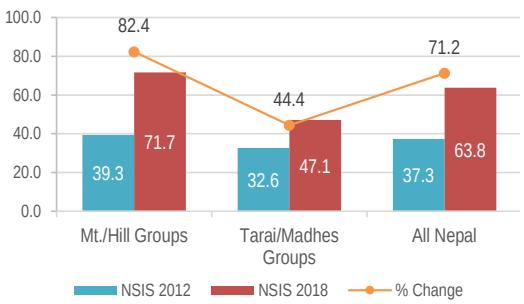
The NSIS data also show that Tarai/Madhes groups do not believe that they have much influence on development efforts in their community. For the indicator on whether respondents felt that their voices were heard in community development activities, all the groups in the bottom two quintiles were from the Tarai/Madhes and, with the notable exception of the Tharu (a major Tarai Janajati group with strong internal social capital), *all* the groups in the top two quintiles were from the hills (NSIS 2018, Annex 6.3b). The same pattern holds for the indicator on representation in local organizations (NSIS 2018, Annex 6.4a) and for being respectfully heard in these local organizations (NSIS 2018, Annex 6.4b). Overall, participation in governance appears to be weaker in the Tarai/Madhes than in the Mountain/Hill region.

TABLE S.4. SECTOR-WISE COMPOSITE SOCIAL INCLUSION INDEX (IN %) BY REGION, NSIS 2018

SN	Sector index	Mountain/Hill groups	Tarai/Madhes groups	All Nepal
1	Demography	74.4	59.1	69.5
2	Education	74.4	60.8	68.1
3	Health	77.1	76.1	75.2
4	Media	41.6	33.0	38.0
5	Social Security	84.7	82.1	84.6
6	Social Composite	69.4	63.0	66.5
7	Food & Shelter	88.4	79.8	87.2
8	Access to Market	82.2	78.0	80.3
9	Well-being	69.4	56.1	65.0
10	Economic Composite	80.0	71.3	77.5
11	Governance Composite	67.7	54.5	64.0
12	Linguistic Advantage	73.9	50.5	66.6
13	Non-discrimination	93.2	92.6	92.9
14	Socio-cultural Capital	90.5	77.2	88.0
15	Gender Norms and Values	59.0	45.4	54.8
16	Composite Social Inclusion Index	72.7	61.1	69.2

The Tarai/Madhes groups have also not done as well as the Mountain/Hill groups in consumption growth (See Figure S.7). Tarai/Madhes groups achieved 44.4% consumption growth between 2012 and 2018 which is little more than half that of the Mountain/Hill groups (82.4%).

FIGURE S.7: Change in real household consumption per capita among Mt./Hill and Tarai/Madhes groups, NSIS 2012-2018



One interesting finding that emerged in the data on how households manage hardship was the overall higher dependence on moneylenders in the Tarai/Madhes compared to other sources such as traditional institutions, relatives and friends, co-ops, and financial institutions. Among the Madhesi Dalits 40.2% of households said they rely on moneylenders, compared to only 6.1% of Hill Dalit households. Other Tarai/Madhes groups like the Madhesi Other Castes, the Muslims and even the Madhesi Brahmin/Chhetris, also reported fairly high levels of dependence on money lenders (24.5%, 17.5% and 13.2% respectively) in times of hardship (NSIS 2018, Figure 7.11).

2.2.4 Ethnicity-based Barriers for Janajatis

Although "caste" and "ethnicity" are very different principles of social organization, the *Muluki Ain*, Nepal's first National Code written in 1853, employed the word *jat* for both (Höfer 1979:46). The Adivasi Janajatis of Nepal are ethnic groups with distinct languages, kinship systems and self-identities. But because the *Muluki Ain* was written from the standpoint of caste society, it viewed all of Nepal's diverse ethnic groups as castes and treated them as such within the national code. In fact, however, the barriers to inclusion faced by Janajati groups have less to do with their place in the caste hierarchy, than with aspects of identity and recognition and access to natural resources. Lack of recognition of their heritage language and with it, the meaning and value systems that language creates and reflects is one important part of identity loss that many Janajati groups are experiencing. Linguistic disadvantage has also undoubtedly contributed to the lower outcomes observed for some Janajati groups in education, health, and economic security. Of the 17 groups in the bottom quintile for educational attendance, 12 are Janajatis (NSIS 2018, Annex 4.5) and all but one of the bottom quintiles for distance to school are Janajati groups (NSIS 2018, Annex 4.1). Janajati groups also make up 11 out of the 18 in the bottom quintile for the composite health index (NSIS 2018, Annex 9.3).

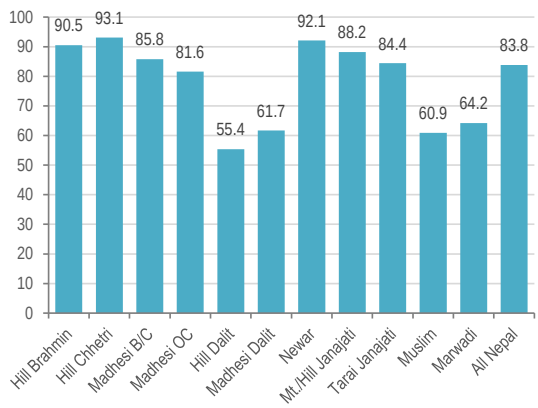
One of the most salient features of the Adivasi Janajati groups in Nepal is the great diversity between their constituent groups. For almost every indicator, there are Janajati groups – often many – in the bottom quintile, but also many other Janajati groups in the top quintile for that same indicator. This is especially true for economic indicators. Some groups such as the Thakali and the Newars have become well off through long distance trading and business while others have continued to practice subsistence farming and a few like the nomadic Raute have until recently depended primarily on hunting and gathering (Gurung, Rawal and Bist 2014: 49)[14]. Among those who depend on agriculture and animal husbandry for a livelihood, some groups like the Gurung, Rai, Limbu and Magar have been able over the last century to raise their economic levels by joining the British or Indian army. Over the past two decades migration for employment in South East Asia and the Gulf has become far more important than soldiering as a source of economic opportunity. The NSIS data shows that 6 out of the 19 groups with the lowest per capita consumption are Janajatis while at the same time the Thakalis, a Hill Janajati group, has the highest per capita consumption in the country (NSIS 2018, Annex 5.17a).

[14] Some of the Raute have been given land and an allowance from the government in an attempt to bring them into a sedentary form of life. But many Raute groups have not accepted this offer and prefer to remain nomadic (Gurung, Rawal and Bista, 2014).

2.2.5 Caste-based Barriers to Inclusion for Dalits

The Hill and Madhesi Dalits are the two groups most in danger of falling behind in the SDGs. Both Dalit groups fall below the national average on all but two[15] of the 15 indicators that make up the Composite Social Inclusion Index (See Table S.5). In addition to data on social and economic indicators, the NSIS 2018 also gathered data that allows us to detect the presence of caste-based discrimination specifically related to the practice of untouchability. One source of information was a series of questions about whether the respondent has been involved in any kind of cultural collective activities (such as birth ceremonies, weddings, funerals, festivals, religious or community based social services, etc.) (Figure S.8). Overall, such involvement is high with an all Nepal average of 84% participating and relatively little gender disparity. However, both the Hill Dalits and the Madhesi Dalits report dramatically lower levels of involvement in such collective activities in the community. Because such activities usually involve eating together and physical contact or close proximity with others, it is highly probable that Dalits are either not invited to such gatherings or that they stay away to avoid the humiliation of having to enact the norms of untouchability (like conspicuously staying apart, washing their own dishes, taking left-overs, etc.). The Hill Dalits as a group have the lowest percentage involved in such community communal events and interactions (55.4%), and Muslim and Madhesi Dalits are next with 60.9% and 61.7% respectively (Figure S.8). This compares to averages for the Brahmin, Chhetri and Newar of 90.5%, 93.1% and 92.1% respectively. For Muslims, the relatively lower level of involvement is likely due to religion-based discrimination in addition to their relatively lower placement on the caste-based hierarchy.

FIGURE S.8: Percentage of respondents who are involved in all kinds of cultural collective work by social groups, NSIS 2018



[15] One of the two exceptions is on the index for Social Security that shows that both groups are receiving their social security allowance from the state at about the national average. The second exception is for linguistic advantage and, as noted earlier, the Hill Dalits who speak Nepali as their heritage language do well here with a score of 84 compared to the national average of 66.6. The Madhesi Dalits on the other hand, have the lowest score for linguistic advantage index at 45.2.

TABLE S.5: COMPOSITE SOCIAL INCLUSION INDEX BY SOCIAL GROUPS, NSIS 2018

Index	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Social Groups	**Demographic composite index**	**Index of education**	**Index of health**	**Index of media**	**Index of social security**	**Social composite index**	**Index of food & shelter**	**Index of access to market**	**Index of well being**	**Economic composite index**	**Governance composite index**	**Index of linguistic advantage**	**Index of non-discrimination**	**Index of socio-cultural capital**	**Gender norms and values composite index**	**Composite social inclusion index**
Hill Brahmin	80.0	86.2	81.5	64.0	86.6	79.6	97.2	91.4	82.1	90.2	71.3	93.0	98.2	94.8	63.0	79.9
Hill Chhetri	71.2	75.2	73.6	32.4	85.6	66.7	91.2	82.7	68.0	80.6	69.7	84.5	98.2	96.0	57.4	73.1
Madhesi B/C	68.1	80.9	77.2	48.1	68.1	68.6	88.7	86.2	69.7	81.5	58.9	60.4	96.9	86.3	51.6	68.3
Madhesi OC	54.2	63.6	79.6	33.8	82.2	64.8	88.1	77.0	57.7	74.3	51.9	49.4	97.0	78.5	43.8	60.7
Hill Dalit	66.8	64.6	71.5	20.4	84.7	60.3	75.5	72.7	53.2	67.1	61.7	78.4	75.1	74.7	52.9	64.1
Madhesi Dalit	55.8	52.5	68.2	20.3	87.2	57.0	59.7	70.1	36.7	55.5	49.9	39.3	81.1	60.8	41.1	53.3
Newar	80.1	81.4	84.3	54.8	84.2	76.2	91.7	88.6	78.5	86.2	69.1	58.9	97.0	95.6	64.7	76.7
Mt./Hill Janajati	74.0	69.3	74.3	36.4	82.4	65.6	86.3	75.5	65.2	75.6	66.4	52.9	97.3	91.6	57.0	69.9
Tarai Janajati	69.4	70.4	76.5	34.5	92.9	68.6	87.9	82.0	60.8	76.9	63.3	48.5	96.6	88.7	53.6	68.3
Muslim	48.0	62.7	78.8	28.3	79.9	62.4	74.8	74.9	55.3	68.3	48.6	43.7	91.2	71.7	36.6	55.5
Marwadi	81.2	92.6	88.7	86.3	31.3	74.7	89.3	95.3	81.5	88.7	55.2	54.9	97.0	81.9	53.8	71.9
All Nepal	69.5	69.8	75.2	38.0	84.6	66.9	87.2	80.3	65.0	77.5	64.0	65.9	94.8	88.0	54.8	69.2

Source: Table 9.4, NSIS 2018

The other source of data on caste-based discrimination was a series of questions about whether the respondent had experienced discrimination in the village or local community, denial of entry to public spaces (including temples and water sources), discrimination from government offices and service providers, or in labor and product markets (Table S.6, Figure S.9). The Mountain/Hill Dalits face the highest levels of caste-based discrimination as a group with a score of 24.9 compared to the Madhesi Dalit group's score of 18.9. Yet the highest discrimination scores for individual sub-castes are for the two Madhesi Dalit groups charged with community waste removal – the Halkhor (34%) and the Dom (31.3%) (NSIS 2018, Annex 7.10).

The data in Table S.6 make a strong case for our earlier distinction between the influences of the caste hierarchy in general on the diverse groups that make up Nepal and the influence of the specific practice and ideology of untouchability and the impact it has had on the Dalits. The data show that even though the other non-Dalit groups do experience somewhat more discrimination than the Hill Brahmin and Chhetri groups, these non-Dalit groups face fairly low degrees of overt discrimination. Thus, while the discrimination scores of the historically dominant Hill Brahmins and Chhetris are both 1.8, the scores of other non-Dalit groups hover around 3%. Even this level of discrimination is unacceptable. But it is still much less than the scores for the Hill and Madhesi Dalits (24.9% and 18.9%) respectively.

FIGURE S.9: Composite index of percent of respondents who faced discrimination and denial in various walks of life by social groups NSIS 2018

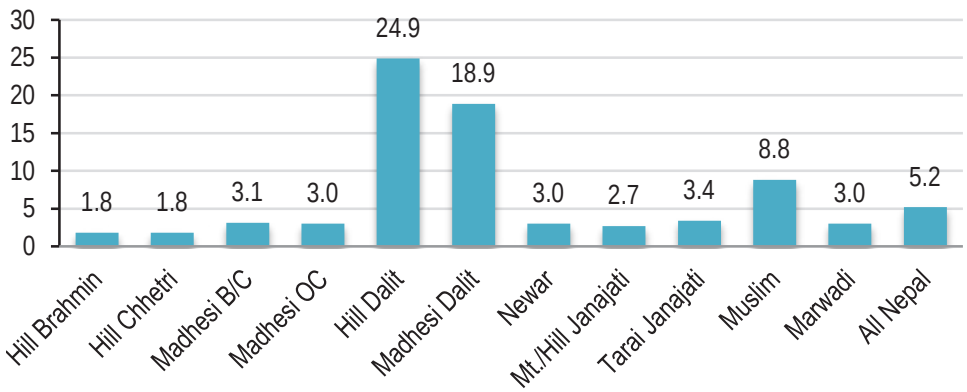


TABLE S.6: DISCRIMINATION INDEX BY SOCIAL GROUPS (IN %)

Social groups	Community-level discrimination	Denial of entry into public places	Denial of opportunities related to labour and production	Discrimination in institutional services	Overall discrimination index
Hill Brahmin	3.4	0.7	1.5	1.7	1.8
Hill Chhetri	2.7	0.3	1.2	2.8	1.8
Madhesi B/C	6.3	0.2	2.0	3.9	3.1
Madhesi OC	5.1	0.4	1.6	4.8	3.0
Hill Dalit	34.4	26.4	12.8	25.9	24.9
Madhesi Dalit	27.6	11.3	10.6	26.1	18.9
Newar	3.9	2.0	1.5	4.5	3.0
Mt./Hill Janajati	2.4	1.0	1.3	6.2	2.7
Tarai Janajati	5.4	0.5	1.1	6.5	3.4
Muslim	15.2	5.5	3.0	11.5	8.8
Marwadi	7.1	0.6	1.5	2.9	3.0
All Nepal	7.4	3.5	2.7	7.2	5.2

2.2.6 Religion-based or Caste-based? Barriers to Inclusion for Muslims

As inhabitants of the Tarai/Madhes, the Muslims share the regional and linguistic exclusions associated with that region as discussed above; but they also face additional barriers because of their religion which places them in a low position in the caste hierarchy – just above the Dalits. They do relatively well on the health index falling in the fourth (second highest) quintile (NSIS 2018, Figure 4.23). However, they are in the bottom quintile for the indices on education (NSIS 2018, Figure 4.21), governance (NSIS 2018, Figure 6.15), discrimination (NSIS 2018, Figure 7.21), socio-cultural capital (NSIS 2018, Figure 7.23), gender norms (NSIS 2018, Figure 8.13), and on the Composite Social Inclusion index (NSIS 2018, Figure 9.3).

The barriers facing Nepali Muslims are related to their practice of Islam – a non-Hindu religion in a Hindu majority state. These barriers are similar to the caste barriers faced by other low-ranked groups considered "impure" (though not "untouchable") within the Hindu caste system. In terms of their involvement in collective cultural activities the Muslims are at the same level as the Dalits. In fact, with only 60.9% of the Muslim respondents involved at all in collective work, they are actually a bit lower than the Madhesi Dalits (61.7%).[16]

[16] This is not surprising however, because while Hinduism and Buddhism are open to the worship of multiple deities, Islam forbids its followers from taking part in worship of any god but Allah so that even if they were invited, it is unlikely that Muslims would want to be involved in many of the community and family life cycle rituals that take place among other groups and generally involve the worship of Hindu deities.

When we look at the various dimensions of discrimination and the overall discrimination index (*see* Table S.5), Muslims do much better than the either the Hill or the Madhesi Dalits. They face fairly low levels of labor market discrimination (3% compared to12.8% for Hill Dalits and 10.6% for Madhesi Dalits) or denial of entry into public places (5.5% compared to 26.4% for Hill Dalits and 11.3% for Madhesi Dalits). Discrimination in receiving government services is significant (11.5%) but still much less than that faced by Hill Dalits (25.9%) or Madhesi Dalits (26.1%).

One of the most concerning facts about the Muslims uncovered by the NSIS is that 36% of Muslim households are dependent on casual labor and that their level of dependency on livelihood source has increased rapidly by 18.2% between 2012 and 2018. The fact that more and more Muslim households are having to depend on the lowest paying and most insecure form of livelihood signals that they – along with Madhesi Dalits who also have an even higher dependency on casual labor – are being excluded from economic opportunities.

2.2.7 Gender-based Barriers to Inclusion for Women: Differences between Social Groups

The chances for a female child born in Nepal to live a healthy and empowered life are much better today than they were even a few decades ago – though still not equal to the chances for a male child. We also know that improvements in the economic and educational status of a household increase the chances that a female child growing up in that household will be able to complete more years of schooling, and have more say about the man she marries and the number of children she bears. She will also be more likely to participate in women's groups, community development activities and even local government (Sahavagi, DidiBahini, Fedo, UN Women 2015). Higher household income and education levels also lower her level of risk for encountering violence at home or in the community (MoHP, New Era and Macro International Inc. 2007: 235). The NSIS 2018 data presented in this study also show that although women in all groups face barriers because of their gender, the severity of these barriers varies greatly between groups.

Work burdens

Take for example, work burdens. It is well known that Nepali women contribute their labor to Nepal's millions of family farms both as wage laborers and unpaid family workers and in 2011 they made up 52% of the agricultural labor force (Sahavagi, DidiBahini, FEDO, UN Women 2015: 194, Table 3.8). But in addition to this work and their participation in other non-agricultural sectors of the labor force, women worked an additional 18 hours a week (compared to 4.2 hours for men) in "non-economic activities" such as cooking, cleaning, major repairs, shopping, caring and child minding. These activities, though not considered "economically productive" are nonetheless essential to family economic survival and add to women's work burden.

The NSIS data on dependency ratios for different social groups gives clues as to which women will have higher work burdens. Thus, the high dependency ratios found among the Muslims (44.2), the Madhesi Dalits (42.3) and the Madhesi Other Caste (41.1) in the NSIS 2018 data shows that women in these groups are likely to have more infants, children and older people to care for and fewer workers to produce food or earn income to care for them (See Table S.7). Yet overall, the news is good for women: comparison with just 6 years earlier in 2012 shows a steep drop in the dependency ratios for all groups with an overall decline of 21.6 points.

TABLE S.7: DEPENDENCY RATIO*(IN%) BY SEX AND SOCIAL GROUPS, NSIS 2012 AND 2018

Social Groups	NSIS 2018		Both Sexes	
	Male	Female	NSIS 2018	NSIS 2012
Hill Brahmin	29.4	28.6	29.0	49.3
Hill Chhetri	39.4	31.0	35.0	61.0
Madhesi Brahmin/Chhetri	39.4	33.0	36.2	48.1
Madhesi Other Caste	42.8	39.3	41.1	68.0
Hill Dalit	41.5	37.0	39.2	60.0
Madhesi Dalit	43.9	40.6	42.3	69.8
Newar	35.0	30.1	32.5	42.2
Mountain/Hill Janajati	35.9	32.6	34.2	54.2
Tarai Janajati	32.1	30.6	31.3	51.5
Muslim	46.8	41.6	44.2	75.4
Marwadi	30.4	29.2	29.8	-
Total	38.3	34.0	36.1	57.7

* Ratio of children (0-14) and elderly population (65+) to the working age population (15-64 years) times 100.

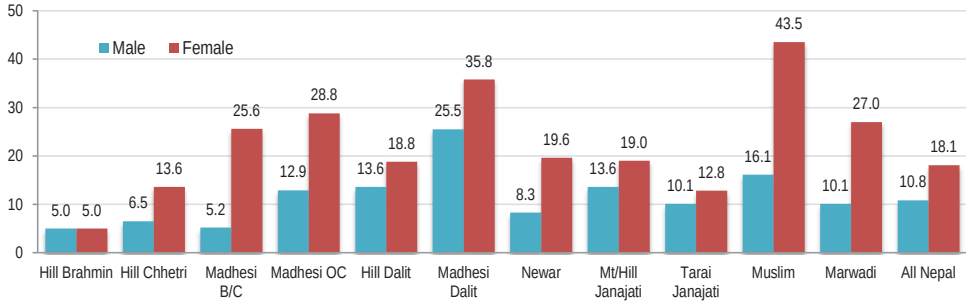
Participation in local development and governance

Another example of the differences between groups and what it means for women is the huge range in women's knowledge about important new civil and political rights. Among Hill Brahmin women only 5% (same as for men) did not know about affirmative action provisions for historically excluded groups in education, health care and government employment. In contrast, nearly half of Muslim women (43.5%) had no knowledge of these provisions – even though they are the intended beneficiary of many of them. High percentages of women with no knowledge on this were also found among Madhesi Dalits (35.8%) and Madhesi Other Castes (28.8%); but what is surprising is that similarly high percentages were found among the fairly well educated Madhesi Brahmin and Chhetri women (25.6%) (*See* Figure S.10).

This pattern is repeated for knowledge of political and civil rights, functions of local government and for participation in local development processes and feeling that their voices were heard in these processes (See NSIS 2018, Figures 6.2, 6.3, 6.4, 6.7 and 6.8). Women fall behind men in all groups; however, Brahmin, Chhetri, Dalit and Janajati

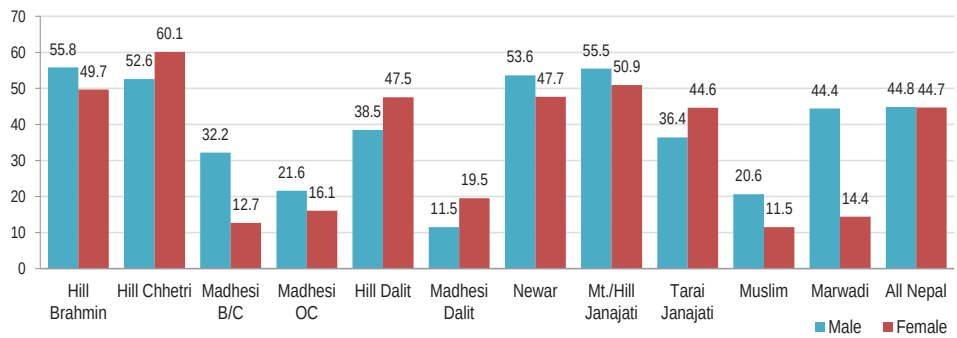
women from the Hills and Tarai all participate at rates above the national average. On the other hand, except for the Tarai Janajati, the rest of the Tarai/Madhes groups have much lower numbers across the board on governance – almost disappearingly low for women.

FIGURE S.10: Percentage of men and women who have no knowledge of affirmative action provisions for historically excluded groups in education, health care and government employment by social groups, NSIS 2018



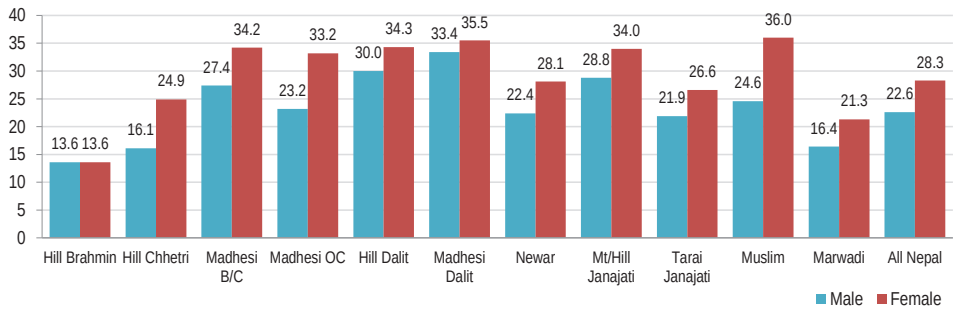
The pattern shifts however, when we look at representation in – and being heard by – local organizations. Overall, women are *more* involved in local organizations than men (61.1% of women vs. 55.6% of men belong to an organization). Among Hill Chhetris, Hill Dalits, Madhesi Dalits, Newars and both the Mountain/Hill and Tarai Janajatis, there are more women than men who are represented in a local organization (See NSIS 2018, Figure 6.9). At the all Nepal level the percentage of men and women who felt that their "voice was always respectfully heard while participating in development processes" was equal at about 45%. Among the Hill Chhetri, the Hill Dalits and the Tarai Janajati *more* women felt they had voice than men (See Figure S.11).

FIGURE S.11: Percentage of men and women who felt their voices were always respectfully heard while participating in development processes by social group, NSIS 2018



At the same time, a somewhat larger percentage of women (28.3%) than men (22.6%) reported that they "feel powerless, resource-less and without rights to take action and change their circumstances" (See Figure S.12). It is interesting that Hill Brahmins had the lowest percentage feeling disempowered – and that there was no difference in levels between men and women. In contrast, the highest percentage reporting feeling powerless were Muslim women (36%) and they also had the largest gender gap (11.4%).

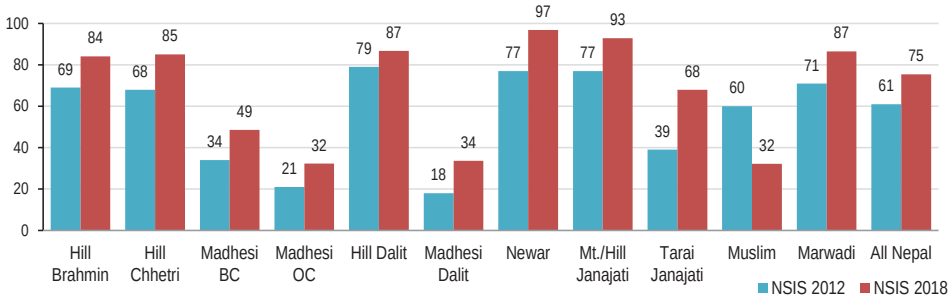
FIGURE S.12: Percentage of men and women who feel powerless, resourceless, and without rights to take action and change their circumstances by social groups, NSIS 2018



Decision-making

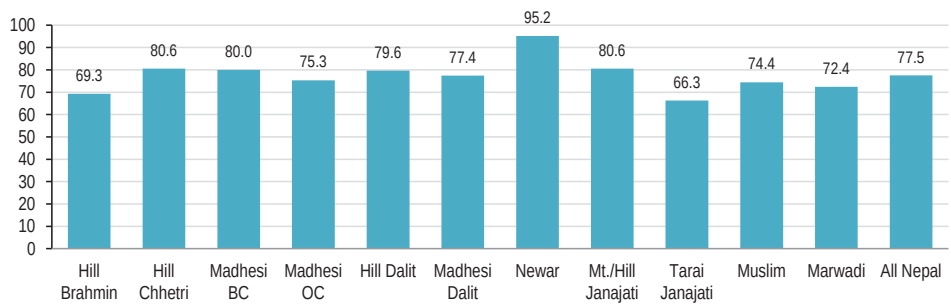
Examining the degree to which women from different groups are able to participate in making the decisions that affect them is another way to assess differences in the degree to which different social groups support women's autonomy. In decisions on their own marriage, women from the Madhesi Other Caste groups seem to have the least say (*see* Figure S.13). Overall only 32.3% of the women from these groups had a say in their marriages – and for one group, the Lodha, only 12% of the women respondents had a say on who they married. Many more women among the Hill Brahmins, Chhetris, and Dalits have a say in their marriage choice (84.1%, 85.1%, 86.8% respectively) but the highest input comes from the Newar and Hill Janajati women (96.8% and 92.9% respectively) (*see* Figure S.13). One positive note is that in all groups except for the Muslims (where there was a sharp 28% decrease), the percentage of women with input into their own marriage increased – on average by 14% between 2012 and 2018.

FIGURE S.13: Percentage of women who decided themselves or were consulted when their marriage was fixed by social groups, NSIS 2012 and 2018



Women's ability to make decisions on their own health care shows a different pattern with the same overall level of input as for marriage (75% on marriage; 77.5% on health), but much less variation between social groups (See Figure S.14). A surprisingly low percentage of Hill Brahmin women had input on their own health care (69.3%), falling well below the Hill Dalit (79.8%) and even Muslim (74.4%) and Madhesi Other Caste women (73.3%). Across all groups women's input into how many children to have has gone up dramatically (from 53% to 86%) between 2012 and 2018 (See NSIS 2018, Figure 8.8). Women's say in children's schooling is also quite high overall (81.9%) but Madhesi Other Caste, Madhesi Dalits and Tarai Janajatis lagging behind, and again with much less variation between social groups (See NSIS 2018, Figure 8.9).

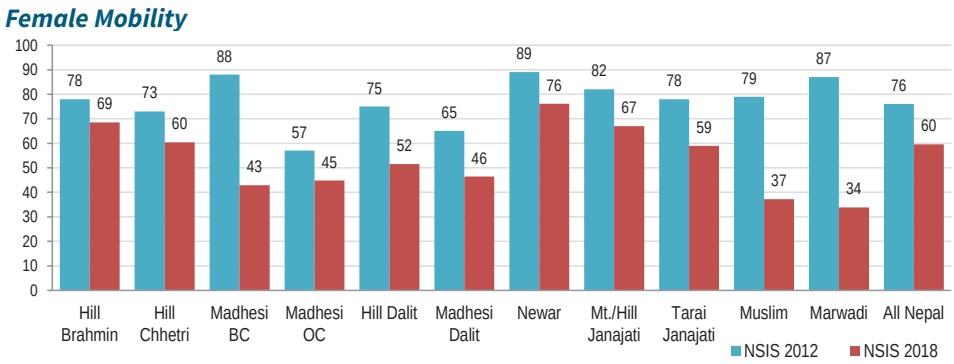
FIGURE S.14: Percentage of women who make decisions on their own health care by social groups, NSIS 2018



Despite this overall pattern of increasing input into decision-making, the NSIS 2018 data show that in the economic sphere women lost ground. Women's ability to decide on the use of their self-earned income dropped in all groups with an overall decrease of 16 points (See Figure S.15). Similarly, and starting from a much lower point, women's decision making on selling their own land and or other assets dropped across all

groups with an overall decrease of 14 points (See NSIS 2018, Figure 8.11). This apparent decrease in women's economic decision-making goes against the general trend toward greater female autonomy and requires further research.

FIGURE S.15: Percentage of women who can make decisions about self-earned income by social groups, NSIS 2012 and 2018



The NSIS also looked at various spheres of female mobility including: a) going to the local market, b) visiting her natal home or relatives and c) attending meetings or assemblies, and found that women's autonomy has increased quite dramatically over the 2012-2018 period (*See* Figure S.16). However, in regard to attending meetings, women in the Tarai/Madhes (except for the Tarai Janajati) consistently fell around 30 points or more below women in the Mountain/Hill region (*See*, NSIS 2018, Annex 8.10).

The Composite Index of Gender Norms and Values gives a summary picture of the significant differences between social groups in their degree of support for women's agency and empowerment. The two bottom quintiles of this Index are entirely composed of Tarai/Madhes groups (NSIS 2018, Annex 9.16). The lowest Hill group is the Thami who had an index score of 50.6% compared to the lowest Madhesi group, the Lodha, who had a score of only 19.1%. Only three groups from the Tarai/Madhes region (the Kayastha who are Madhesi Brahmin/Chhetris and the Meche and Dhimal who are Tarai Janajati) appear in the top two quintiles. Once again, the Madhesi/Tarai groups are revealed as the most challenging for women's agency and empowerment (Figure S.17).

FIGURE S.16: Percent of women who have autonomy in mobility, NSIS 2012 & 2018

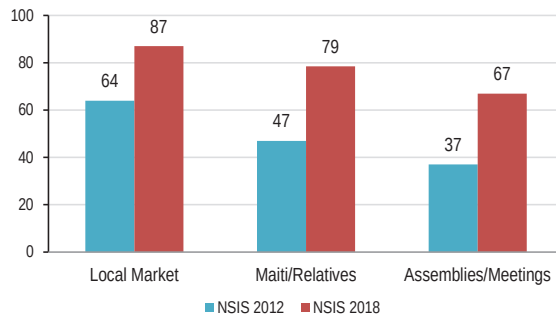
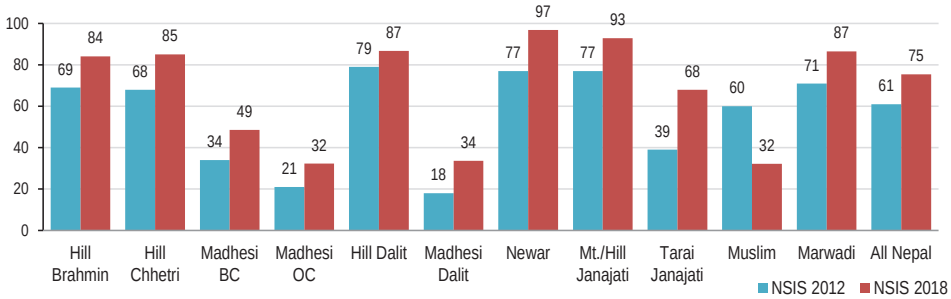


FIGURE S.13: Percentage of women who decided themselves or were consulted when their marriage was fixed by social groups, NSIS 2012 and 2018



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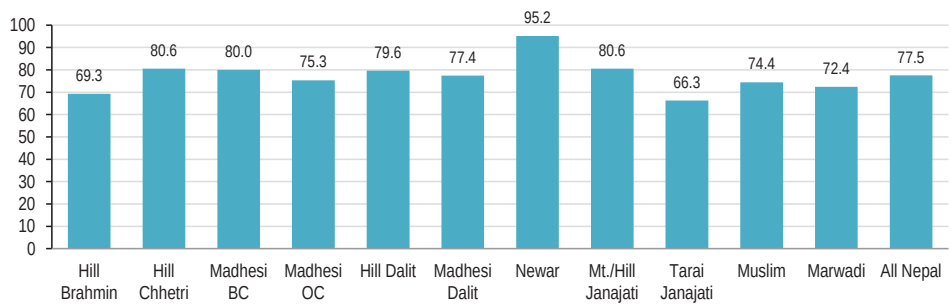

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variation in how these individual groups do in various dimensions. For example, on the Education Index, NSIS 2018 found three Janajati groups in the bottom quintile with very low scores (Hayu: 43.2; Santhal: 48.9; Koche 52.8) (See Figure S.18). At the same time, many Janajatis groups are in the top quintile with the highest three being the Chhantyal (72.6), the Newar (80.2) and the Thakali (88.2). Half of the bottom quintile for the Composite Economic Index are Janajati groups and seven of the seventeen groups in the top quintile on economic opportunity are also Janajatis – including the Thakali who topped the economic index with a score of 97.5 (See Figure S.19). So the Janajati groups will require more fine-grained policy design and tracking if their lagging groups are to reach the SDGs.

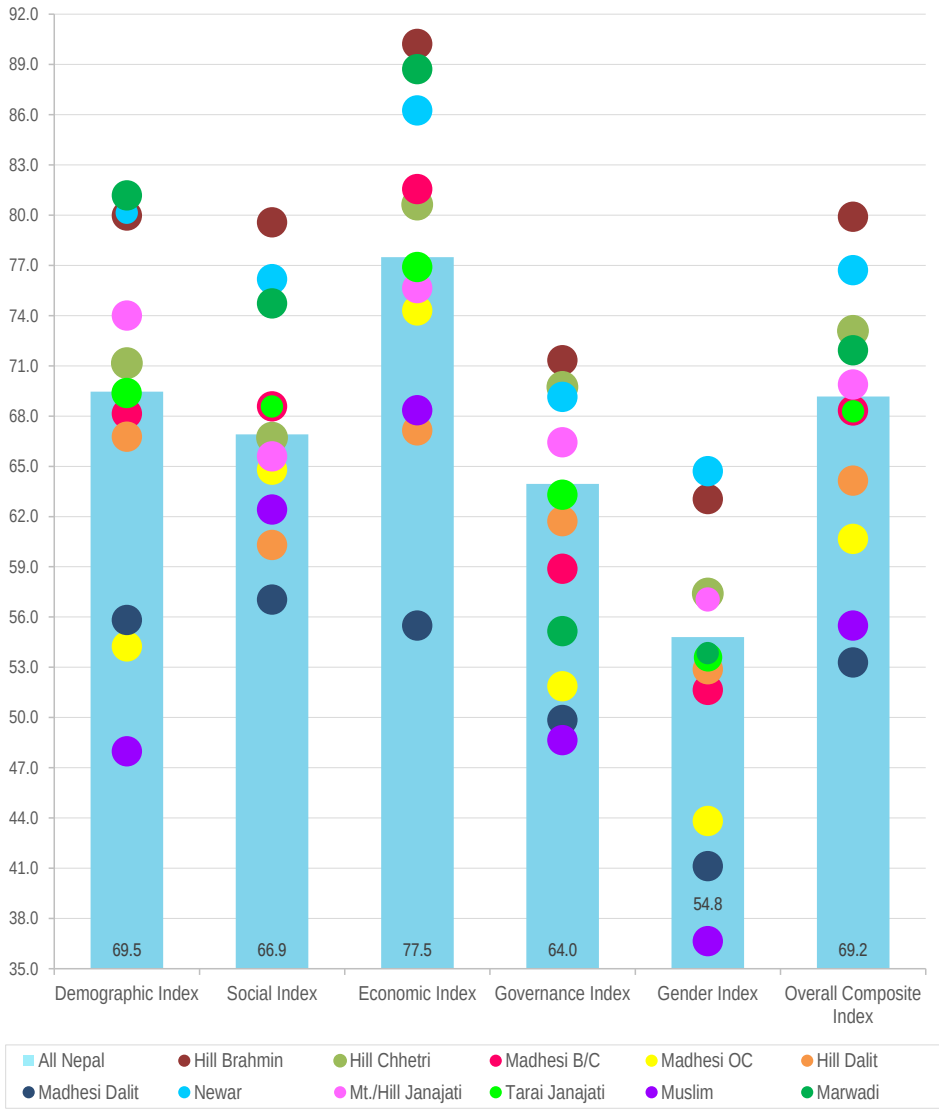
3.4 Madhesi Other Castes

Another of the 11 main social groups that contains many sub-groups at very different levels of development is the Madhesi Other Caste group. There are seven Madhesi Other Caste groups in the bottom quintile for education (Bing/Binda, Nuniya, Mallah, Lodha, Lohar, Kanu and Kahar) and one (Kalwar) in the top. Similarly, there are three Madhesi Other Caste groups in the lowest quintile for economic opportunities (Bing/Binda, Nuniya and Lohar) and four in the top quintile (Kalwar, Haluwai, Koiri and Baniya). Additionally, although there are no Madhesi Other Castes in the bottom quintile of the Index on Non-discrimination, there are 8 Madhesi Other Caste groups in the second quintile for this indicator which strongly suggests that some members of this group do suffer some degree of discrimination based on their caste identity – even though some of them are educated and quite well off (See Figure S.20). When it comes to gender, the Madhesi Other Castes perform poorly across the board with 12 of the 18 groups in the bottom quintile of the Index on Gender Norms and Values and only four of their groups making it even to the middle quintile on this measure (See Figure S.21). Like the Janajatis, the Madhesi Other Caste group is highly diverse and more fine-tuned efforts need to be made to identify which sub-groups need what kind of attention.

3.5 Muslims

The Muslims are among the bottom three groups in *all* the indices in Figure S.17 and clearly need to be one of the focal points for the SDG efforts. Along with women in the Madhesi Other Caste group and both Dalit groups, Muslim women in particular need to be empowered if the overall indicators for their respective groups are to be improved. Along with the Hill and Madhesi Dalits, Muslims fall among those most in need of policy and program attention if Nepal is to achieve its SDGs.

FIGURE S.17: Composite social inclusion index by sector and social groups, NSIS 2018



3.6 Hill and Madhesi Dalits

The Hill Dalits have consistently done better than the Madhesi Dalits in all the indexes though they do worse than the Muslim group on the social and economic indexes. The Hill Dalits are already part of the demographic transitions with smaller family size, later age of marriage and lower dependency ratios. This has not yet happened with the Madhesi Dalits – the only one of the major 11 social groups where household size did not go down between 2012 and 2018. Among all the Madhesi Dalit groups there has been a significant increase in annual per capita consumption ranging from 20% to 171% but averaging about 53%. This is impressive but still somewhat behind the growth seen by the Hill Dalits that averaged 74%.

Among both Hill and Madhesi Dalits, as among the Janajatis and Madhesi Other Castes, there are significant variation in socio-economic outcomes between the individual sub-groups – though no Dalits have yet made it into the top quintile of any indicator in this study[17]. This high level of intra-group variation is especially true among the Madhesi Dalits where certain sub-groups like the Halkhor, Chamar, Dom and Musahar suffer especially deep and persistent discrimination even from other Dalit sub-groups. The greatest challenge to improving outcomes for all Dalits is the deep-rooted nature of the ideology and practice of untouchability. The fact that the authority of the Constitution now demands that both the ideology and the practice be eliminated is immensely powerful. But the Constitution's demand will need to be implemented by an accountable bureaucracy and a willing citizenry – less a matter of policy finesse than sheer collective commitment to social change.

[17] The exception here would be the Hill Dalits who rank in the top quintile in terms of linguistic advantage.

FIGURE S.18: Index of education by quintile by caste and ethnicity, NSIS 2018

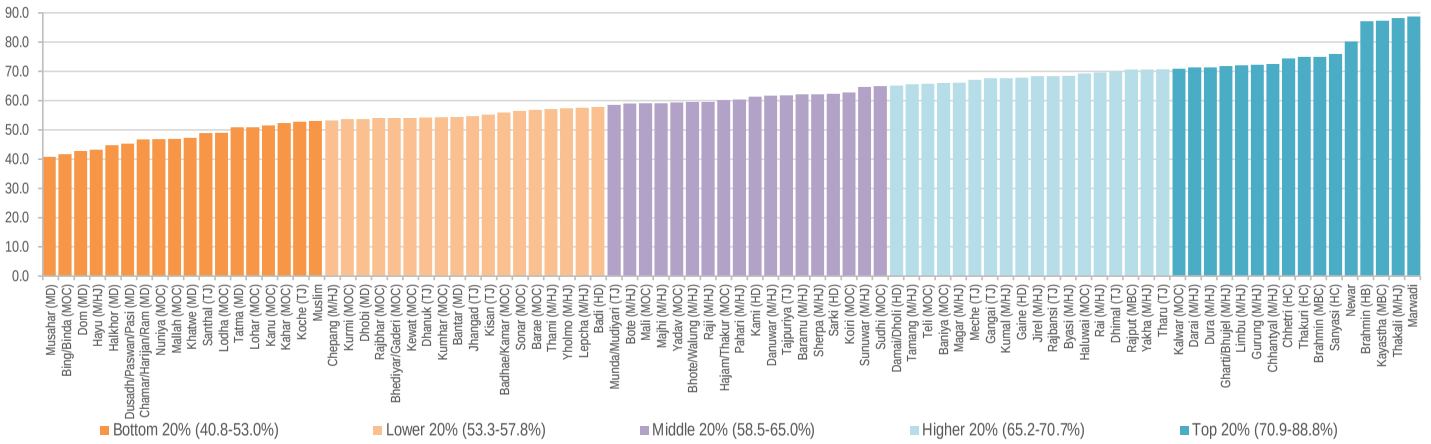


FIGURE S.19: Composite index of governance by quintile by caste and ethnicity, NSIS 2018

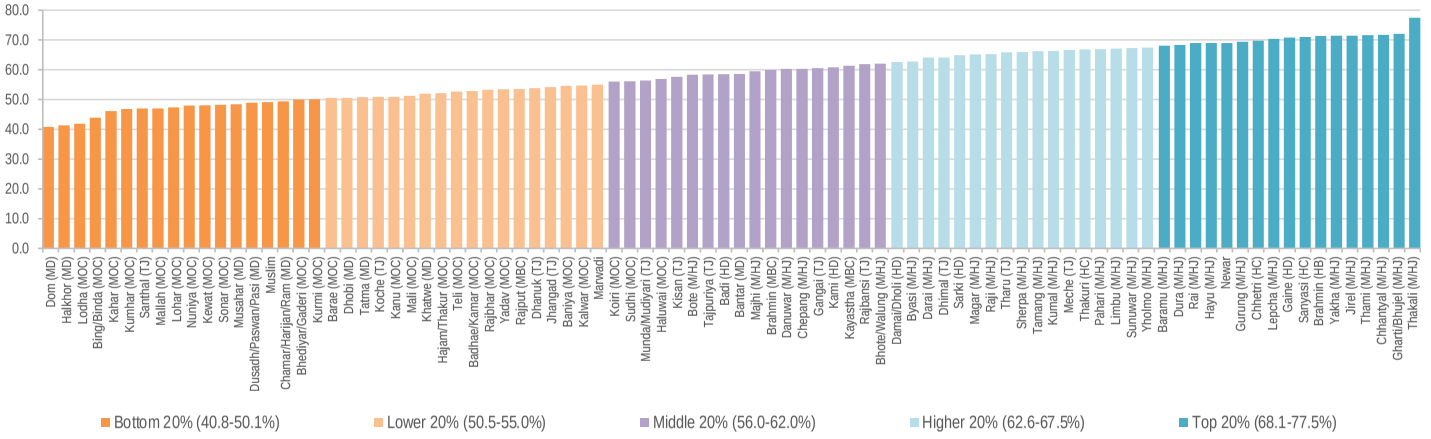


FIGURE S.20: Index of non-discrimination by quintile by caste and ethnicity, NSIS 2018

FIGURE S.21: Composite index of gender norms and values by quintile by caste and ethnicity, NSIS 2018

CHAPTER 4

NSIS 2018 – KEY POLICY IMPLICATIONS

4.1 As a highly diverse, inclusive and democratic nation, Nepal needs disaggregated data for good governance reasons.

First, to track its own progress on reducing disparities and discrimination and delivering inclusive development and prosperity to those left behind, **GoN** needs to know how its policies are affecting different groups within the population. Second, **citizens** – especially those from marginalized groups – need disaggregated data as well in order to hold the government accountable for fulfilling the Constitution's promise of inclusion. Finally, **development partners** also need data on the core social, political, economic and cultural correlates to monitor progress on the SDGs and on equity and inclusive development more broadly. GoN can use the social group categorization framework adapted by NSIS to analyze census data at different levels of detail as required. Thus in addition to analysis based on the 11 main social groups that make up the population of Nepal, the NSIS data set can be further disaggregated by detailed caste/ ethnic categories, sex and region where such analysis is needed for monitoring or to ensure that policies and programs are designed to fit the specific needs of Nepal's diverse social groups (See Table S.1).

4.2 Focus on diversity, equity and the bottom quintile first. Use NSIS 2018 data to identify those among the 88 caste/ ethnic groups in danger of being "left behind" on specific SDGs as well as on mainstreaming equity and inclusive development.

With its two levels of disaggregation – at the level of the 11 main social groups and at the level of the 88 distinct caste/ethnic groups within them – the NSIS 2018 data can be used to identify with fairly high precision, those social groups in danger of failing to reach specific SDGs.

The reason the second more detailed level of disaggregation is so important is that while some of the 11 main social groups are relatively homogeneous in terms of economic and social status, others are extremely heterogeneous. Thus, at the level of the 11 main groups we can identify the **Madhesi Dalits, Hill Dalits, and the Muslims as relatively homogenous groups that are in need of targeted assistance for all their sub-groups if they are to achieve the SDGs and participate in Nepal's overall inclusive development.** All of the constituent sub-groups (from the 88 individual caste/ethnic groups) of these 3 main groups fall in the bottom two quintiles for most indicators[18].

However, the **Madhesi Other Castes, the Mountain/Hill Janajatis and the Tarai Janajatis** are each composed of some sub-groups who do well on most indicators and some who consistently appear in the bottom quintile. **For such heterogeneous groups, it is important to be able to disaggregate to the level of the 88 individual caste/ethnic groups to identify which sub-groups within each of the larger groups are in danger of falling behind on specific SDGs as well as on overall equitable development**. Thus, although there are several sub-groups among the Madhesi Other Castes (such as the Baniya, Teli, Haluwai, Kalwar, Yadav and others) who are in the top two quintiles on many indicators, there are other sub-groups (such as the Nuniya, Bing/Binda, Kahar Mallah, Rajbhar, Kumhar, Kewat and Lohar) who fall in the bottom quintile on the indexes for education, health, food and shelter, well-being, economic opportunity and the composite social inclusion index.

This kind of heterogeneity of outcomes is also found among the Janajatis – especially the Mountain/Hill Janajatis. For example, in health, the two lowest positions on the index are held by Mountain/Hill Janajatis (Lepcha and Thami) and so is the top position (Thakali). In fact, the Thakali, Newar and Gurung are in the top quintile for almost every index while at the same time other sub-groups from the Mountain/Hill Janajatis (such as the Chepang, Thami, Hayu, Byasi, Raji, Majhi, Bhote/Walung and Lepcha) are consistently found in the bottom quintiles. The government has designed and implemented affirmative action programs to target certain groups of people without always considering the diversity and disparities within some of these groups. This means that the effectiveness of affirmative action policies can be increased by having data to identify those individual groups at the bottom. Thus a combination of 'active targeting within universal provisions' is likely to be the most effective approach to close social group inequities.

18 Even though all the Dalit sub-groups have low indictors, there are also important differences among them in welfare levels, participation in governance and gender norms and values. We saw how the Dom and the Halkhor faced much higher levels of discrimination than other Madhesi Dalits – probably because of their traditional association with waste removal. Similarly, the traditional role of the Gaine (a Hill Dalit sub-group) as an itinerant minstrel specializing in political satire seems to have made it possible for them to score in the second highest quintile in education and in the top quintile in governance (just below the Hill Brahmins).

A surprising finding encountered in this study is that the 10 groups with the highest prevalence of disability (more than 5%) are all from Mountains and Hills. Nine groups belong to Mountain/Hill Janajatis (Hayu, Thami, Jirel, Yholmo, Byasi, Pahari, Newar, Limbu and Sunuwar) and one is Hill Chhetri (Sanyasi). This evidence presents a strong contrast to the findings on most indicators where Muslims, Madhesi Dalits and Hill Dalits are at the bottom. Such evidence suggests that in some instances deeper understanding based on regional and more detailed caste/ethnic disaggregation is critical to effective design and targeting of policies and programs.

4.3. Gender and intersecting inequalities need to be analyzed together.

NSIS data is disaggregated by sex and separate interviews with a male and a female member of each household were conducted (by male and female enumerators) to ensure a gender-balanced view. As evident in the findings, the impact of gender is strongly influenced by each woman's ethnicity, caste, class, age, disability status and position within the household. For example, the NSIS data on dependency ratios (NSIS 2018, Annex 3.6) for Dom, Hayu, and Nuniya women (44.6, 42.7, 41.2 respectively) show that they will all have much higher work burdens than Marwari, Hill Brahmin or Gurung women for whom dependency ratios are much lower (27.3, 26.7 and 26.3) giving these women fewer infants, young children and elderly to care for and more working age adults contributing to the family livelihood. This range of outcomes from different caste/ethnic groups across the female population is evident for almost every indicator. For example, female literacy in the population above 6 ranges from 19.2% among the Musahar (Madhesi Dalits) to 93.7% among the Marwari and women's ownership of the family house goes from just 1% among the Bhote, to 17.5% among the Yholmo – both Hill Janajati groups. The intersection of gender with social and economic inequalities explains the intensified nature of disadvantage often faced by poorer women and girls and the crucial need to understand and address "intersecting inequalities".

4.4 Use NSIS data to build a better understanding of regional disparities. The NSIS 2018 data show that with a few exceptions most of the Tarai/Madhesi groups consistently fall below the Mountain/Hill groups on most indicators.

Much more work is needed to understand what drives this phenomenon and what are the barriers to change. Some portion of the lower performance of Tarai/Madhesi groups may be linked to GoN policies (e.g. such as the relative neglect of heritage languages in education) that may have had unintended negative consequences for Tarai/Madhesi

groups' educational success (and ultimately their ability to get good jobs) as well as their access to social services and their participation in governance. At the same time, it is important to note that part of the observed deficit among Tarai/Madhesi groups is also likely due to culturally embedded political, economic and social forces and institutions (such as the remains of a feudal agricultural production system and related caste and gender hierarchies) that respond only verily slowly to GoN policies and programs.

4.5. Need for data uniformity.

Where data disaggregated by caste and ethnicity is available, it is not uniform across different government and non-government institutions. This leads to difficulties in compiling data from different sources to track the progress of different social groups at national, provincial and local levels. Different ministries/institutions have different classifications of social groups and at present there is no broad consensus on the classification and categorization of caste and ethnic groups to support comparison of data across surveys and sectors or to allow targeting and customization of policies and programs. The Federal NPC could take a lead on preparation of a national framework for a uniform data generation process that the Provincial PCs, the Central Bureau of Statistics (CBS), and other relevant government agencies could then follow while generating data for policies and programs.

4.6. The NSIS Survey should be repeated periodically. This will extend the trend data now available for 2012 and 2018, and assist with tracking progress on the SDGs and monitoring the overall equitable and inclusive development of Nepal.

The NSIS 2012 survey was revised for 2018 specifically to respond to GoN requests for indicators that would be able to track progress on the SDGs as well as progress on mainstreaming equitable and inclusive development. Additional rounds will thus increase the payoff to investments already made. It may also be useful if additional rounds are undertaken that allow the TU team to work with one or more of the GoN ministries to explore ways in which the NSIS data could be used to enhance GESI sectoral monitoring and to demonstrate the links between "Leave No One Behind" and GESI strategies developed and used by the ministries. This is the one way to help build the "Prosperous Nepal and Happy Nepali" envisioned by the Fifteenth Plan.

Alternatively, the GoN could adopt a framework for a periodic national level survey (such as the NSIS or a GESI survey) and conduct it for further/future cycles to track progress on equitable and inclusive development and the SDGs. The Federal NPC would be the most appropriate government agency to take a lead on such a uniform data generation process in close collaboration with the Provincial NPCs and Central Bureau of Statistic (CBS). In this way the data needs of the Provinces could be met and synchronized with the data requirements for monitoring outcomes and impact at the Federal level.

4.7. Use NSIS 2018 data to build capacity and institute practices of evidence based inclusive policy analysis.

A robust process for formulating, adapting and assessing the effectiveness of socio-economic policy needs to be based on the analysis of evidence rather than solely on the priorities of political parties. The NSIS data set provides more than 100 social and economic indicators that can be used to monitor progress on inclusive development. It is based on a representative sample of 88 different caste and ethnic groups residing throughout the country and the data is disaggregated by sex. Thus, the further analysis of the NSIS 2012 and 2018 data (and future rounds) will allow analysts to unpack the distinct influences of caste, ethnicity and gender, along with other social and economic correlates. Investments in building the capabilities and practices of evidence based analysis among students, scholars and practitioners needs to become the new norm in Nepal. Support should also be provided to institutions (academic, think tanks, etc.) that conduct rigorous analysis and focus on providing sound empirical evidence for inclusive policy formulation.

The NSIS already has two rounds of data (2012 and 2018) that provide a rare and valuable opportunity to track the progress on overall inclusive development, and on specific SDGs. To maximize the utility of the existing data, three possible areas are suggested for **further analysis**. First, a plan for further analysis should be developed and implemented using the existing NSIS data for specific policy analysis covering a wide range of sectors. Results could be published in an edited volume(s). To give just one example of the kinds of issues that have emerged in the current analysis that need further work, is the whole question of how having a non-Nepali heritage language affects a range of life chances. Controlling for wealth, gender, age and caste/ethnicity, what effect does having a non-Nepali heritage language have on say, educational outcomes, employment, participation in local organizations, levels of social capital, sense of agency, etc.? Is there a difference in impact between Indo-European and Sino-Tibetan non-Nepali heritage languages or between heritage languages spoken by only a small population and those spoken by a large population?

Some of these questions are purely academic but others could have direct bearing on equity-focused education policy and on GoN and Provincial communication strategies. Another example of further research would be to use NSIS data for deeper poverty analysis. NSIS has two different types of poverty data, monetary and non-monetary (living standard). A detailed poverty analysis could be carried out to explore how poverty is meaningfully linked with caste/ethnicity and the main social and regional groups by using and comparing both types of poverty data. One specific poverty-related finding that needs further analysis is the disturbing increase between 2012 and 2018 in dependency on casual labor among certain caste/ethnic groups. Other possible issues

for further analysis include examination of health services from both the demand and supply sides, disability (and why it is higher among certain Hill/Mountain groups), cross-cultural marriage, attitudes towards and practices of governance, etc. Further exploration is also needed to understand what is behind the observed pattern of *reduced* female decision making in two key areas: a) use of self-earned income and b) selling land and other assets in their own name. Such studies would add to the knowledge on caste/ethnicity and gender in Nepal and also help develop frameworks to analyze how caste/ethnicity and gender matter in understanding and informing inclusive development.

Second, a research project could be developed for a more advanced level analysis of NSIS data to produce high quality articles that will be published in quality international peer reviewed journals. These activities would maximize the utility of NSIS data and disseminate it to a wider range of national/international audiences that include academia, professionals and policy makers/planners.

Third, a scholarship program should be developed and implemented, targeting university graduate level students (Masters and PhD) who would use the NSIS data to carry out research (dissertations, thesis, academic papers) that would be published in national/international scientific journals. TU and other academic and research institutions should incorporate the use of NSIS data in their academic curriculum. GoN, including the University Grants Commission, the private sector and the donors could provide support.

4.8. Programmatic applications.

In helping to identify social groups that have been 'left behind' across a range of different sectors and areas, the NSIS data provides tremendous potential for the government and its development partners to **target specific groups for policy and programmatic interventions to enhance equity and inclusive development**. Some possibilities include:

i. One example, of such programmatic applications of the NSIS 2018 data could be **an expansion of the widespread – and generally successful – campaigns against gender discrimination to include efforts to reduce the practice of untouchability**. The Local Government Operations Act (LGOA) 2017 gives the responsibility for reducing discriminatory practices to the rural and urban municipalities. In recent years there have been a number of media campaigns to change ideas and norms about *Chhaupadi*, child marriage, single women, LGBTI stigma, trafficking of women and girls, son preference, etc. But little has been done to confront the negative practice of untouchability which as the NSIS data makes clear, is still common in the Mountain, Hill and Tarai areas of Nepal. A partnership

of development stakeholders (provincial and local governments, local and national NGOs and private sector institutions) could be developed to adapt some of the community-based approaches that have worked in these earlier campaigns to the issue of untouchability in its many subtle and unsubtle forms. As with efforts at changing the values, norms, attitudes, and behaviors that discriminate against women, addressing caste/ethnicity-based discrimination will also need a medium to long- term commitment and investment.

ii. **Another possible action area is developing ways to address language-based barriers.** The NSIS data has shown how communities who do not use Nepali as their first language face educational barriers which affect their access and success in multiple areas in life – higher educational opportunities, the labor market, access to government services and active participation in local and national governance. These disadvantages affect all the Tarai/Madhesi groups and the Mountain/ Hill and Tarai Janajati groups – all of whom score below the national average on the Linguistic Advantage Index (Table 9.1; Index 12). Moreover, the erasure of indigenous languages in most schools (public and private), despite policies that promote teaching in indigenous languages at the primary levels, fosters disregard for the socio-cultural value of such languages, and creates barriers for non-Nepali speaking populations in their foundational educational journey. In addition to the further analysis of NSIS data suggested above, pilot work is needed to support the LGOA provision for Provinces and Municipalities to protect and develop indigenous languages and integrate them into the process of developing literacy for those whose heritage language is not Nepali. This is an exercise that Provinces and Municipalities can take a lead on in collaboration with the Ministry of Education.

iii. **Addressing the rights of people with disabilities is an area that needs attention, especially among those social groups who have more than 5% of prevalence of disability, namely nine Mountain/Hill Janajatis (Hayu, Thami, Jirel, Yholmo, Byasi, Pahari, Limbu, Sunuwar and Newar) and Sanyasi.** This result contrasts with other social and economic indicators where Madhesi Dalits and Muslims are left far behind. The geographical location of these groups – in mountain and hill communities – limits their access to some of the critical services (for example higher education, health, vocational training and decent employment opportunities) that are part of their basic rights.

iv. **As identified earlier, the intersection of gender with other social and economic inequalities explains the intensified nature of disadvantage often faced by poorer women and girls, and the crucial need to understand and address "intersecting inequalities."** For example, while overall progress in educational attainment has been encouraging, the data show that in some marginalized groups

women are lagging behind in education. Among Muslims and most of the Madhesi Dalits (Musahar, Dom, Halkhor, Dusadh/ Paswan/Pasi, Chamar/Harijan/ Ram, Khatwe and Tatma), three Janajati groups (Hayu, Santhal and Koche) and seven Madhesi Other Caste groups (Bing/Binda, Nuniya, Mallah, Lodha, Lohar, Kanu and Kahar), women are at the bottom quintile for education. Similarly, some of the health indicators for women (for example, institutional delivery, antenatal care visits) have continued to show that women from the Tarai/Madhes groups have continued to lag behind over many years. Thus, **specific programs and campaigns, targeted to women in these groups and carefully monitored over time, need to become an integral part of the national level health and education programs and policies**. Local governments and their civil society and private sector partners at the local levels are likely to be in a better position to reach and monitor these groups, provided they are supported with adequate technical and financial resources.

v. **Designing identity based indicators to track socio-economic progress can be difficult but, in the medium term, policies and programs that focus on the bottom 5 to 20 percent can bring the agenda of inclusion and equity to the fore.** While it is important to ensure that all populations have good information about, and access to universal programs, additional targeted interventions are likely required to address the needs of the marginalized groups. For example, the Madhesi Dalit groups are behind the Hill Dalits in terms of annual per capita consumption and they are also more dependent of wage labour which is a highly insecure livelihood strategy. Similarly, three of the Madhesi Other Caste groups (Bing/ Binda, Nuniya and Lohar) appear in the lowest quintile for economic opportunities. **Thus, the government needs to work with a range of stakeholders to ensure that the groups in the bottom are targeted, with equity targets planned over a period of time, and tracking and accountability measures put in place to insure implementation.**

vi. **Muslims are among the bottom three groups in *all* the indices indicating that more effort is needed to enable them to achieve the SDGs as well as overall progress.** Muslim women in particular need to be empowered in all aspects of socio-economic development. The high dependence of Muslims on wage labour, the social and religious discrimination they face, and in particular the deeply ingrained gender based discrimination Muslim girls and women face, contribute towards the slow pace of progress for this group.

vii. The representation and participation of women in elected positions as well as local community development groups have increased due to legislation changes. But as the data has clearly shown they do not report encouraging levels of voice, agency and empowerment, and among all the social groups the Tarai/Madhes based groups

fall behind. Strong informal institutions (values, norms, attitudes and behaviours) create formidable barriers for equitable participation and action, and programs need to focus on helping to break such normative barriers. **Continuing dialogue and critical discourse between and among such marginalized groups, and power holders and civil society, mentoring of girls and women, working closely with boys and men, to better understand and change the informal institutions will help to create an enabling environment for those at the bottom.**

viii. **Continued social mobilization, consultation and collaboration between governments, civil society organizations, socio-cultural and religious leaders, and the marginalized population is vital to ensure that the existing social, economic and political order is challenged.** Such open dialogue and information flows are an important step in creating an informed environment for challenging asymmetrical power relations and bringing about transformative and equalizing changes.

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STATE OF SOCIAL INCLUSION IN NEPAL 2018 SUMMARY

ABOUT SOSIN RESEARCH

This volume represents one part of a research project on the "State of Social Inclusion in Nepal (SOSIN)," undertaken by the Central Department of Anthropology at Tribhuvan University in 2018-2019. The SOSIN research is a sequel to research on "Social Inclusion Atlas and Ethnographic Profile" that the then the Central Department of Sociology/Anthropology carried out in 2012-2014. The SOSIN research has four major thematic components and associated reports.

The first is a report on the "Nepal Social Inclusion Survey (NSIS) 2018," a national sample survey, that presents data and analysis disaggregated by sex, 11 broad social groups, and 88 distinct caste and ethnic groups. The NSIS provides data for tracking changes in a number of key indicators between 2012 and 2018. The second is a report on "Who Are Left Behind?" which presents sex, caste and ethnicity disaggregated data from the NSIS 2018 on selected Sustainable Development Goals (SDGs) indicators. This will be helpful in monitoring the SDGs across gender and social groups, in line with the spirit of "leaving no one behind." The third report is on the "State of Inclusive Governance in Nepal" that examines the current state of governance policies, practices and hindrances to inclusion. This report presents current representation of the people in bureaucracy, elected local bodies and other institutions, and analyzes disparities by gender, and caste, ethnic, religious and minority groups. The fourth report on "Community Resilience Capacity," a study on Nepal's 2015 earthquakes and its aftermath, provides empirical data on disaster effects, recovery, and resilience in the 14 worst- affected districts. It analyzes disproportionate impact, differential resilience capacity and social inclusion. The results of this study can be useful for better understanding resilience capacity, for improving on-going recovery efforts, and for strengthening disaster risk reduction and management planning. The lens of social inclusion weaves through all the four studies as a common thread.

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