

VOLUME 47

NUMBER 1

JUNE 2026



SJPG

**South Asian Journal of
Policy and Governance**

EARLIER CALLED NEPALESE JOURNAL OF PUBLIC POLICY AND GOVERNANCE

South Asian Journal of Policy and Governance (SJPG)
Formerly Nepalese Journal of Public Policy and Governance

Published in June 2026 in Kathmandu, Nepal

Published Biannually by Public Administration Campus, Tribhuvan University,
Nepal

Post Box No: 1509
Balkhu, Kathmandu, Nepal
Tel: +977 1 4671192; Fax: +977 1 4276887
Email: sjpg@pac.tu.edu.np
URL: <http://nepjol.org/sjpg>

South Asian Journal of Policy and Governance

VOLUME 47

NUMBER 1

JUNE 2026

CONTENTS

Impact of Corporate Governance to the General Insurance Industry: Lessons from selected insurance companies in Nepal TEK RAJ PAUDEL	1
Relevance of Social capital in Development: A Conceptual Discussion Mukesh Kumar Bastola	21
Reflection of Ethics in Contemporary Society: An Interview Sahadev Gautam	37
Social Security of Senior Citizens: Analysis of Manifesto of Local Election 2022 of Political Parties in Nepal SALINA LAMICHHANE	53
Administrative Reform in Nepal: Conceptual Discussion BINOD KUMAR SHAHI	73
Economic, Socio-Cultural Constraints in Policy-Decision Making JANAKI KUMARI SHARMA	89

About the Contributors

Binod Kumar Shahi

*Faculty Member, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: shahibinod72@gmail.com*

Janaki Kumari Sharma

*Faculty Member, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: jsharma@cdpa.edu.np*

Mukesh Kumar Bastola

*Lecturer, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: mkbastola@cdpa.edu.np*

Sahadev Gautam

*Faculty Member, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: connectsahadev@gmail.com
Orcid: <https://orcid.org/0000-0002-1199-0842>*

Salina Lamichhane

*Faculty Member, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: salina.lamichhane@pac.tu.edu.np*

Tek Raj Paudel

*Lecturer, Public Administration Campus
Tribhuvan University
Kathmandu, Nepal
Email: tekrajpaudel019@gmail.com*

Impact of Corporate Governance to the General Insurance Industry: Lessons from selected insurance companies in Nepal

Tek Raj Paudel

Abstract

Every institution whether it is a public or private, and big or small should adopt effective governance system for its survival and development. Low level of performance in the institution often occurs due to weak governance. In this context this article discusses to what extent the corporate governance impact performance of the institution like insurance companies. The article aims to examine the application of corporate governance practices in insurance industries in Nepal. For generating information four major insurance companies such as NECO Insurance, Sagarmatha Insurance, Rastriya Beema, and Shikhar Insurance companies were taken employing both quantitative and qualitative data. The findings reveal that corporate governance has a strong influence on the performance of general insurance industry in Nepal provided effective board oversight to maintain accountability and efficient regulatory compliance along with maintaining stable financial performance are important.

Keywords: *Corporate Governance, Regulatory Compliance, Board oversight, Accountability, Financial performance, Insurance industry, Nepal*

1. Introduction

Corporate governance can be defined as the body of rules, conventions, and processes that govern the management and control of a corporation. This in-

Corresponding Author

Tek Raj Paudel, Email: tekrajpaudel019@gmail.com

cludes the relationships between the shareholders of the corporation, the board of directors, the management team, and the other stakeholders (OECD, 2010). In the most general sense, corporate governance determines the processes that govern the achievement of organizational objectives. In the financial services industry, corporate governance plays an important role because financial services organizations are entrusted with the responsibility of managing public funds. Furthermore, financial services organizations are pillars of economic stability. Insurance organizations receive premiums from their customers and invest these funds in productive areas of the economy. In the process, insurance organizations provide employment to the workforce. Insurance organizations also provide financial cover against unforeseen occurrences such as natural disasters, accidents, and business interruptions (Jensen & Meckling, 1976).

In Nepal, the insurance industry has witnessed considerable change over the past few years with regards to regulatory and structural changes. The Insurance Act of 2079 BS (2022) and the directives set by the Nepal Insurance Authority (NIA) have laid down formal requirements with regards to the composition of the board of directors, internal control processes, financial disclosure practices, risk management processes, and capital adequacy requirements of insurance companies (Beema Committee, 2023). These changes demonstrate a larger national commitment to improving governance standards within the financial sector as a whole. However, the general insurance industry within Nepal has been plagued with considerable governance challenges. The boards of directors within insurance companies have not met the required standards with regards to independence and strategic leadership. Non-executive directors often remain passive members of the board rather than actively contributing members. Informational asymmetry has been a major challenge within the Nepalese insurance industry as inconsistencies within financial reporting make it challenging to assess the performance of the company as a whole. Compliance with regulatory requirements has been more of a procedural exercise rather than a demonstration of actual governance culture.

Theoretical review

The relationship between corporate governance and organizational performance has been examined through several influential theoretical frameworks. Agency theory is one of the fundamental theories that underlies modern corporate governance studies, as developed by Jensen and Meckling (1976). It posits that agency problems or conflicts of interest between the principal and the agent, or between the shareholders and managers of the firm, are inherent because of the

separation of ownership and control in corporations. These agency problems or conflicts of interest impose agency costs on the firm that can be measured as the sum of monitoring costs, bonding costs, and residual losses. In order to reduce agency costs, several agency governance mechanisms are adopted to align the interests of managers with those of the shareholders. In the insurance industry, agency problems or conflicts of interest are particularly pronounced because managers have considerable discretion over policyholder funds to invest as they see fit, making agency governance mechanisms particularly important to curb managerial opportunism (Huang et al., 2011).

However, another perspective on governance was offered by Davis et al. (1997) with their stewardship theory, which argues that managers are not self-interested but that their motivation stems from intrinsic rewards like professional success and organizational success. In that sense, governance structures that place emphasis on monitoring and controlling may not only be futile but may also negatively impact managerial motivation and expertise. In fact, the stewardship theory suggests that governance structures that empower rather than restrict the management may be more appropriate, especially when managerial competence and loyalty can be guaranteed.

Hillman and Dalziel (2003) suggested an integration of agency and resource dependence theories, arguing that board capital, which refers to the human and social capital of the board members, has implications for both the monitoring role suggested by agency theory and the resource provision role suggested by resource dependence theory. This perspective may particularly apply to the insurance industry because boards are required to fulfill both roles of monitoring and providing access to expertise and resources.

Resource dependence theory, as developed by Pfeffer and Salancik (1978), asserts that organizations are dependent on their external environment to obtain resources that are necessary to their survival and that the board of directors acts as a strategic device to cope with this dependence. In terms of board composition, the resource dependence perspective asserts that the role of the board is not only to monitor but to connect the organization with critical external constituents. In terms of the insurance industry in Nepal, the resource dependence perspective asserts that the benefits of board membership go beyond monitoring to include providing access to resources. Fama and Jensen's (1983) extension of the theoretical understanding of the role of boards of directors asserts that the board's role is to exercise decision control as opposed to decision management, which is the responsibility of the executive management team. This perspective asserts that the

boundaries between governance and management must be clearly delineated, which has been a problem within the insurance industry in Nepal because of the tendency of the board to interfere with the operations of the business.

Stakeholder theory, as propounded by Freeman (1984), argues that good governance goes beyond the relationship between shareholders and managers to incorporate a broader set of stakeholders, including employees, consumers, regulators, creditors, and the wider community. In the context of insurance companies, this theory suggests that good governance should not only be evaluated in terms of economic returns to shareholders but also in terms of service quality to policyholders, compliance with regulatory requirements, and contribution to economic stability. Institutional theory, as propounded by Williamson (1996) and further developed by DiMaggio and Powell (1983), focuses on the impact of external pressures on organizational structures and processes, including pressures to conform to legitimate organizational forms, even when this may require organizational inefficiencies. This theory is highly relevant in explaining why some firms in emerging markets may adopt good governance structures, such as audit committees and disclosure policies, and independent directors, without necessarily internalizing these structures into good governance culture, a situation also known as symbolic compliance. All these theoretical frameworks provide a rich foundation for examining the complex relationships between governance structures and performance outcomes in Nepal's general insurance industry.

Significant research has explored the link between corporate governance and organizational performance in a variety of industries and settings. A study by Anderloni and Tanda (2020) undertook an exhaustive bibliometric and meta-analytical study of research into corporate governance and performance in the insurance industry published between 1985 and 2019. They found substantial empirical agreement on the link between board size and the presence of independent directors and organizational performance in the insurance industry. Nevertheless, they also discovered that the strength and direction of these associations vary significantly across different nations, with emerging market research networks lagging behind in terms of development. In terms of efficiency in the US property-liability insurance industry between 2000 and 2007, Huang et al. (2011) found substantial associations between corporate governance and technical efficiency, with board characteristics and ownership structures being critical determinants. This research into the corporate governance-performance link in the context of the developed insurance industry can be used as a benchmark against which the link between corporate governance and performance is evaluated in the general insurance industry in Nepal.

In the broader financial services domain, Daily et al. (2003) conducted a review of decades of research into corporate governance, concluding that while the impact of governance practices is consistently felt, the nature of the relationship is necessarily mediated by a variety of factors. A more recent study by Nguyen et al. (2024), conducted among listed companies operating in the Vietnamese market over the period from 2019 to 2021, concluded that corporate governance practices do exert a significant positive influence on financial performance, with the independence of the board and the audit committee being critical determinants. Moreover, the study concluded that the nature of the relationship between corporate governance practices and financial performance was moderated by the level of enforcement of regulations, thereby supporting the institutional theory of corporate governance. Al-ahdal et al. (2023), studying the nature of the impact of corporate governance practices on the financial performance of companies operating in the Indian and Gulf country markets from the period from 2010 to 2017, concluded that while the impact of transparency and disclosure practices was positive, as reflected in the level of Tobin's Q , the broader nature of the relationship between corporate governance practices and financial performance was less clear.

In the insurance industry, in particular, a study by David and Tobias (2013) set out to explore the impact of corporate governance on the financial performance of insurance firms in Kenya, where a positive relationship was established in favor of corporate governance, with a focus on board composition and regulatory compliance as key drivers of profitability and operational efficiency in the firms in question. Similarly, a study by Osman and Samontaray (2022) set out to explore the relationship between corporate governance and performance in Saudi Arabia's insurance firms, where a positive relationship was established in favor of corporate governance, with a focus on the effectiveness of boards and transparency in enhancing performance in the firms in question. In another study, Muhammad et al. (2020) set out to explore the impact of corporate governance mechanisms on profitability in Pakistan's insurance firms, where a positive relationship was established in favor of corporate governance, with a focus on the effectiveness of audit committees, independence of directors, and ownership structure in enhancing profitability in firms in question. In a different study, Elamer et al. (2018) set out to explore the relationship between corporate governance and risk-taking in insurance firms, where a positive relationship was established in favor of corporate governance, with a focus on the composition of boards in influencing risk management in firms in question, where independent

directors were found to play a moderating effect in constraining risk-taking in firms in question.

In terms of research on the relationship between transparency, disclosure, and performance, perhaps some of the more nuanced research outcomes have emerged in this area. Corporate governance transparency and valuation studies, drawing on a synthesis of evidence from developed and emerging markets, have found that firms with more transparent and stronger disclosure systems tend to enjoy valuation premiums and lower costs of finance, although these relationships are highly variable (Avinash & Mahesh, 2026). With respect to emerging markets in particular, Denis and McConnell (2003) found that in terms of empirical evidence on the relationship between corporate governance and firm performance, this evidence tends to be inconclusive, partly because “corporate governance structures that are ‘optimal’ in one country may be ‘suboptimal’ in another because of differences in legal systems, enforcement mechanisms, and existing ownership structures.” This finding is also in line with more recent developments in the governance literature in terms of a more nuanced understanding of the relationship between formal compliance and governance quality in general, although in emerging markets in particular.

In the Nepalese context, the existing body of research on corporate governance is still limited but has been growing. Acharya (2023) conducted research into the application of corporate governance practices in the insurance sector of Nepal. His research concluded that, while the legislative environment has been significantly improved through the legislative reforms undertaken recently, the actual implementation of the practices has been found wanting, especially with regard to the requirement for the composition of the boards of the insurance companies. Maharjan (2019) concluded his research into the application of corporate governance practices in the Nepalese insurance sector by stating that there is a positive association between corporate governance practices and financial performance, with the better-governed insurance companies reporting better financial performance. However, the research concluded that the smaller insurance companies are lagging behind the larger ones in the implementation of corporate governance practices. Tiwari et al. (2024) concluded that the association between the actual application of the different components of corporate governance practices and the actual performance is still weak in the life insurance sector of Nepal, due to the fact that the companies are only symbolically complying with the different components of corporate governance practices.

Conceptual Framework

Based on theoretical foundations and empirical evidence, this study conceptualizes general insurance industry performance as a function of corporate governance. The mathematical representation is: $GII = f(CG)$ where GII stands for the performance of the General Insurance Industry, while CG stands for Corporate Governance.

The concept of corporate governance can be divided into three parts: First, Board Oversight and Accountability, in which the effectiveness of boards in overseeing the management of an organization and holding people accountable is considered. Second, Disclosure and Transparency Practices, in which the effectiveness of disclosure is considered. Third, Regulatory Compliance, in which the effectiveness of an organization in adhering to laws and best practices in governance is considered.

Analytical framework

Independent variables

- Effective corporate governance
- Board oversight & accountability
- Disclosure and transparency
- Regulatory compliance



Dependent variable

- Impact on the performance of insurance industry

Figure 1: Relationship between dependent and independent variables

Objective of the paper

This study has set an aim to investigate the impact of corporate governance practices such as board oversight and accountability, disclosure and transparency, and regulatory compliance on the performance of the general insurance industry of Nepal with special reference to four insurance companies: NECO Insurance Company, Sagarmatha Insurance Company, Rastriya Beema Company, and Shikhar Insurance Company. Specifically the objectives covers for assessing the board oversight and accountability status of insurance companies and its effect on the performance of the general insurance industry in Nepal and also evaluates the disclosure and transparency practices of insurance companies in the general insurance industry,

Hypotheses

Based on this framework, the following hypotheses are tested:

H₁: There is a statistically significant relationship between Board Oversight and Accountability and General Insurance Industry performance ($\rho \neq 0$).

H₂: There is a statistically significant relationship between Disclosure and Transparency Practices and General Insurance Industry performance ($\rho \neq 0$).

H₃: There is a statistically significant relationship between Regulatory Compliance and General Insurance Industry performance ($\rho \neq 0$).

H₄: There is a statistically significant relationship between overall Corporate Governance and General Insurance Industry performance ($\rho \neq 0$).

2. Research Methodology

The target population in this study comprises all the general insurance companies operating in Nepal. For this study, four insurance companies were selected non probability quota sampling with disproportionate selection procedure, namely Sagarmatha Insurance Co. Limited, NECO Insurance Co. Limited, Shikhar Insurance Co. Limited, and Rastriya Beema Co. Limited, which represents the private sector and a government-owned general insurance company, respectively. The total employee +population in these four companies is 1,634. Using a sample size calculator with a confidence level of 95% and a margin of error of 5%, the sample size of this study was calculated to be 233 respondents, ensuring statistical representativeness of the employee population.

Primary data were collected through structured questionnaires distributed to employees of the four selected insurance companies. Out of the total population of 1,634 employees, 250 questionnaires were distributed, and 233 valid responses were received, yielding a final sample of 233 respondents. This represents 14.25% of the total population, which is statistically appropriate for a finite population. The respondents represented various management levels, including CEOs, senior managers, chief managers, managers, and departmental heads. Additionally, key informant interviews were conducted with 7 senior executives and insurance industry experts to gather qualitative insights into corporate governance practices. For secondary data, annual reports of the selected companies were collected for the fiscal years 2074/75 to 2078/79 (2017-2022). Key performance indicators extracted included claim volume, claim payment, net worth, total assets, net profit, premium collection, and reinsurance business.

Quantitative data were analysed using descriptive statistics (mean, standard deviation, coefficient of variation) and inferential statistics (correlation analysis, multiple regression analysis). The regression model specified is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where:

- Y = General insurance industry performance
- X_1 = Board oversight and accountability
- X_2 = Disclosure and transparency practices
- X_3 = Regulatory compliance, α = Constant term, β = Regression coefficients
- ε = Error term

Qualitative data from interviews were analysed thematically to corroborate quantitative findings. Reliability was assessed using Cronbach's Alpha, yielding values above 0.8 for all constructs, indicating high internal consistency.

3. Results and Analysis

Financial Performance Trends

Analysis of key financial indicators from FY 2074/75 to 2078/79 reveals generally positive trends across all four insurers, with some fluctuations:

Insurance Company	Average Trend (%)
Shikar Insurance	34
NECO Insurance	8
Rastriya Beema	84
agarmatha Insurance	36
Overall Average	36

Table 1: Performance Trend Analysis (FY 2074/75 – 2078/79)

NECO Insurance showed a slight decrease of 1% in FY 2076/77 but recovered subsequently. The positive trends suggest that existing corporate governance frameworks are producing desirable outcomes, though variability in specific indicators (claims management, dividend payments) indicates areas requiring attention.

Board Oversight and Accountability

Descriptive analysis reveals generally positive perceptions of board effectiveness:

Indicator	% Agree	Mean (SD)
Board focuses on operations	72.1	3.76 (0.91)
Board guides strategy implementation	72.5	3.79 (1.28)
Board improves organizational performance	78.1	3.86 (1.07)
Board conducts business with integrity	63.5	3.48 (1.08)
Board independent from chairman	78.1	3.87 (1.07)
Committees enhance functionality	82.4	4.16 (1.10)
Regular internal audit reports	81.1	4.09 (1.09)
Open CEO-board communication	79.9	4.08 (1.10)

Table 2: Board Oversight and Accountability

Notably, 72.1% of respondents indicated that boards are actively involved in daily operations, raising the possibility of boundary issues in the board's governance and management roles. Although 78.1% of respondents recognized the board's strategic importance, only 63.5% perceived boards as conducting business in integrity, implying a perception gap in board ethics. Regression analysis showed that Board Oversight and Accountability was a significant predictor of industry performance ($\beta = 0.617$, $p < 0.001$), thus supporting H₁. The correlation coefficient of 0.979 between board oversight and industry performance is a very strong positive relationship.

Disclosure and Transparency Practices

Perceptions of transparency practices showed moderate to strong agreement:

Indicator	% Agree	Mean (SD)
NIA guides insurance sector effectively	68.6	3.90 (1.24)
Regulation halts customer exploitation	70.0	3.86 (1.21)
NIA upholds female directors' rights	63.1	3.63 (1.15)
Board joining dates disclosed	63.9	3.67 (1.17)
Directors disclose current positions	63.9	3.68 (1.23)
Governance charter in annual report	65.7	3.67 (1.17)

Table 3: Disclosure and Transparency Practices

Although 73% expressed satisfaction with levels of transparency, indicating overall satisfaction with levels of transparency and disclosure practices, regression analysis revealed an unexpected negative coefficient for disclosure and transparency ($\beta = -0.179$, $p = 0.047$). This result contradicts H₂ and suggests that trans-

parency practices may not only fail to provide performance benefits in proportion to compliance costs but also be implemented in a way that generates inefficiencies.

The negative coefficient also requires careful consideration. It may be argued that transparency practices, although well-intentioned, have generated administrative overheads that detract from more useful business practices. It may also be argued that transparency practices have been adopted as a symbol rather than a substantive practice.

Regulatory Compliance

Regulatory compliance emerged as the strongest predictor of industry performance:

Indicator	% Agree	Mean (SD)
Regulatory board's respectful role	79.8	4.06 (0.73)
Corporate governance in Nepal improved	76.9	3.96 (0.78)
Insurance Act attracts investors	72.5	3.85 (1.12)
Essential departments established	72.1	3.83 (1.12)
Policies safeguard minority shareholders	70.9	3.65 (1.26)
Board ensures claim settlement	67.4	3.72 (1.20)
Compliance with authority regulations	64.8	3.59 (1.15)

Table 4: Regulatory Compliance

As a matter of fact, regression analysis revealed a strong positive correlation at $\beta = 1.023$ and $p < 0.001$. This affirms H₃. The correlation coefficient of 0.990 between regulatory compliance and performance is extremely high. This reveals that the NIA guidelines have a fundamental influence on governance.

This finding also reveals the significance of the Nepal Insurance Authority in laying the foundation for an environment that enables good governance. The relatively higher mean value of 4.06 for "Regulatory Board's Respectful Role" reveals that the NIA exercises its powers in an appropriate manner.

Correlation Analysis

Variable	Board Oversight	Disclosure & Transparency	Regulatory Compliance	Industry Performance
Board Oversight	1			

Disclosure & Transparency	-	1		
Regulatory Compliance	-	-	1	
Industry Performance	0.979**	-	0.990**	1

Table 5: Correlation Matrix

** Correlation is significant at the 0.001 level (2-tailed)

Disclosure and transparency practices were not found to have a significant positive correlation with industry performance, which is consistent with the negative regression coefficient later identified in the regression analysis.

Overall Corporate Governance Impact

The composite regression model explained 98.5% of variance in industry performance ($R^2 = 0.985$, $F = 5115.9$, $p < 0.001$):

Variable	Unstandardized β	Standardized β	t	Sig.
(Constant)	0.895		0.891	0.374
Board Oversight	0.617	0.351	9.689	0.000
Transparency	-0.179	-0.117	-1.910	0.047
Compliance	1.023	0.765	13.602	0.000

Table 6: Regression analysis

The bivariate regression model testing overall corporate governance impact showed:

$$\gamma = 1.593 + 0.507 (CG)$$

This indicates that for every one-unit improvement in corporate governance, general insurance industry performance increases by 0.507 units ($p < 0.001$), supporting H4

Hypothesis Testing Results

Hypothesis	Statement	β/r	p-value	Result
H1	Board Oversight & Accountability - Industry Performance	$\beta = 0.617$, $r = 0.979$	<0.001	Supported
H2	Disclosure & Transparency - Industry Performance	$\beta = -0.179$	0.047	Rejected

H3	Regulatory Compliance - Industry Performance	$\beta = 1.023, <0.001$ $r = 0.990$	Supported
H4	Overall Corporate Governance - Industry Performance	$\beta = 0.507 <0.001$	Supported

Table 7: Hypothesis Testing Summary

Out of the four hypotheses, three were supported by the findings. H₁ and H₃ showed very strong positive correlations with industry performance, with regulatory compliance emerging as the strongest predictor ($\beta = 1.023$). H₄ provided support for the proposition that corporate governance, as a whole, has a statistically significant impact on industry performance ($\beta = 0.507, R^2 = 0.985$), accounting for 98.5% of the variance within the performance outcome.

H₂, on the other hand, failed to support the hypothesis, with disclosure and transparency practices returning an unexpected negative coefficient ($\beta = -0.179, p = 0.047$). Although the findings are statistically significant, the reverse nature of the findings to the hypothesis proposed requires investigation and discussion within the Discussion section.

Challenges and Problem Areas

The study identified several significant challenges:

Challenge Area	% Affected
Board operational interference	72.1
Passive non-executive directors	73.4
Recruitment difficulties due to policies	70.4
Qualified applicants lack enthusiasm	72.1
Compensation fails to motivate	77.2
Regulatory enforcement inconsistency	72.1
Conflict of interest concerns	41.2

Table 8: Affected percentages in each challenge areas

The high figure of firms with a high percentage of passive non-executive directors (73.4%) is also of concern because these directors are theoretically very important in terms of providing an objective perspective.

The results also indicate that recruitment difficulties (70.4%) and the absence of candidate enthusiasm (72.1%) could highlight organizational culture problems that may act as a barrier to entering or continuing in the insurance industry.

The results that 77.2% believe that attractive remuneration does not motivate also raise concerns that remuneration packages may be out of line with the values of employees.

Qualitative Insight

Key informant interviews also verified the results of the quantitative study and provided further insights:

Regarding On-Board Composition: Experts also stressed the importance of board composition in terms of achieving true independence. A senior executive stated: "While we do have non-executive directors in place, the level of true independence is suspect due to familial or business ties with our major shareholders."

Regarding Regulatory Enforcement: A key informant from the regulatory community stated: "The NIA does have very good guidelines in place, but enforcement is spotty at best. We need more active supervision rather than just checking boxes in terms of compliance."

Regarding Shareholder Influence: Experts also raised concerns about the role of major shareholders in board composition. An expert stated: "The election of directors is controlled by our major shareholders, so there is no true independence from the start."

Regarding Remuneration: Experts also stressed the importance of performance-based remuneration. An industry veteran stated: "We can't just rely on fixed regulatory packages that do not encourage directors to get involved in strategic activities."

Company Specific Findings

NECO Insurance Co. Limited recorded the best alignment in terms of governance and performance, as it recorded a steady growth in net worth (CV 22.67%), stable profitability (mean NPR 431 million), and prudent risk management. The company's claim management recorded a moderate variation (CV 22.77%) in comparison to dramatic variations in other insurance companies.

Sagarmatha Insurance Co. Limited recorded strong profitability (mean NPR 366 million, CV 13.66%) along with stable asset growth; however, the company recorded a high variation in claim payments (CV 139.65%), which may reflect a weak claim management system.

Rastriya Beema Co. Limited recorded strong financial performance in terms of stable asset growth (CV 21.37%); however, the company recorded extreme variation in claim frequency (CV 121.48%) along with no dividend payment.

Shikhar Insurance Co. Limited recorded strong financial performance in terms of controlled claim payments (CV 13.14%) along with steady premium growth; however, the company recorded an inconsistent dividend policy (CV 119.47%).

4. Discussions

Board Oversight and Industry Performance

This confirms the positive relationship between board oversight and accountability and general insurance industry performance ($\beta = 0.617$, $r = 0.979$, $p < 0.001$), hence validating the first hypothesis.

However, the fact that 72.1% of the respondents indicate the involvement of the board in day-to-day operations also reveals a general propensity for the board to overstep its monitoring role and encroach on the managerial space. This boundary problem, if not addressed, threatens to undermine the very effectiveness of the board's role in governance.

In addition to this, the fact that only 63.5% of the respondents perceived the boards as operating with integrity also reveals a problem that needs to be addressed. Third, the highly correlated relationship between regulatory compliance and performance ($\beta = 1.023$) confirms the institutional theory perspective on the role of external pressures in shaping governance outcomes. This finding underlines the significance of regulatory frameworks in shaping governance outcomes in organizations in Nepal.

Discloser, Transparency and Performance

Contrary to expectations, disclosure and transparency practices returned a negative coefficient ($\beta = -0.179$, $p = 0.047$), leading to the rejection of H₂. This contradicts the conventional assumption that transparency positively affects performance and is consistent with Tiwari et al.'s (2024) observation that the relationship between governance elements and performance remains weak in Nepal.

Two explanations are possible. First, transparency practices may have generated administrative overheads that detract from more productive business activities. Second, disclosure requirements may have been adopted symbolically rather than

substantively, meaning compliance costs are being incurred without the corresponding performance benefits. This finding highlights the difference between structural governance compliance and genuine governance culture.

Regulatory Compliance as Performance Driver

Regulatory compliance was identified as the strongest predictor of industry performance with a high statistical significance of $\beta = 1.023$, $r = 0.990$, and $p < 0.001$ to support H₃.

This confirms the perspective of the institutional theory with regard to the impact of external forces on governance outcomes and underlines the importance of the Nepal Insurance Authority's role in providing the framework that allows good governance to thrive.

The relatively high mean score of 4.06 for "Regulatory Board's Respectful Role" would appear to confirm that the NIA is viewed as having a proper respect for its authority.

However, the views of the key informants highlighted that there was a problem with the tick-box approach to regulatory compliance.

Integrated Governance Effects

This means that the regression model explained 98.5% of the variance in industry performance since $R^2 = 0.985$, $F = 5115.9$, and $p < 0.001$. Moreover, the overall coefficient for corporate governance ($\beta = 0.507$, $p < 0.001$) confirms hypothesis H₄.

This means that for every unit increase in corporate governance, the performance of the general insurance industry increases by 0.507 units. This confirms the hypothesis that collectively, corporate governance is a key determinant of performance.

Moreover, the case of NECO Insurance Company represents the integrated effect of the above hypothesis most vividly since a high level of alignment between the two aspects was noted. Moreover, the varying performance of the four companies also confirms that it is not the implementation of the quality of corporate governance that ultimately determines performance.

5. Limitations

This study has some limitations, and the findings must be viewed with respect to the limitations of the study. Firstly, the study is based on four general insurance companies of Nepal: NECO Insurance, Sagarmatha Insurance, Rastriya Beema, and Shikhar Insurance, chosen through non-probability quota sampling. Therefore, the study cannot be generalized to the overall Nepalese insurance market and other emerging countries. Secondly, the study uses quantitative data collected through the opinions of the employees, which might have given rise to social desirability bias, especially with respect to the opinions on the board of directors' integrity and regulatory compliance. It is possible that the respondents might have tried to give a positive bias to the opinions about the companies they work for. Thirdly, the study uses secondary data on the financial information of the companies for only five fiscal years: 2074/75 to 2078/79. It might not have given rise to long-term trends and the lagged effect of the changes brought about by the new regulations on the companies' financial information. Fourthly, the study uses only seven key informant opinions, which might not have given rise to the depth and scope of the study. Finally, the study has failed to control for macro-economic factors like inflation, interest rates, or political instability, which may affect the insurance industry independently of the macro-governance indicators. Future research should seek to address the above research gaps by using larger and more representative samples, as well as a longer time period for financial analysis.

6. Conclusion

This study provides extensive evidence to support that corporate governance indeed significantly impacts the general insurance industry's performance in Nepal. While board oversight and accountability, as well as regulatory compliance and governance frameworks, have a positive impact, transparency practices show unexpected negative results, which warrant further examination. This study suggests a governance environment where structural consistency is present, but operational consistency is lacking. While boards are considered strategic and regulatory frameworks are present, challenges remain in areas of independence, director engagement, transparency standardization, and regulatory enforcement effectiveness. This is confirmed by a case study of NECO Insurance, where governance implementation results in positive financial stability, but mixed results indicate areas for improvement among other insurance firms. This study has significant implications for a number of different stakeholders. Executives in

insurance firms now have a better idea how to improve governance within their organizations, regulators can now point to empirical evidence supporting a compliance-focused approach, and investors can now better assess governance within insurance firms. As the insurance industry continues to develop in Nepal, it is critical to continue to strengthen governance structures, including independence, director engagement, transparency standardization, and regulatory effectiveness. This is because a positive relationship between governance and insurance industry performance was identified, which suggests that investing in governance improvements can lead to positive returns for insurance firms and, ultimately, the financial sector.

However, insurance companies have still not found enhancing the independence of their boards and not adopting training for directors and managers. In addition, the Insurance Authority of Nepal also lacks for enforcing consistency and supervision that helps to develop attractive programs for making the insurance sector attractive.

References

- Acharya, T. P. (2023). Corporate governance in Nepalese insurance industry. *Damak Campus Journal*, 12(1), 6–16.
- Al-ahdal, W. M., Almaqtari, F. A., Tabash, M. I., Hashed, A. A., & Yahya, A. T. (2023). Corporate governance practices and firm performance in emerging markets: Empirical insights from India and Gulf countries. *Vision: The Journal of Business Perspective*, 27(4), 526–537. <https://doi.org/10.1177/09722629211025778>
- Beema Committee. (2023). Annual report of Nepal Insurance Authority. Nepal Insurance Authority.
- Daily, C. M., Dalton, D. R., & Cannella, A. A. (2003). Corporate governance: Decades of dialogue and data. *Academy of Management Review*, 28(3), 371–382. <https://doi.org/10.5465/amr.2003.10196711>
- David, W. W., & Tobias, O. (2013). Effects of corporate governance on financial performance of listed insurance firms in Kenya. *Public Policy and Administration Research*, 3(4), 96–121.
- Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management Review*, 22(1), 20–47. <https://doi.org/10.5465/amr.1997.9707180258>

- Denis, D. K., & McConnell, J. J. (2003). International corporate governance. *Journal of Financial and Quantitative Analysis*, 38(1), 1–36. <https://doi.org/10.2139/ssrn.320121>
- DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 48(2), 147–160. <https://doi.org/10.2307/2095101>
- Elamer, A. A., AlHares, A., Ntim, C. G., & Benyazid, I. (2018). The corporate governance–risk-taking nexus: Evidence from insurance companies. *International Journal of Ethics and Systems*, 34(4), 493–509. <https://doi.org/10.1108/IJOES-07-2018-0103>
- Fama, E. F., & Jensen, M. C. (1983). Separation of ownership and control. *Journal of Law and Economics*, 26(2), 301–325. <https://doi.org/10.1086/467037>
- Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman.
- Hillman, A. J., & Dalziel, T. (2003). Boards of directors and firm performance: Integrating agency and resource dependence perspectives. *Academy of Management Review*, 28(3), 383–396. <https://doi.org/10.5465/AMR.2003.10196729>
- Huang, L. Y., Lai, G. C., McNamara, M., & Wang, J. (2011). Corporate governance and efficiency: Evidence from U.S. property–liability insurance industry. *Journal of Risk and Insurance*, 78(3), 519–550. <https://doi.org/10.1111/j.1539-6975.2011.01410.x>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Khan, H. (2011). A literature review of corporate governance. *IPEDR*, 25, 1–5.
- Maharjan, R. (2019). Corporate governance and financial performance of insurance companies in Nepal. *International Research Journal of Management Science*, 4(1), 1–12.
- Muhammad, J., YeXue, M. W. S., Muhammad, Z., & Numair, R. (2020). Corporate governance mechanism and performance of insurers in Pakistan. *Green Finance*, 2(3), 243–262. <https://doi.org/10.3934/GF.2020014>
- Nguyen, Q. M., & Nguyen, C. V. (2024). Corporate governance, audit quality and firm performance: An empirical evidence. *Cogent Economics and Fi-*

- nance, 12(1), Article 2334128.
<https://doi.org/10.1080/23322039.2024.2334128>
- OECD. (2010). OECD principles of corporate governance. OECD Publishing.
<https://doi.org/10.1787/9789264173705-en>
- Osman, M. A. M., & Samontaray, D. P. (2022). Corporate governance and performance of insurance companies in the Saudi market. *Journal of Asian Finance Economics and Business*, 9(4), 215–228.
<https://doi.org/10.13106/jafeb.2022.vol9.no4.0215>
- Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: A resource dependence perspective*. Harper & Row.
- Tiwari, U. K., Tiwari, R. K., & Shah, B. (2024). Corporate governance and perceived overall performance of life insurance companies in Nepal. *IOSR Journal of Economics and Finance*, 15(5), 04–10.
<https://doi.org/10.9790/5933-1505010410>
- Williamson, O. (1996). *The mechanisms of governance*. Oxford University Press.

Relevance of Social capital in Development: A Conceptual Discussion

Mukesh Kumar Bastola

Abstract

Contemporary development approaches have significantly departed from government-led top-down approaches to empower community members and improve their living conditions. This article reviews the theoretical and empirical literature on social capital to illustrate how the major components of social capital, particularly social networks, trust, informal institutions, and collective action, enhance development. Since the notion of social capital relatively new in the developing country like Nepal, the article can be an useful reference to policymakers, development practitioners, and the social organizations in creating and harnessing social capital to enhance development outcomes.

Keywords: Social Capital, Trust, Networks, Development, Institutions

1. Introduction

Capital is an asset that individuals invest deliberately to generate income and produce long-term benefits (Bryce, 2005; Uphoff & Wijayaratna, 2000). The social sector aims to facilitate the provision of public goods that benefit many people which has also been considered an essential component in developing a vibrant community (Coleman, 1988b, Pillai et al., 2013). Development is a social process that mobilizes individuals towards achieving expected goals (National Planning Commission, 1992). Bottom-up approaches to development focus on providing opportunities and empowering local stakeholders to identify local

Corresponding Author

Mukesh Kumar Bastola, Email: mkbastola@cdpa.edu.np

problems and use their expertise to address them (Panda, 2007). They emphasize local creativity, initiative, and the empowerment of marginalized groups (Djafar et al., 2019) and promote the welfare of the people by mobilizing community resources (Islam, 2014). Since social capital encompasses several development features (Al Mamun, 2014), it is directly associated with the social dimensions of development and development discourse (Christoforou, 2017a). Its recognition in development represents a significant departure from the previous top-down approaches, and its ideas have considerably influenced contemporary development thinking and practices (Woolcock & Narayan, 2000).

In development discourse, a pertinent question is: Why some communities address common problems more effectively than others? Social capital theorists argue that the community's ability to solve common problems and achieve common goals depends on the presence or absence of social capital (Keele, 2005). In a given context, this article addresses a fundamental question in development discourse: How does social capital influence development outcomes? To answer this question, it reviews the existing theoretical and empirical literature on social capital and synthesizes the findings to understand how social capital influences development. Firstly, it discusses the theoretical aspects of social capital, its conceptualization, nature and level of analysis along with the dimensions to develop a theoretical foundation.

2. Genesis and conceptualization of social capital

Historically, economists and sociologists acknowledged that "trust, associational activity, and the sense of reciprocity contribute to the economic wealth of society" (Andriani & Christoforou, 2016, p. 5). Building on the historical foundation, Jane Jacobs used the term social capital in 1961 to explain the role of social networks in reducing street crime and improving the quality of life in the USA (Fukuyama, 1997). Subsequently, French sociologist Pierre Bourdieu systematically analyzed these notions in 1985 (Portes, 1998). The concept then gained further popularity through the seminal works of Coleman (1988a) and Putnam et al. (1994) within the social development literature in the 1990s. Moreover, development aid agencies elaborated on the various dimensions and impacts of social capital with regard to development (Reji, 2009). Notably, Putnam et al. (1994) popularized the notion further in their work. Since the early 1990s, several theoretical and empirical studies on social capital have been published, further expanding its intellectual value across different areas of the social sciences and development.

Social capital is a broader concept defined as "formal and informal networks, social bonds, civic virtue, friendships, community life, social resources, and social cohesion" (Reji, 2009, p. 197). It also includes trust, social networks, norms, associational life, tolerance, civic cooperation, and other cultural values (Chou, 2006). Generally, social capital refers to "the goodwill available to individuals or groups" (Adler & Kwon, 2002, p.23). To clarify its relation to other forms of capital, Portes (1998, p. 7) metaphorically distinguishes three forms: "economic capital is in people's bank account," "human capital is inside their heads," and "social capital inheres in the structure of their relationship". When comparing these, material things generate physical capital, human capital is created by enhancing people's skills, and relations among individuals generate social capital (Häuberer, 2011). Importantly, social capital is not an alternative to other forms of capital; instead, it enhances and makes them more effective (Warren et al., 2005).

It is a complex, less tangible resource that shapes individuals' collective actions and promotes their ability to solve collective problems (Christoforou, 2017b; Ostrom & Ahn, 2009). As a collective asset, individuals "can contribute to it, use it, but cannot own it or trade and transfer it" (Warren et al., 2005, p. 5; Nahapiet & Ghoshal, 1998). Thus, it is considered public property (Coleman, 1988a; Putnam et al., 1994) and belongs to groups and networks (Szreter & Woolcock, 2004), not to individuals or institutions (Maloney et al., 2000; Warren et al., 2005). Nevertheless, it benefits both individuals and communities (Lin, 2001; Uphoff & Wijayarathna, 2000). Furthermore, social capital "requires an initial investment and regular maintenance", including frequent interaction and the building of trust (Grootaert & Van Bastelaer, 2002b, p. 7). Importantly, it "does not depreciate with use" but "may depreciate with non-use" (Adler & Kwon, 2002, p. 22). Overall, individuals develop and improve their social capital through its use, though it is often hard to detect (Ostrom & Ahn, 2001).

Likewise, individuals can use social capital for various purposes. They may also convert it into other forms of capital to gain an advantage. Social capital can substitute for or complement other resources and types of capital (Adler & Kwon, 2002, p. 21). Notably, it has social aspects, and nonmarket social interaction has economic effects but is not guided by the market (Collier, 2002). Social capital also has the characteristics of a public good. Individuals acquire it as a byproduct of maximizing their own interests (Häuberer, 2011). The assumption is that individuals, households, organizations, and their networks access resources and information by establishing and joining social relationships (Andriani & Christo-

forou, 2016). The essence of social capital is that it is a collective resource that provides benefits to individuals, organizations, and the communities.

2.1 Level of analysis

Social capital operates at micro, meso, and macro levels (Chou, 2006) as it is analyzed at the individual level and within communities, across communities and organizations, and in connection with public agencies at the sub-national and country levels (Oh et al., 2014; Warren et al., 2005). Its micro (individual) level analysis is associated with the works of Putnam et al. (1994) that focus on individual and household networks, reciprocity, norms, and civic engagement, which stems from interpersonal interactions (Chou, 2006). Its Meso (collective) level, advanced by Coleman (1988a), concerns relations among organizations and represents social connections (Lin, 2001), and explains how social networks, relationships, norms, and trust create and provide collective benefits to the community (Ferlander, 2007).

Similarly, the macro-level social capital refers to the "institutional context in which an organization operates... includes formal relationships and structures such as the rules of law, legal frameworks, the political regime and level of decentralization, and the level of participation in policy formulation process" (Reji, 2009, p. 201) that exists at the national level (Al Mamun, 2014). Ahn and Ostrom (2008) assert that macro-level social capital is similar to North's (1990) view of institutions. North (1990) states, "Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interactions" (p. 3). The micro, meso, and macro levels of social capital complement each other, as micro and meso-level social capital either support or create barriers to the functioning of the government and its agencies (Grootaert & Van Bastelaer, 2002b). Thus, the level of analysis is important, as it offers theoretical perspectives on issues affecting government and nongovernmental organizations at national, sub-national, and local levels. This article focuses on the micro-level of social capital.

2.2 Dimensions

The dimensions of social capital recognize different forms of social capital. These forms have several implications for development, research, and theory building for enrichment of literature (Ahn & Ostrom, 2008; Woolcock & Narayan, 2000). Scholars have discussed a range of dimensions, mainly structural, cognitive, relational, bonding, bridging, linking, and internal and external as follows:

- First, social networks are essential to the formation of structural social capital. They consist of social groups of individuals, formal and informal institutions, organizations, social relationships, and network ties (Bryce, 2005; Claridge, 2018; Cook, 2016; Reji, 2009). Such diverse groups provide resources that generate opportunities, information, support, trust, cooperation, and goodwill (Muniady et al., 2015).
 - Second, cognitive social capital represents subjective aspects, including social trust, norms, obligations, identity, expectations, shared values, beliefs, attitudes, behaviors, common outlooks, mission, and goals of individuals and organizations (Andrews, 2010; Bryce, 2005; Chou, 2006; Christoforou, 2017a; Claridge, 2018; Reji, 2009). These cultural aspects are "created and transmitted through cultural mechanisms like religion, tradition, or historical habit" (Fukuyama, 1995, p. 25).
 - Third, relational social capital comes from qualities of social relationships and networks (Nahapiet & Ghoshal, 1998). They include friendship, trust, cooperation (Muniady et al., 2015), mutual respect, reciprocity, shared understandings, values, and obligations (Claridge, 2018). They underlie access to resources and benefit individuals and communities (Häuberer, 2011).
 - Fourth, bonding social capital refers to internal linkages among and within individuals, organizations, and communities (Adler & Kwon, 2002). It also covers social ties among family, friends, relatives, and neighbors with similar demographic characteristics (Chou, 2006; Ferlander, 2007; Reji, 2009). Bonding capital is mainly found within ethnic and religious groups. It is directed toward the group's inner core to promote identity (Häuberer, 2011).
 - Fifth, bridging social capital consists of relationships with individuals with diverse demographic characteristics and heterogeneous social groups (Chou, 2006; Häuberer, 2011; Oh et al., 2014) that aim to promote mutual understanding and trust, thereby fostering a sense of commonality across heterogeneous groups and communities (Cherti, 2008).
 - Sixth, linking social capital is conceptualized "as norms of respect and networks of trusting relationships" in which people interact "across explicit, formal or institutionalized power or authority in society" (Szreter & Woolcock, 2004, p. 655). The Linking social capital connects people and organizations to "key political resources and economic institutions" (Reji, 2009, p. 201), and "brings together social groups with individuals and
-

groups at the policy-making level ... giving them further access to the resources held by powerful groups" (Andriani & Christoforou, 2016, p. 12).

- Seventhly, internal social capital refers to "relationships among individual members", and external social capital is concerned with the "relationships between the organization and its external stakeholders" (Leana & Pil, 2006, p. 353).

Most notably, several dimensions represent different types of resources (Ferlander, 2007) and have several impacts on society (Andriani & Christoforou, 2016). Furthermore, these dimensions often overlap and are primarily interconnected (Claridge, 2018; Ferlander, 2007; Muniady et al., 2015), which is crucial for promoting organizational performance (Andrews, 2010).

3. Social capital in action

This section examines how social capital influences development, focusing on both its general and micro-level manifestations at the community level. It primarily addresses social networks, social trust, informal institutions, and collective action, as discussed by Ahn and Ostrom (2008), Ostrom and Ahn (2009), and Johnson (2016). Social capital does not directly impact development. Instead, it "regulates the functioning of associations or contractual agreements among community members" (Secco & Burlando, 2017, p. 90). Social capital is a mutually beneficial asset and has multidimensional impacts on development outcomes (Grootaert & Van Bastelaer, 2002a). It particularly enhances the effectiveness of endogenous and bottom-up development approaches. It also supports collaborative governance that depends on local initiatives, mobilizes local resources and stakeholders, and builds partnerships (Christoforou, 2017a). Social capital fosters collaboration with other sectors for service provision (Oh et al., 2014) and encourages the involvement of various actors in public policy making and service delivery (Secco & Burlando, 2017). The essence is that social capital enables efforts toward development. The following sections specifically examine how social networks, social trust, informal institutions, and collective action influence development at the community level.

3.1 Social networks

Social networks and relationships among community members are potential resources, and well-connected communities effectively mobilize available resources to pursue expected outcomes (Agnitsch et al., 2006). Such networks help determine which development activities are more appropriate to the community

and enable development actors to predict the likelihood of success or failure of development projects (Oh et al., 2014). More importantly, they facilitate the flow of information, influence people in strategic positions, and hold critical power in decision-making (Lin, 2001). Informed people are better positioned to benefit from opportunities, access welfare services, raise their voices, exercise their power to influence decisions, and hold service providers accountable for quality welfare services (Narayan, 2002). Besides, the execution of local development programs depends on how decisions are made, how relationships with external organizations are established, and how beneficiary networks are coordinated effectively (Secco & Burlando, 2017).

Similarly, social networks facilitate cooperation between individuals and groups, increasing their welfare (Christoforou, 2017a), and encourage them to work together for mutual benefit by reducing uncertainty and enhancing efficiency (Johnson, 2016). They foster social interactions within and between networks, promoting mutual trust by sharing values and norms of reciprocity (Claridge, 2018; Oh et al., 2014). Individuals use their network connections to hold certain opinions, promote social cohesion, and uphold certain attitudes toward specific issues that enable them to cooperate for mutual benefits (Field, 2008).

Scholars have pointed out that networks provide "emotional, informational, and instrumental support" (Cook, 2016, p. 145) to their members, connect them to their community, and provide social support (de Leonardis, 2006), enabling individuals and groups to sustain their cooperation and access benefits, resources, economic and social opportunities, and other essential services (Boix & Posner, 1998; Ferlander, 2007; Narayan, 2002; Reji, 2009). Hence, participation in social networks and social groups is essential for information exchange (Claridge, 2018), and information is transmitted through social relations among individuals, households, friends, groups, organizations, and communities that shape collective action (Christoforou, 2017b). Furthermore, through social relationships, individuals fulfill their personal and social objectives (Nahapiet & Ghoshal, 1998) by gaining access to relevant knowledge and expertise (Andrews, 2010). As resources, social networks are associated with the welfare of marginalized social groups.

3.2 Social trust

Trust and distrust among Individuals are fundamental theoretical elements of social capital theory (Ahn & Ostrom, 2008). Effective social networks require the exchange of information, resources, values, experiences, knowledge, and skills among members (Cook, 2016), and individuals who trust others exchange more information than those who do not (Leana & Pil, 2006). In contrast, "[p]eople

who do not trust one another will end up cooperating only under a system of formal rules and regulations, which have to be negotiated, agreed to, litigated, and enforced, sometimes by coercive means" (Fukuyama, 1995, p. 27). Likewise, strong social trust reduces the possibility of opportunistic behaviors (Nahapiet & Ghoshal, 1998).

In addition, trust among community members may generate resources for their collaborative endeavor (Warren et al., 2005) to manage community resources, reduce transaction costs, and increase stakeholder participation in building local initiatives for the means and goals of development (Christoforou, 2017a). Likewise, the trust supports formal and informal civic engagement in community affairs (Cherti, 2008). When individuals work together and trust one another, their work is guided by shared norms that foster various social relationships (Fukuyama, 1995). Thus, individuals decide whether or not to engage in reciprocal help, and collective actions depend on their trust in others.

3.3 Informal institutions

Institutions, both formal and informal, including rules and regulations devised by communities and individuals, as well as established practices (known as operating rules), encourage individuals to adopt reciprocal behavior, relationships among individuals, patterns of their activities, and authority structures within a community (Ostrom & Ahn, 2009). They provide incentives for individuals to behave honestly, influence individual behavior by imposing rewards and punishments, and provide information and mechanisms for conflict resolution (Ostrom & Ahn, 2009). Similarly, community members' values, norms, cultures, and sanctions shape their interactions with other members, social trust, networks, and reciprocity (Ahn & Ostrom, 2008; Johnson, 2016).

Government entities and nonprofit organizations are game players. They are built to take advantage of resources provided by institutions (Ahn & Ostrom, 2008). Ahn and Ostrom also state that institutions consist of "enforced prescriptions used by groups of individuals" (p. 84), serving as a form of social capital. Notably, "[i]nstitutions strongly influence interactions among networks' members, support or ostracize certain types of behavior, coordination capacity, and collective actions" (Secco & Burlando, 2017, p. 90). Similarly, social trust, networks, and reciprocity affect and are affected by institutions (Ahn & Ostrom, 2008).

Institutions are "created and transmitted through cultural mechanisms like religion, tradition, or historical habit" (Fukuyama, 1995, p. 25). They are also "shared among members of a group that permits cooperation among them"

(Fukuyama, 1997, p. 378). These institutions bind network members, foster collective trust, induce cooperation, and establish social interaction for decision-making, resource mobilization, communication, and collective action (Bryce, 2005; Uphoff & Wijayarathna, 2000). Favorable institutions within communities shape their roles in solving development problems.

3.4 Collective action

Since the ultimate goal of social capital is to promote collective action (Ahn & Ostrom, 2008; Johnson, 2016), scholars have sought to explore the contributions of social capital to community members' collaborative efforts (Maloney et al., 2000; Ostrom & Ahn, 2009). Collective action holds that only a small proportion of the population participates in social groups that represent the majority's interests (Boix & Posner, 1998). Therefore, if the fundamental aim of development is to promote collective action among stakeholders, development programs need to address collective-action problems. Collective action problems refer to (a) the dilemmas that emerge when individuals face the alternative course of action and show their selfish interests not to cooperate with other individuals (Ahn & Ostrom, 2008, p. 78), (b) the dilemmas of "overcoming selfish incentives and achieving mutually beneficial cooperative way" of doing works (Ostrom & Ahn, 2009, p. 20), (c) individuals' desires to maximize their potential benefits and self-interests through minimal contributions, (Arrighetti et al., 2008), and (d) practices that restrict individuals from collaborating with other actors (Oh et al., 2014).

According to Johnson (2016), people join other organizations and networks to fulfill their interests inside or outside their communities; they share common values, norms, and sanctions, and can develop trust. Once trust becomes robust, it fosters reciprocity, motivating members to work together to advance their common interests through collective action. Johnson's framework interlinks among four forms of social capital: social networks, trust, norms of reciprocity, and collective action. Collective actions provide individuals and social groups with opportunities to enhance their power and their ability to collaborate for mutual benefit (Cook, 2016). Similarly, individuals participate in collective action if the expected benefits of their efforts outweigh the costs (Arrighetti et al., 2008). The discussion on collective action shows that individuals may face difficulties choosing between short-term benefits and not cooperating with others for mutual benefit.

Scholars illustrated several instances of the positive influence of social capital on development in different contexts, such as a positive relationship between social capital and the income of households and their productive assets (Al Mamun,

2014), improved general health conditions of the local communities (de Leonardis, 2006), and enhanced relationship between communities with strong linkages across different individuals, and better welfare services for community members (Ferlander, 2007).

Regarding the effectiveness of local government, Andrews (2010) demonstrated the strong influence of organizational social capital on the performance of local government bodies in the United Kingdom. Likewise, a comparative study in India and Bangladesh by Bhuiyan (2011) found that the roles of youth clubs were decisive in mobilizing collective action and shaping community development. In Bangladesh, the microfinance program proved crucial in creating peer pressure to promote social norms and mutual support, leading credit recipients to trust each other more. In contemporary decentralized governance, the effectiveness of development efforts depends on social networks, trust, collaboration, mutual support among local actors, and their collective action to pursue common development goals.

Notwithstanding several benefits, scholars have identified the flaws in social capital that might hinder development. They highlighted that individual members' unequal income, wealth, resources, power structure, and capabilities to participate in decision-making in communities hinder the people at the bottom of society from accessing social networks, resources, and benefits compared to people at the top of the hierarchy (Christoforou, 2017a; Häuberer, 2011). In non-democratic societies, the existence of "clientelistic linkages between the government authorities and local organizations" negatively impacts the "institutional and interpersonal trust... participation, development and welfare" (Andriani & Christoforou, 2016, p. 16). In addition, conflicts among members, stakeholder conflicts over interests, hierarchies, and inequalities within social networks may impede minorities' interests in society (Christoforou, 2017a), leading to nepotism, exclusion, and division in communities rather than facilitating social inclusion and development (Abom, 2004). These issues illustrate that social capital may not benefit heterogeneous communities equally, and local development agencies should consider its drawbacks while formulating and implementing development programs.

4. Conclusion and implications

This article examined the influence of social capital on development outcomes. The review illustrates that social capital is a complex, productive, and intangible resource that underlies the effectiveness of development outcomes operating at

national, sub-national, community, organizational, and individual levels, with distinct roles. It influences development outcomes in various ways across different contexts. It can be said that elements of social capital, mainly social networks, social trust, informal institutions, and collective action, play distinct roles in development. Strong social ties and relationships among community members facilitate communication, information exchange, and cooperation; strong trust among them, nonrestrictive informal rules and cultures, and their ability and interest to work together are essential for their common good, better living conditions, and desired development outcomes at the community level.

Although limited to a literature review, this article offers new insights into local development. It argues that policymakers, development practitioners, and social organizations need to prioritize building social networks, fostering community engagement, strengthening trust, encouraging collaboration, and promoting collective action in development projects. It also concludes that local development agencies should explore, create and harness social capital in their programs to foster social development in developing countries like Nepal.

References

- Abom, B. (2004). Social capital, NGOs, and development: A Guatemalan case study. *Development in Practice*, 14(3), 342–353. <https://doi.org/10.1080/0961452042000191187a>
- Adler, P. S., & Kwon, S. W. (2002). Social capital: Prospects for a new concept. *Academy of Management Review*, 27(1), 17–40.
- Agnitsch, K., Flora, J., & Ryan, V. (2006). Bonding and bridging social capital: The interactive effects on community action. *Community Development*, 37(1), 36–51. <https://doi.org/10.1080/15575330609490153>
- Ahn, T. K., & Ostrom, E. (2008). Social capital and collective action. In D. Castiglione, J. W. Van Deth, & G. Wolleb (Eds.), *The Handbook of Social Capital* (pp. 70–100). New York: Oxford University Press.
- Al Mamun, A. (2014). Investigating the development and effects of social capital through participation in group-based microcredit programme in peninsular Malaysia. *Journal of Interdisciplinary Economics*, 26(1–2), 33–59. <https://doi.org/10.1177/0260107914540822>

- Andrews, R. (2010). Organizational social capital, structure and performance. *Human Relations*, 63(5), 583–608. <https://doi.org/10.1177/0018726709342931>
- Andriani, L., & Christoforou, A. (2016). Social capital: A roadmap of theoretical and empirical contributions and limitations. *Journal of Economic Issues*, 50(1), 4–22. <https://doi.org/10.1080/00213624.2016.1147296>
- Arrighetti, A., Seravalli, G., & Wolleb, G. (2008). Social capital, institutions, and collective action between firms. In D. Castiglione, J. W. V. Deth, & G. Wolleb (Eds.), *The Handbook of Social Capital* (pp. 520–554). New York: Oxford University Press.
- Bhuiyan, S. H. (2011). Social capital and community development: An analysis of two cases from India and Bangladesh. *Journal of Asian and African Studies*, 46(6), 533–545. <https://doi.org/10.1177/0021909611401511>
- Boix, C., & Posner, D. N. (1998). Social capital: Explaining its origins and effects on government performance. *British Journal of Political Science*, 28(4), 686–693.
- Bryce, H. J. (2005). *Players in the public policy process: Nonprofits as social capital and agents* (1st ed). New York: Palgrave Macmillan.
- Cherti, M. (2008). *Paradoxes of social capital: A multi-generational study of moroccans in london*. Amsterdam: Amsterdam University Press.
- Chou, Y. K. (2006). Three simple models of social capital and economic growth. *The Journal of Socio-Economics*, 35(5), 889–912. <https://doi.org/10.1016/j.socec.2005.11.053>
- Christoforou, A. (2017a). Social capital and local development in European rural areas: theory and empirics. In E. Pisani, G. Franceschetti, L. Secco, & A. Christoforou (Eds.), *Social Capital and Local Development* (pp. 43–60). Cham: Palgrave Macmillan. https://doi.org/10.1007/978-3-319-54277-5_3
- Christoforou, A. (2017b). Social capital: Intuition, precept, concept and theory. In E. Pisani, G. Franceschetti, L. Secco, & A. Christoforou (Eds.), *Social Capital and Local Development: From Theory to Empirics* (pp. 23–42). London: PALGRAVE MACMILLAN.
- Claridge, T. (2018). Dimensions of social capital: Structural, cognitive, and relational. *Social Capital Research*, 1–4.

- Coleman, J. S. (1988a). Social capital in the creation of human capital. *The American Journal of Sociology*, 94, S95–S120.
- Coleman, J. S. (1988b). The creation and destruction of social capital: Implications for the law. *Notre Dame Journal of Law, Ethics & Public Policy*, 3(3), 375–404.
- Cook, J. R. (2016). Strategies for building social capital. In A. G. Greenberg, T. P. Gullotta, & M. Bloom (Eds.), *Social Capital and Community Well-Being* (pp. 141–159). Cham: Springer International Publishing. https://doi.org/10.1007/978-3-319-33264-2_8
- de Leonardis, O. (2006). Social capital and health: Research findings and questions on a modern public health perspective. *European Journal of Social Quality*, 6(2). <https://doi.org/10.3167/ejsq.2006.060203>
- Djafar, R., Syam, H., Raharjo, P., Abdussamad, J., & Akib, H. (2019). Reconstruction of poverty reduction strategy model based on community empowerment programs. *Academy of Entrepreneurship Journal*, 25(2), 1–10.
- Ferlander, S. (2007). The importance of different forms of social capital for health. *Acta Sociologica*, 50(2), 115–128. <https://doi.org/10.1177/0001699307077654>
- Field, J. (2008). *Social capital* (2nd ed). London: Routledge.
- Fukuyama, F. (1995). *Trust: The social virtues and the creation of prosperity*. New York: Free Press.
- Fukuyama, F. (1997). Social capital: The Tanner lectures on values. *Oxford*, 377–484.
- Grootaert, C., & Van Bastelaer, T. (2002a). Introduction and overview. In C. Grootaert & T. Van Bastelaer (Eds.), *The Role of Social Capital in Development: An Empirical Assessment* (pp. 1–18). New York: Cambridge University Press.
- Grootaert, C., & Van Bastelaer, T. (2002b). Social capital: From definition to measurement. In C. Grootaert & T. Van Bastelaer (Eds.), *Understanding and Measuring Social Capital: A Multidisciplinary Tool for Practitioners* (pp. 1–16). Washington, DC: The World Bank.
- Häuberer, J. (2011). *Social capital theory: Towards a methodological foundation* (1st ed). Wiesbaden: VS Verl. für Sozialwiss.

- Johnson, L. (2016). What is social capital? In A. G. Greenberg, T. P. Gullotta, & M. Bloom (Eds.), *Social Capital and Community Well-Being* (pp. 53–66). Cham: Springer International Publishing. https://doi.org/10.1007/978-3-319-33264-2_4
- Keele, L. (2005). Macro measures and mechanics of social capital. *Political Analysis*, 13(02), 139–156. <https://doi.org/10.1093/pan/mpi008>
- Lin, N. (2001). *Social capital: A theory of social structure and action*. New York: Cambridge University Press.
- Maloney, W., Smith, G., & Stroker, G. (2000). Social capital and urban governance: Adding a more contextualized top down perspective. *Political Studies*, 48, 802–820.
- Muniady, R. A., Mamun, A. A., Mohamad, Mohd. R., Permarupan, P. Y., & Zainol, N. R. B. (2015). The effect of cognitive and relational social capital on structural social capital and micro-enterprise performance. *SAGE*, 5(4), 1–9. <https://doi.org/10.1177/2158244015611187>
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23(2), 242–266.
- Narayan, D. (Ed.). (2002). *Empowerment and poverty reduction: A sourcebook*. Washington, DC: World Bank.
- North, D. C. (1990). *Institutions, institutional change, and economic performance*. Cambridge ; New York: Cambridge University Press.
- National Planning Commission. (1992). *The eighth plan (1992-1997)* [Periodic plan]. Kathmandu: National Planning Commission. Retrieved from National Planning Commission website: https://www.npc.gov.np/en/category/periodic_plans
- Oh, Y., Lee, I. W., & Bush, C. B. (2014). The role of dynamic social capital on economic development partnerships within and across communities. *Economic Development Quarterly*, 28(3), 230–243. <https://doi.org/10.1177/0891242414535247>
- Ostrom, E., & Ahn, T. K. (2001). A social science perspective on social capital: Social capital and collective action. Indiana University. Retrieved from https://www.researchgate.net/publication/242569787_A_Social_Science_Perspective_on_Social_Capital_Social_Capital_and_Collective_Action

- Panda, B. (2007). Top-down or bottom-up? A study of grassroots NGOs' approach. *Journal of Health Management*, 9(2), 257–273. <https://doi.org/10.1177/097206340700900207>
- Pillai, V. K., Wei, F. H., & Maleku, A. (2013). International nongovernmental organizations in Latin America and social capital: An empirical case study. *SAGE Open*, 3(4), 215824401351615. <https://doi.org/10.1177/2158244013516153>
- Portes, A. (1998). Social capital: Its origins and applications in modern sociology. *Annual Review of Sociology*, 24, 1–24.
- Putnam, R. D., Leonardi, R., & Nanetti, R. Y. (1994). Making democracy work: civic traditions in modern Italy. Princeton: Princeton University Press.
- Reji, E. M. (2009). Social capital and development. *Indian Journal of Public Administration*, LV(2), 197–207.
- Secco, L., & Burlando, C. (2017). Social capital, network governance and social innovation: Towards a new paradigm? In E. Pisani, G. Franceschetti, L. Secco, & A. Christoforou (Eds.), *Social Capital and Local Development* (First, pp. 83–105). New York: Springer International Publishing.
- Szreter, S., & Woolcock, M. (2004). Health by association? Social capital, social theory, and the political economy of public health. *International Journal of Epidemiology*, 33(4), 650–667. <https://doi.org/10.1093/ije/dyh013>
- Uphoff, N., & Wijayaratra, C. M. (2000). Demonstrated benefits from social capital: The productivity of farmer organizations in Gal Oya, Sri Lanka. *World Development*, 28(11), 1875–1890.
- Warren, M. R., Thompson, J. P., & Saegert, S. (2005). The role of social capital in combating poverty. In S. Saegert, J. P. Thompson, & M. R. Warren (Eds.), *Social Capital and Poor Communities* (pp. 1–28). New York: Russell Sage Foundation.
- Woolcock, M., & Narayan, D. (2000). Social capital: Implications for development theory, research, and policy. *The WOTU Bank Research Observer*, 5(2), 225–249.

Reflection of Ethics in Contemporary Society: An Interview

Sahadev Gautam

Abstract

Guiding principles in daily life are shaped by philosophical perspectives in which integrity plays a central role. Philosophically, ethics is a way of life that maintains social justice. This paper is based on one-to-one interviews. For this discussion Professor Shree Krishna Shrestha who had been involved in teaching, research and writing at Public Administration Campus, Tribhuvan University in Kathmandu for about four decades was interviewed. The interview was taken in Nepali and later text was translated into English. Ethics is a form of human consciousness and a crucial element that establishes humans as distinct from other species. In the context of public delivery, especially in Nepal, ethics is highly valuable for providing a people-centric approach. Ethical values are equally important in other sectors as well, but they are particularly important and necessary in public service delivery.

Keywords: *Ethics, Public Administration, Philosophical Perspective, Social Justice*

1. Introduction

What we are saying is that modern society is advancing toward innovation and invention. Technologically, we are moving forward, where ethics serves as the cornerstone for establishing various standards that bind social norms. Ethics as a structural foundation of civilized society provides a pathway for both present and future generations (Chaddha & Agrawal, 2023). It is both a part of life and a branch of philosophy. Ethics is inseparable from philosophy, as it helps us under-

Corresponding Author

Sahadev Gautam, Email: connectsahadev@gmail.com, <https://orcid.org/0000-0002-1199-0842>

stand the value of life (Madmarova et al., 2021). In everyday life, ethics is crucial for shaping a just society. Ultimately, ethics promotes social justice discouraging negative and unjust practices. The goal of justice in any society is to establish a social order on rights, dignity, moral and ethical values.

The domain of public administration is not only confine with structure, process, human resource, authority, etc. but also 'ethics' interplay in every aspect of administration. In this context the interview is confined with meaning, practical application and philosophical interpretation of ethics and integrity is discussed. For this discussion Professor Shree Krishna Shrestha who had been involved in teaching, research and writing at Public Administration Campus, Tribhuvan University in Kathmandu for about four decades was interviewed. The interview was taken in Nepali and later text was translated into English.

In this article, we are trying to explore how do individual consciousness and cultural "dharma" shape the ethical orientation of public servants? To what extent does integrity in leadership and reasons justification in decision-making overcome the limitations of rigid laws and regulations? How do situational demands and self-interest (egoism) impede the application of ethical standards? Does the presence of ethical supremacy lead to a modern "Ram Rajya" (a state of justice and equality)?

For that purpose, we try to examine how human consciousness, philosophical or religious roots, social construction, integrity and honesty translate to social justice, good governance, social harmony and organizational success. We also try to find out the ethical application on leadership, decision making, reasoning approaches, and policy cycle integration. We also try to explore the challenges or constraints in ethical dilemmas, conflict of interest, ethical poverty, irrationality and negative competition can affect us.

This study adopts a qualitative research design to capture practical and philosophical dimensions of ethics. The primary data is gathered through one-to-one semi-structured interview, which allows deep exploration of the meaning, practical application and philosophical interpretation of ethics and integrity. The source material utilizes an interview with a seasoned expert Professor Shree Krishna Shrestha, in public administration to gain deep insight into ethical shifts in the society. The interview was conducted to discuss on May 20, 2026. This research employs purposive sampling, targeting the trusted expert who have been extensively involved in teaching, research and policy making within the field of public administration. The interview was conducted in native language Nepali to ensure linguistic and conceptual accuracy and translated to English for analytical

application. The interview data was organized into logical flow of conceptual themes from abstract theory about ethics to its practical application. The data was analyzed through descriptive ethics to understand how ethical standards vary across different contexts, and normative ethics to evaluate behavior against established principles like duty based deontological approach and outcome-based consequentialism approach.

Professor Shree Krishna Shrestha is an ideal key informant for his study due to his extensive professional experience and deep academic expertise of over 4 decades of teaching, research and writing at Public Administration Campus of Tribhuvan University. Further, his practical impact on the field is evidenced by “Administrative Reforms Award” by Network of Asia Pacific Schools and Institutes of Public Administration and Governance (NAPSIPAG), 2013 for an outstanding contribution to Governance in the Asia Pacific region. His wide range of experiences from mentoring generations of students to participating in international policy forums provides him with the unique perspective and deep insights required for this qualitative inquiry.



Prof. Shree Krishna Shrestha

2. Interview

The interview questions and answers are presented in this section. The interview gradually flows from one theme to another. It starts with theoretical foundations of ethics, application in public administration and governance, religion and personal virtue, and challenges and social dynamics.

Conceptual and philosophical foundations

This section builds the conceptual and philosophical foundation of ethics. It starts with the definitions of consciousness, then addresses identity and cultural roots, social construction vs Nature

Question 1. What are the perspectives of ‘ethics’ and how it is understood?

All human beings are born free to undertake activities as they wish. Freedom needs to coexist with boundaries, justice and tolerance. It needs to be properly guided; otherwise, it turns out to be turmoil. As a guiding post, they started to form certain raw norms such as social roles, social norms hierarchy, division of

work which directs their daily activities. It is an initial step to bring a notion of ethics in human society.

Second, we constantly build relationships with people in society, which helps us to envision a balanced and healthy society. We must follow social norms and values to function in society. We need to proceed based on a few principles.

The major factor contributing in the development of ethics is human consciousness. Human beings are distinct from other species because of the development of consciousness. Ethics is the result of being consciousness towards society, hence humans are at the core of ethics. From a fundamental perspective, human consciousness contributes to the development of advanced wisdom and higher reasoning. As a result, there are some basic approaches: an individual is free, but for society to accept and make use of that freedom, we must act with awareness. Freedom on its own cannot be effectively guided without the application of such consciousness. So, philosophy is the term for ethics in its purest form. Two principles serve as a guide when discussing ethics philosophy: What sort of life is a person hoping to lead? What is the goal of human life? These two questions serve as guiding principles for human existence. One aspect of ethical philosophy is human life itself. According to ethics, philosophy includes both happiness and suffering, and its ultimate objective is to direct us toward answering the issue of why we were created and what kind of life we ought to lead. Accordingly, ethics is closely related to how we should live, what kind of life we want, and how we should guide our behavior and character to attain that goal. Therefore, ethics is crucial in establishing what is good and acceptable, what is bad and unacceptable, and what is right and wrong. The discipline that establishes such moral foundations and standards is what we call Ethics.

Question 2. How ethics contribute to build character or identity?

In essence, ethics is about behavior and character. One can identify a person by his/her behavior; identity comes after behavior. Morals and ethics are closely related. But there isn't a precise word for ethics in Eastern philosophy. Rather, the idea can be found in the Dharma (religion) concept. Dharma, basically in eastern culture, fulfills the same function as ethics which mostly imported from western society in that it instructs us on what is good, proper, and right. 'Ethos', which means character in its Western root, is the root of the word ethics. It is derived from the local acceptance of conduct. Ethos, on one hand, refers to morals. The word moral itself comes from the Latin Root More, which also signifies character or custom. Therefore, Moral is linked with our habits and

character - the kind of conduct and behavior that society accepts. Once we form these habits and behaviors, our identity begins from there only.

Question 3. If ethics is connected with religion and morals, is it natural or a creation of humans?

The concepts of religion, moral and ethics are socially constructed. Human beings are the ones who create these. It is something that humans have created to control behavior and society, not an invention of nature. But nature is its foundation. Natural sources have served as a source of inspiration for human character, behavior, and conduct. Therefore, while nature is the main driver, organized ethics is a human invention.

Theoretical foundations and ethical dimensions

This section dives deeper into the theoretical foundations and dimensions of ethics, applied ethics and ethical stability.

Question 4. Can religion and ethics help to understand society? How ethics is related when we talk about ‘Ethical Dilemma,’ ‘Ethical Stability,’ or ‘Conflict of Interest.’?”

As we stated above, ethics is socially constructed concept emerged from the development of philosophy that always seek the answer of human existence so it could have various dimensions. It would be worthwhile to discuss the dimensions of ethics. ‘Meta-Ethics’ is one of the dimensions of ethics that attempts to clarify whether ethics is oxymoron concept or not; similarly, ethics is conundrum concept or not It is closely related to philosophical discussions that debate what is right or wrong. For example, when someone says something is right how it can be proved what is right It could have a different perspective, dimensions, approaches and meaning. The discussion may be going on; hence it is known as a branch of analytical ethics.

The next dimension of the ethics is whether ethics has universality nature or not. We observe that why certain things are accepted in one place are not acceptable or treat differently in other places Such differences are analyzed and is known as Descriptive Ethics.

Another dimension of ethics is Normative Ethics, which focuses on what people should do or shouldn’t do. Normative Ethics includes the formulation of some guiding principles. A principle states that what we call a ‘Deontological approach’ helps us understand what our duty is and what our obligation is. According to this approach, performing these duties or following these rules is considered ethical.

Another principle in Normative Ethics focuses on consequences which is known as Consequentialism that evaluates actions based on their outcomes. If an action produces the right result, it is considered ethical. This includes approaches like Utilitarianism, which suggests that actions are ethical if they maximize happiness for the greatest number of people and minimize suffering for the fewest.

Another principle in normative ethics is Virtue Ethics, which emphasizes that a person should cultivate good character traits such as honesty, being justice-oriented, and acting with integrity. A virtuous person should also practice wisdom and perform actions that are generally acceptable and beneficial for everyone.

Finally, there is Applied Ethics, which focuses on applying ethical principles in real-life situations. This is often referred to as wisdom, as it requires us to apply ethical rules correctly in practice. Applied Ethics does not support to compromise on moral principles; it emphasizes proper application without cutting corners. Applied ethics doesn't discuss, compromise or advocate for situation-specific adjustments. It highlights the importance of upholding values and moral standards and acting in accordance with the principles one has accepted. Two things need to be clarified in this case: morality and ethics. While morality refers to the values that an individual personally believes to be correct, ethics generally refers to the accepted societal principles. A person's moral principles might not always coincide with those of society. Ethics and morality must be considered jointly in applied ethics. Individuals should base their work in any profession on their personal values; this is known as personal ethics. Concepts like ethical stability and conflict of interest also become important in relationship to this. Despite context and situation if one behaves moral actions consistently is known having ethical stability A conflict of interest occurs when someone with authority or power abuses it for their own benefit rather than the for the purpose it was given to him or her. This puts professional obligations and personal interests at odds, and handling these conflicts is a crucial component of ethical behavior.

When we inquire, "For what purpose the authority or right is given to someone?" The response is: for the benefit of society. The reason for this is that the individual who is granted the authority is supposed to behave in a way that advances the welfare and well-being of other people. This authority is exercised at the discretion of the individual for whom it has authorized, guided by what is deemed appropriate and advantageous for others. It is a conflict of interest, if the individual abuses the authority and privileges granted upon them for their own gain rather than the good of others. There are numerous ways that conflicts of interest can arise. Conflicts of interest can also arise, for instance, when someone makes

decisions about the future in advance, apparently looking for the benefit of the public, but they eventually benefit themselves.

When someone, such as an official, is granted authority, ethical dilemma might be occurred when she or he has to decide what value she or he has to promote dealing with certain issue in which different values such as personal value, social value and professional value could appear simultaneously. The person might, however, find themselves in a position where they must choose between using this authority to further their own interests or to assist others.

An Ethical Dilemma arises when a person faces a choice between taking an action or not, or when they must choose between good versus good, bad versus bad, or good versus bad. Even when both options have some merit, deciding which is right can be difficult. Such situations create moral conflict, where a person must carefully weigh their values to make a decision.

Ethical Stability, on the other hand, refers to a person's identity. It is reflected in an individual's consistent character and behavior over time. When a person acts in alignment with their principles, their actions demonstrate ethical stability, which is closely tied to the stability of their personal identity.

Ethics in Public Administration and Governance

This part focuses on how ethical principles are integrated within leadership. It describes ethical decision making, ethical leadership and integrity, policy and common good, and good governance and "Ram Rajya".

Question 5. How to develop discipline-based professionalism incorporating ethical leadership and ethical decision making in an institution like public administration?

When it comes to ethical decision-making in administration, most of the time, we tend to prioritize laws and regulations while addressing problems. However, society is complex, and not all problems can be solved merely through uniform rules. There are many possibilities and scenarios that laws and regulations alone cannot address. Sometimes, laws are insufficient or incomplete, and in such cases, ethical judgment becomes necessary. All circumstances that come out in society are not covered by laws, so a choice must be made by executors. Then we must use our own judgment in this case. There must be a good reason to use our judgment while doing that. What does that mean? It's easy to decide if you have proof. But if there isn't any proof, then there is a problem, and we need to give best judgement having enough justification.

That's why, we need to be equipped with the basic knowledge of ethical reasoning? In applied ethics, we can make an ethical choice by using different types of ethical principles such as Deontological Ethics, Virtue Ethics, and Consequential Ethics to support it. Decision-making proposes that a decision lacks ethical validity in the absence of reasoned justification. So, when it comes to making decisions, we need to do so with a valid reason and justification. Reasoned justification means that if you decide without justification, then it cannot be called ethical decision-making. Based on different dimensions, we must make decisions along with justification.

Ethical leadership becomes the foundation of a society or a household. A leader is someone who gives direction to others, provides motivation, promotes growth, and empowers. We say that a person who possesses these qualities has leadership traits and for this, integrity is fundamental. In ethical leadership, not everything is important; the leader must be trustworthy and must have integrity. Integrity means that what the leader says is what they do, and what they do is what they say. They must be consistent, meaning there's no difference between their actions and their words. Therefore, if a leader is consistent, they can inspire trust in everyone, including the family, society, organization, and the government.

Question 6. Are rules, regulations and policies are considered only as the collection of ethics?

Ethics teaches us mostly to separate what is good vs what is bad, what is right vs what is wrong, what is just vs what is unjust. The term policy refers to the government's actions and inactions. Policies dictate what the government will do and what it won't. Ethics tell us what is good or bad, while policies determine what should be done for the common good and how to establish justice. Therefore, policy and ethics are closely related. Policies can also be seen as tools to establish ethical behavior. Policies aim to establish continuity in society based on how people need to behave, and that's why the intention behind that rule or regulation is the same as the intention of ethics, thus we see a connection between the two.

In the policy cycle, if we view every phase from agenda setting to decision making, implementation, and evaluation through an ethical lens, it can give society a new shape. Essentially, a policy should aim to cause the least harm, establish fairness, provide justice, and help individuals maximize their potentials. All these aspects are essentially part of ethics.

Question 7. Can we confine an ethical society in the present context as it was characterized in 'Ram Rajya' in the 'Treta Yug'?

Defining what Ram Rajya one could have a picture of a society or state having the character of justice, ethical supremacy, equality and other favorable and enabling conditions. These conditions are somewhat we assume in the context of good governance. Looking good governance comprehensively, we found that its foundation lies upon ethics which guide people to be accountable, fully responsible, and transparent. Everyone should work with participation from all, there must be equal rules for everyone, and the rule of law must be upheld. People should feel free to express their concerns, and when that happens, trust in the system grows, and that is the essence of ethics. Essentially, when we talk about the special characteristics of good governance, we are talking about ethics.

Ethics, Religion and Personal Virtue

This theme examines relationship between faith based guidance vs reason based ethics. It deals with responsibility and authority, faith vs reason, honesty and "satagun" and habit

Question 8. Who is responsible for establishing ethics within these social structures?

In this context, we sometimes have to refer to religion. If we look at it from a general perspective, the principles of ethics are often guided by religious texts, which we consider as a kind of adherence to those doctrines. We treat these religious texts as the words of a divine being, and sometimes they are also the words of enlightened individuals from that society. Essentially, the governance of society is based on these foundations, and that's why we accept their teachings, believing that they are for the greater good of everyone.

Therefore, society should have individuals who are trusted and who work for the benefit of everyone, and these individuals should take the lead in establishing ethical standards. We send representatives who have earned our trust, and the question is whether these representatives are the most trustworthy. This means we can look at this from many angles, but the core idea is that ethical standards come from those we trust, ensuring that their words bring benefit to everyone. And when social and ethical standards are set by trusted individuals in society, it benefits everyone. By accepting that the words of these trusted individuals cause no harm and bring benefit to all, we can be confident in the ethical framework they provide.

Question 9. Are religion and ethics parallel to each other?

When we talk about religion, it essentially involves faith in a higher power, and there's both theistic and atheistic perspectives within it. Our world is home to many religions and religious communities, numbering in the millions. The fundamental purpose of religion is to provide guidance for a disciplined life, thereby leading society towards refinement and culture. This influence remains strong as long as people's faith in it is strong. Similarly, the core aim of ethics is to improve human character and behavior. Ethical standards are established by society to help individuals determine whether their actions are right or wrong, essentially guiding them to understand how their behavior is perceived and accepted by the community.

The foundation of determining what is right and wrong is based on rational reason. While the justification for ethical behavior is rooted in reason, religion relies on faith and belief. When explaining why we do something, we must provide reasons in the ethical realm, but in religion, faith alone suffices. Their roots may differ, but their goal is the same: to elevate both individuals and society.

Religion tends to encompass those who have faith, and when we speak of religion, atheists might not accept it. But does that mean atheists can't be good people? Of course, they can; they live within society as well. Therefore, ethical standards apply to both theistic and atheistic perspectives. However, religion is typically accepted by those with faith, and both ultimately share the same goal. If we look at the broader picture, it seems that the foundation of these ethical values originally arose from religious roots in society.

Scholars and scientists examine the usefulness of religious concepts by employing various methods, and through their exploration, we often find that certain religious practices add meaningful value to human life. As a result, scientists, from their own perspectives, also guide society in relation to religion, and in the end, all these approaches converge in the realm of ethics.

Question 10. Are ethics and religion both forms of guidance? Is honesty determined by religion or by ethics? Do ethics and honesty hold the same depth of meaning?

Yes, ethics and religion both are compelling and persuasive instruments that human developed to guide and regulate their behavior and actions. Both concepts are closely linked to the concept of honesty and integrity. Honesty is a core virtue in ethical teachings, making it an essential aspect of good character. While religion often requires faith without the need for justification, ethics demands reason-

ing and reflection. Ultimately, both aim to elevate human character and guide society toward a better moral standard.

In the perspective of ethics, the concept of “सत्यगुण (Satagun)” is considered a virtue, meaning a quality that is not only accepted by everyone but also highly valuable. Honesty is a crucial facet of integrity, and it serves as an indicator of whether a person possesses a high level of integrity. Therefore, we can consider honesty as a major element of ethics. What is honesty? Is it a character, trait or a habit? It's simpler to view honesty as a habit. A habit is something that comes naturally without having to think about it. If we can cultivate honesty as a habit, it reflects in our character, helping us build trust and become more recognizable by others.

Ethical Challenges and Social Dynamics

This section addresses the barriers to ethical society like egoism, ethical poverty and self-interest, irrationality and truth, positive and negative competition, conflicts of interest and ethical dilemmas.

Question 11. In a context when ethical poverty occurs while working in bureaucracy, politics, academy or any other sector, how do we truly identify someone who is genuinely ethical?

Ethics is not something that we claim for ourselves; it is what others recognize us through our characters, behavior and actions. The real test of a person could be made in harder time when she or he hold certain power with authority to make decision. In our society, we often notice that people tend to focus on their own self-interest rather than considering others. Ethics, in essence, means thinking of others, but humans tend to prioritize their own thoughts and needs. They are more persuaded by self-egoism that leads to a sort of ethical deficit in our society. Ethical poverty grows when people use their authority and power solely for their own benefit, neglecting the welfare of others.

Therefore, ethics is fundamentally about the greater good of society, and that's why ethics is essential for establishing and maintaining a well-functioning society. In a society where self-interest dominates, those who lack power are unable to act in their own favor. They rely on institutions that are supposed to serve them, and when these institutions fail to do so, we can see a vicious circle due to deficit of ethics in society.

Question 12. How society becomes ethical when a society repeatedly endorses something unethical?

Many people, without searching for evidence, accept what others tell or present in society in a way that becomes more acceptable than truth. In this case, they accept what is presented differently from reality. Such a society is called an irrational or crazy society -a society that, instead of thinking for itself, surrenders to the thoughts of others. Human beings have been given a kind of natural wealth; the ability to think, to remember, and to reflect. But when we fail to use this natural wealth, that is called foolishness. Without examining truth and reality, when we accept things merely because they are presented in an attractive way, and then insist, "Yes, this is the truth," that is how we are misled. This leads society to distortion and negative transformation.

Ethics always comes along with justification. I must be able to give proof for every statement I make, and the basis of these proofs is ethics. I should be able to say: "I did this because of this reason." Truth requires such proof. For what is false, no proof is required. Truth can be proven and shown, but falsehood cannot be proven or shown. Every person must think: if someone asks me about what I have spoken or written, can I give an answer or not? Trust will be jeopardized in the absence of proof. One cannot imagine a good society without it

Question 13. How ethics is applicable in the current situation as the society has turning to showy?

To a pretentious society, it is necessary to take the definition of a human society. Society cannot function well if the relationships among different individuals are not harmonious. There is a need for diversity to address various issues. A society must bring about goodness; the result of a divided society is not good. In society, there is a tendency to show off to others. We have not built society by everyone sitting together deliberately. Our basic assumption is that all individuals live together harmoniously. The word "showy" refers to who is showing what to whom. What is being shown, and to whom? Therefore, there must be positive competition within society.

Positive competition means contributing to the development of society and helping each other. On the other hand, negative competition is when individuals show arrogance, pride, or boast "I am like this, better than you" to others. A society with negative competition, society becomes fragmented, divided and social conflict may arise. Therefore, those who foster positive competition help society become prosperous and cooperative.

Unified whole

Question 14. Can human civilization, religion, and ethics together explained as a unified whole?

Each of us can shape our own life, as we said. How can society be made more meaningful? Every society can strive to become a well-organized society for collective welfare. In a governance system, if the government can show how these things can be done, people can experience not only individual satisfaction but also social well-being. Such experiences bring about greater happiness and help in creating a well-cultured society, establishing good governance, and managing social systems smoothly by maintaining harmony. This is the essence of ethics. Ethics, in this sense, forms the foundation for evaluating human life and serves as a standard for social stability and is essential for establishing the highest principles. This is the guiding role of ethics in good governance, and we must understand its role in every society.

Regarding its role, we asked: in which society is there more peace, in which society are people happier, and in which society is there more prosperity? When we researched, we found that in societies where people are more cheerful and content, the reason is that all things are connected through ethics. That very connection is the essence of ethics. Honesty and integrity are also part of it. Therefore, my belief is by making these values our foundation, we can build a better society.

3. Discussions

Professor Shrestha defines ethics as the essential foundation of a civilized society that serves as a primary driver for social happiness and stability. Even the organizations with well-defined rules and regulations cannot function successfully without the vital force of ethics to solve problems at the individual, institutional or social levels. Ethics is not an option but an essentially important part in everybody's life in every corner of society. This is not merely pragmatic but realistic from every angle. People are creating self-centric definitions of ethics in the modern world and call themselves ethical, but being truly ethical is difficult. Ethics makes us different from animals; at the same time, it makes us human and justice-oriented. Nature teaches us the fundamental functions and significance of ethics. Human morals and characters are largely shaped by ethical norms and values. In the contemporary world, however, ethical norms and practices are becoming increasingly fluid and concepts to varying interpretations. Different

notions exist regarding the meaning of ethics and application often differs depending on the situational demands. Policymakers should follow certain ethical philosophies because they are responsible for serving welfare of the people. Administrators and policymakers are servants who are expected to serve society with integrity and high commitment to the public on a large scale. Therefore, society should have individuals who are trusted and who work for the benefit of everyone, and these individuals should take the lead in establishing ethical standards. In a governance system, if the government can show how these things can be done, people can experience not only individual satisfaction but also social well-being. Such experiences bring about greater happiness and help in creating a well-cultured society, establishing good governance, and managing social systems smoothly by maintaining harmony.

Philosophical roots of ethics

Ethics distinguishes human from other species, and it is identified as a form of human consciousness. The foundations of ethics are rooted in the nature. But humans designed the organized ethics as a societal construction to regulate human behavior and maintain social order. While defining ethics, Professor Shrestha distinguished eastern and western thought system, noting that while western ethics originates from character, while eastern tradition finds its root in Dharma. This philosophical foundation suggests that ethics is not only a set of rules, but a way of life and a branch of philosophy essential for understanding the value of human existence.

Ethics in Public service and governance

Ethics is structural necessity in the field of public administration. Professor Shrestha highlighted that while laws and regulations are often insufficient or incomplete for addressing the complexities of society. So Ethical judgement and reasoned justification are required for valid decision making. If a decision cannot be supported by logical evidence and moral reasoning then it lacks ethical validity.

Ethical Deficits and dilemmas

Professor Shrestha also addressed the challenges to ethical stability. Ethical poverty or deficit occurs when individuals with power prioritize self-interest and egoism over the societal welfare. This is often profound in irrational societies where people accept misinformation without evidence, leading to distortion of reality. Professor Shrestha also discussed different types of ethical challenges

- Ethical dilemmas, occur while choosing two difficult options like choosing between two competing values e.g. – personal vs professional.
- Conflict of interest is the abuse of authority for personal gain instead of public good.
- Negative competition, occur with arrogance and pride. It leads to individual and social conflict.

Synergy between Religion, Honesty and Ethics

The interview clarifies the distinct and complementary roles of religion and ethics. Both instruments converge towards building human character or good human behavior, but the fundamental reason for that is different. Religion relies on faith, whereas ethics relies on reason and proof. Honesty is the core element of ethics and the cultivated habit that becomes the face of individual's integrity and basis of social trust.

4. Concluding remarks

It is important to understand why ethical people are respected. The reason is ethics helps a person to be moral, virtuous and discipline whether he or she is be at home or at their office or at broadly in society. Though rules and regulations are formulated to run the organization, without ethics, the organizations could not function successfully. Individual often adopt negative approach while competing with other, often demonstrate arrogance, pride, or boast thinking “I am like this, better than you”. Such behavior could be the cause of fragmentation and division in organization or society and let for conflict. Positive competition is intended to help a prosperous and cooperative society. Though ethics seems in abstract form it is very important to construct happiness in society and helps to solve the problem individually, institutionally and socially. So, concepts of religion, moral and ethics are socially constructed which are created by human beings to control behavior and society, Therefore, ethics is a human invention that is important as like any other legal instrument to run the organization successfully and establish a moral and prosperous society.

References

- Chaddha, R., & Agrawal, G. (2023). Ethics and morality. *Indian journal of orthopaedics*, 57(11), 1707–1713. <https://doi.org/10.1007/s43465-023-01004-3>

Gautam, S. (Ed.). (2025). *Public administration education in Nepal persistence and continuity: The perspectives of the legend and the learners, an anthology of contributions of professor Shree Krishna Shrestha*. Dr. Nirmala K.C.

Madmarova, G., Rozykova, M., Abytova, G., Imasheva, G., Kadyrova, G., Murzakulova, K., Kydykeeva, A., Aitieva, S., Surkeeva, D., & Abdullaeva, Z. (2021). Reflection of people ethical ideas in proverbs and sayings. *Open Journal of Modern Linguistics*, 11(3), 440–447. <https://doi.org/10.4236/ojml.2021.113033>

Shrestha, S.K., & Bagale, S. (2081 BS). *Antarbodh: Jivan chetana ra anubhuti* (In Nepali). Oriental Publication.

Social Security of Senior Citizens: Analysis of Manifesto of Local Election 2022 of Political Parties in Nepal

Salina Lamichhane

Abstract

The manifesto is a guidebook that informs voters about a political party's commitments. It helps voters to make a rational voting decision. It is a party's commitment towards the electorate about their vision, plans and governance policies. Although read by only a small fraction of population, manifestos form a major launching point for any election. The study is a comparative analysis of the local election 2022 manifestos of different political parties about the social security of the elderly population. This article attempts to look at how political parties committed towards resolving the issues related to senior citizens in respect to healthcare, financial security, transportation, old age homes, and elder abuse. It tries to answer how far the policy for the elderly becomes of interest for the government, and whether the political parties are luring people's vote or for other purposes. Further, the study tries to demonstrate why senior citizens are brought into election campaigns and whether they realize the benefits as committed in the Party's manifestos. The study found that political parties made their manifesto attractive to win the heart of the elderly. They had made big promises without revising the past manifestos and their effectiveness. Although elderly people were happy with the current government social security programs, majority of them did not recognize any tangible benefits from the commitments made in the election manifestos.

Keywords: Social Security, Senior Citizens, Election Manifesto, Political Parties, Local Government

Corresponding Author

Salina Lamichhane, Email: salina.lamichhane@pac.tu.edu.np

1. Introduction

Social security is the system established by the Government of Nepal for the protection of citizens who are elderly, indigent, incapacitated, helpless, single women, persons with disabilities, destitute children, citizens who cannot take care of themselves, and the members of the tribe on the verge of extinction and the act stressed that only eligible citizens receive social security allowances which can be both contributory and non-contributory schemes to ensure protection against various risks (Social Security Act, 2018).

It is the protection that a society provides to individuals and households to ensure access to health care and to guarantee income security, particularly in case of old age, unemployment, sickness, invalidity, work injury, maternity or loss of breadwinner (ILO, 2010). International Labor Organization recognizes social security as the basic human rights which are essential for combating poverty, inequality and for leading a dignified life. The standard which ILO developed not only provides a legal foundation for rights to social security but at the same time, it guarantees the minimum standard of protection to human beings.

Investments in the social security have increased steadily over the years, reflecting the government's commitment to enhancing social protection. The government has allocated NPR 100 billion for the purpose of social security in the fiscal year 2021/22 which have increased significantly to NPR 130.01 billion in the year 2022/23 (Budget Speech, 2021/22 & 2022/23) showing their great emphasis on expanding social welfare programs. In the fiscal year 2024/25, the government has allocated NPR 116 billion for social security (Budget Speech, 2024/25) which further demonstrates its continuing focus on supporting and protecting the vulnerable population through various schemes and allowances. The article mainly focuses on non-contributory social protection. The main questions of the article are; Why has social security policy become the interest of political parties? Why are senior citizens brought into election campaigns? Do the senior citizens realize the benefit as committed in the manifestos?

Political Parties of Nepal and their Manifestos

The politics of Nepal functions within the framework of a parliamentary republic with a multi-party democratic system. The major political parties recognized by the federal parliament includes Nepali Congress, Communist party of Nepal (UML), Communist party of Nepal (Maoist Center), Communist Party of Nepal (Unified Socialist), People's Socialist Party Nepal, Rastriya Prajatantra Party, Loktantrik Samajbadi Party, Nepal Socialist Party, e-t-c.

Since the restoration of democracy, 1990s, Nepal has carried out four local elections. After the second local election in 1997, local positions remained vacant for nearly two decades, leaving many local issues unaddressed. The third (2017) and the fourth (2022) local elections were held under a new federal set-up. At these times, people became more aware of their duties, rights and responsibilities towards the state, and began assessing party's manifestoes more critically before casting a ballot.

Generally, political parties prepare attractive manifestos to gain support from the voters, however, frequently fail to deliver their promises after being elected. The trust survey conducted by the Central Department of Public Administration, Tribhuvan University in collaboration with International University partners found over one-third of the population have little confidence in the political parties of Nepal and a mere six percent of the Nepalese citizens do trust the political parties which means that the majority of the population do not trust the political parties (Jamil, Dhaka,¹ & Poudel, 2017), and this might be due to the mismatch between the promises before election and its delivery after the election.

In parliamentary democracies, it is mandatory for different political parties to publish manifestoes or programs setting out their policy priorities following the election which represents a policy package a party puts to voters at election time (Suiter & Farrell, 2011). The release of the manifesto serves as an important resource for voters to make informed decisions. Various political parties released manifestos tailored to local context; however, these remain unimplemented after elections, serving only as an attraction to voters than to guide governance especially in developing countries like Nepal. A good manifesto should be successful in identifying the problems faced by the citizens and suggesting possible measures to resolve them.

Social security has been featured in different political parties' manifestoes. The major political party, Nepali Congress, prepared its manifesto with a slogan of "Strong Local Government, Developed Village, Developed City" (Nepali Congress Sankalpa, 2022). The party promises to provide senior citizens allowance for people aged sixty-five and above along with free health insurance to senior citizens above sixty five years, management to get involved in free insurance program in coordination with the ward office, regular health check up, consultation and medicine in their household (Nepali Congress Sankalpa, 2022).

The Unified Marxist Leninist (UML) is committed towards the well-being of elderly persons through financial support, improved access to healthcare, and social inclusion including timely allowances and elderly-friendly services under the slogan "Base of Socialism, Good Governance and Prosperity, the Government of UML

in Every Municipality” (UML Manifesto, 2022). Similarly, the Rastriya Prajatantra Party (RPP), a Hindu Nationalist Party focused on home-based services, monthly health check-ups and free religious tours for promoting dignity, care, and cultural respect to the elderly persons (RPP Manifesto, 2022).

Nepal Communist Party, Unified Socialist is committed to provide free health care services, elderly clubs in all municipalities, household monitoring, tour programs, and skill-based engagement for healthy and respected aging under the slogan of “Citizen-centric local government, basis for development and prosperity”(CPN Unified Socialist Manifesto, 2022). Similarly, the People’s Socialist Party (PSP-Nepal) promised to provide free healthcare services for people above sixty five years of age, special care homes, and elderly meeting centers in every ward to ensure their care and social participation under the slogan - “Identity, Federalism, Good Governance and Integrity, Basis for Local Government’s Prosperity” (PSP-Nepal, Manifesto,2022).

Roles and Responsibilities of Local Government in Nepal

Local governments are the foundations of democratic governance. They are the governments of the people often referred to as door-step governments. A local government is a form of public administration that, in most of the contexts, exists as the lowest tier of administration within a given state (UK, 2014). Democracy is a form of decentralized governance. The roles and responsibilities of present-day local governments have been increasing steadily with growing expectation of the people for efficient, effective and streamlined services. The central government is often distant from the local communities and cannot identify their needs and aspirations. Therefore, the concept of local governments was introduced to address local issues more effectively. Public welfare services can be better delivered at the local level. Since representatives are elected by local people, they should be responsible and accountable to them. Citizens can hold their representatives and public officials accountable for any wrong doings which helps to establish good governance at the local level.

Nepal has a three-tiered governance structure (Federal, Provincial and Local). There are seven hundred and fifty-three local governments in Nepal including six metropolitan cities, eleven sub-metropolitan cities, two hundred and seventy-six municipalities, and four hundred and sixty rural municipalities. In addition there are seventy-seven district coordination committees. Authorities such as mayors, deputy mayors, chairpersons, vice-chairpersons, members of municipalities and rural municipalities are elected by the first-past-the-post system. The tenure of the

local representatives elected in the 2017 local election has expired, and new members were elected in 2022.

There are several roles and responsibilities of local governments prescribed by the Constitution of Nepal (2015) in its Schedule 8. Among the various functions, the management of elderly population, persons with disabilities, and the incapacitated falls under the jurisdiction of local governments. The Constitution of Nepal, 2015, also mentions the concurrent powers of the federation, state, and local levels which includes social security. This means that social security of the elderly persons is not only the responsibility of the local government but also of the state and federal governments. Based on the Constitution of Nepal, 2015, the Local Government Operation Act (2017) has been issued, which highlights the detailed functions to be carried out by local governments for elderly persons under the heading “Management of Senior Citizens, Persons with Disabilities and the Incapacitated”. These functions include implementation, operation, and management of social security programs based on federal and provincial laws; management and operation of senior citizens’ clubs, day-care centers, and visiting centers; operation and management of elderly centers, disabled centers, and incapacitated centers in coordination with federal and provincial governments; updating data about the elderly; management and distribution of identity and social security cards (LGOA, 2017).

The executive power of the local government shall be vested in the municipal executive or the village executive. Among the various powers of the local executive, the management of senior citizens, persons with disabilities, and the incapacitated falls under their jurisdiction (The Constitution of Nepal, 2015). The chief of the municipality or village municipality calls a meeting to set out plans, policies, and programs and to allow the preparation of the budget to be presented at the meeting.

2. Methodology

The study is based on the comparative analysis of various political parties' manifestos about social security of the elderly population. All the manifestoes have been collected from the websites. The other resources such as the books, articles, reports, documents published nationally or internationally have also been collected for the purpose of the study. Besides, the elderly people residing in the Kathmandu valley were interviewed. There are many political parties who issued manifestos but only five political party's manifestoes are analyzed here which were considered major. The five political parties whose manifestos were studied includes- Nepali Congress, Nepal Communist Party (UML), Nepal Communist Party (Unified Socialist), Rastriya Prajatantra Party, and, Peoples Socialist Party. The manifestoes were

analyzed based on different aspects related to elderly persons such as healthcare, financial security, transportation, old age homes, elderly abuse, etc.

3. Findings and Discussion

The manifestoes of Nepali Congress, CPN-UML, Rastriya Prajatantra Party, CPN-Unified Socialist and People's Socialist Party were analyzed on the basis of five aspects such as healthcare facilities, financial security, old age homes, transportation facilities and prevention of elderly abuse. These aspects are presented in table 1-4.

Healthcare services

The first aspect involves healthcare services. Since health is one of the fundamental rights of the citizens enshrined in the constitution of Nepal (2015), all the political parties are committed towards providing effective health care facilities to the senior citizens either at their household or at the service centers. The major political party, Nepali Congress has promised for free health insurance to citizens above sixty-five years, regular health check-up, and expansion of health insurance and availability of the medicines at their household for those who are incapable of reaching at the health care centers. Similarly, the opposition party, CPN-UML is committed towards providing free health services to the senior citizens in their households and introduces a more modern approach with a proposal of digital health cards. On the other hand, Unified Socialists mentions integration with traditional health systems. Moreover, it has stated to provide free health treatment for all diseases except complicated ones such as heart, kidney, lungs, liver related diseases and diseases requiring surgery.

The Hindu Nationalist Party of Nepal, Rastriya Prajatantra Party (RPP) has shown concern towards the senior citizens health and promised to provide free and compulsory health insurance to all and the management of basic health check up every once in a month for senior citizens. Moreover, it has also made a commitment to provide a monthly health treatment allowance for those citizens suffering from cancer, kidney diseases and spinal injury. Furthermore, it has a commitment to provide mobile health camps in the rural areas. Similarly, the People's Socialist Party like other parties is committed towards providing free health facilities to the senior citizens above sixty-five years of age at the municipal level. However, detailed implementation strategies such as allocation of the budgets, staffing for healthcare services has largely been ignored in most of the manifestoes.

The comparative analysis of different political parties' manifestos on healthcare services showed that they have placed special attention to address the issues related to elderly health. It cannot be ignored that health is the fundamental right of the people and an essential infrastructure for development. However, promising in the manifesto does not ensure its effectiveness unless it is translated into reality. First, the program has to be reflected in the government's annual policies and programs which serve as a basis for planning the budget for the next fiscal year. The annual policy and program 2022/23 has already been presented at a joint meeting of both the houses (The House of Representatives and The National Assembly). It has to be first approved by both the houses before presenting the budget for the next fiscal year. The government budget for the fiscal year 2022/23 was committed for the development of an effective health system for coping with any kind of pandemic. It has ensured the fundamental right of citizens to obtain basic free health service and has guaranteed distribution of ninety-eight types of medicines free of cost targeting mostly to poor elderly citizens. However, the implementation of this initiative has been highly criticized for its lack of fairness in distribution (Shrestha et.al, 2021). Moreover, the elderlies are unaware about the insurance program of the government as they are still paying money for getting the health services and other medical facilities (Interview, 2024). The government was committed to establish additional twenty senior citizens wards at the central and provincial level for providing specialized medical services to the senior citizens (Budget Speech, 2022). Further, all the citizens including senior citizens suffering from kidney related disease, cancer and spinal injury will get monthly five thousand rupees as medical treatment allowance for which the government has allocated 1.5 billion rupees. Moreover, the government committed that arrangement to be made for convenient health services to senior citizens by provisioning geriatric wards in all hospitals. Telemedicine services to be operated in at least one federal hospital and at least two other hospitals of each province (Government of Nepal, 2024). Here, a specialized medical service mentioned in the government speech seems ambiguous. What does a specialized medical service mean? It should be clear to implementers as well as to the target beneficiaries otherwise conflict may arise in the process of implementation. Matland (1995) argued that there could be ambiguity of goals and ambiguity of means in the policy and the likelihood conflict between decision makers and Implementers in the implementation process or the degree of ambiguity inherent in a policy directly affects the implementation process in significant ways- influences the ability of superiors to monitor activities, the likelihood that the policy is uniformly understood across many implementation sites, the probability that local contextual factors play a significant role, and the degree to which relevant actors vary sharply across implementation sites.

It is a great support and a good initiative of the government for those who cannot afford the healthcare services also ensuring citizen's right to live. Studies have shown that some proportion of the elderly do not utilize health services because of high out-of-pocket health expenditure and lack of regular screening of health and only few persons are trained in elderly health care and few hospitals are elderly friendly (Acharya et al., 2019). Moreover, the report published by Nepal Health Research Council identified difficulties faced by the chronic kidney disease patients while seeking the services as they have to look for private centers at their own expense when the machines at the service providing hospitals were under maintenance or were not working (Karki et al., 2017). Furthermore, it involves both medical costs as well as non-medical costs such as diagnosis, lab tests, transportation costs etc. which add extra burden to the patients and the provided amount by the government as treatment allowance seems insufficient. Providing subsidies on food and lodging and discounts in transportation might be helpful. Provision of discount in public vehicles through privileged cards has been effectively implemented. Difficulties have also been observed in keeping accurate data of cancer patients as the people use multiple locations for diagnosis and treatment. The country has entered into federalism, but there is a lack of population-based cancer registry coordination bodies at the provincial and local level (Nepal Health Research Council, 2018). This makes it difficult to identify who really needs the services and who have received the service. Moreover, some of the elderly people who are living in old age homes are deprived of identity which limits them to enjoy the benefits such as old age allowance, and others provided by the state (Interview, 2024).

The number of geriatric doctors for more than twenty-nine lakh population of the elderly is only nine (Ageing Nepal, 2023). In the absence of geriatric specialist, senior citizens face difficulties in their treatment. Establishing senior citizen's wards in the hospital does not necessarily ensure that they get better treatment unless there is availability of a higher proportion of qualified geriatric doctors and nurses. Not only the government, but also the unawareness of the citizens has posed the elderly population in a problem. The different political parties were committed to provide healthcare services to the elderly households but their commitment remained only on paper as based on the view of participants - none of the doctors, nurses or medicines were available at their household and no regular health checkup (Interview, 2024). This shows a mismatch between commitment and delivery. Although health care-facilities have been prioritized in different political parties' manifestoes, translating their promises into reality seems infeasible without proper mechanisms to address these issues.

Party	Commitments on healthcare services
--------------	---

Nepali Congress	<ul style="list-style-type: none"> • Expansion of health insurance coverage for elderly persons above 65 years • Commitment to provide health services free and regularly at their households • Distribution of identity cards for elderly persons to get prioritized services
CPN-UML	<ul style="list-style-type: none"> • Free health service at elderly household • Digital health card • Geriatric care in local hospitals
CPN-Socialist	<ul style="list-style-type: none"> • Free health care services to all diseases except complicated one such as heart, kidney, lungs, liver and diseases requiring surgery • Elderly care health desks
Rastriya Prajatantra Party	<ul style="list-style-type: none"> • Free and compulsory health insurance to all • Basic health check-up every once in a month • Monthly health treatment allowance for cancer, kidney and spinal injury • Mobile health camps in the countryside
People's Socialist Party	<ul style="list-style-type: none"> • Free health facilities for elderly above sixty-five at Municipal level • Health care via mobile clinics

Table 1: Commitment of Political Parties about Health Care for the Elderly
Financial services

The next consideration is about the financial security of the senior citizens in the political party's manifestoes. Financial security provides a basis for healthy ageing. As the population aged sixty-five and above is expected to increase in all regions of the world, the global figure of 9.3 percent in 2020 is projected to reach nearly 16.0 percent in the year 2050 (UNDESA/PD, 2020). The elderly population in Nepal is growing steadily at the rate of 3.77 percent which is three times higher than the annual population growth rate (1.35 percent) during 2001 to 2011 which was only 1.96 percent in the year 1961 (CBS, 2014).

The comparative analysis of five different political parties' manifestos for local election 2022 on the financial security demonstrates that all parties support for the continuation and efficiency of old age allowance system via digital or bank-based payments. Nepali Congress promises to provide old age allowance for senior citizens

above sixty-five years of age and also health treatment allowance. Similarly, CPN-UML, has promises to provide old age allowances at the household of weaker senior citizens. In the manifesto of CPN-UML for local election 2017, the party has made a commitment to increase the social security allowance for senior citizens to Rs 5000 per month. However, at present, senior citizens are receiving only Rs 4000 per month as the social security allowance. A populist type of approach has been observed in their manifesto - making big promises without assurance of implementation and no revision of the promises that they had made in the last election.

CPN, Socialist party, promises to provide additional support to the marginalized elderly persons. Similarly, Rastriya Prajatantra Party promises to link allowance with inflation and advocates for timely payments of allowances while People's Socialist Party suggests about the grass roots micro pensions concepts. Old age allowance should be provided to the elderly in order to cover their daily expenditures and ease their life. This has been realized by the government of Nepal in the previous year and increased all types of social security allowance by thirty three percent and the monthly allowance for elderly persons has been increased to four thousand rupees as government has allocated Rs 116 billion for the purpose of social security allowance (Budget Speech, 2024/25). Increasing the social security allowance is the responsibility of the government and this is the right of the citizens. For those who are deprived of family care, the old age allowance has helped them to lead a comfortable life at old age (Interview, 2024). Nearly ninety percent of the elderly population benefited from the social security allowance who spent more on medical treatment followed by food, clothing and household activities (MoWCSC, 2021). Based on focused group discussion conducted by the Ministry of Women, Children and Senior Citizens, findings revealed that there are no procedural complexities in obtaining social security allowances in both places having banking or no banking facility. The interview with a few groups of the elderly also suggests that they get an allowance easily without unnecessary hassles and they were satisfied with it as the government has prioritized the elderly in the national plans and policies (Interview, 2024). Besides rupees four thousand, the respective wards of Kathmandu Metropolitan City and Lalitpur Metropolitan City are providing additional twelve thousand rupees and ten thousand rupees annually as festival allowance (Interview, 2024). They were happy with the social security allowance program but at the same time they opined that the amount is insufficient as it is just covering the health expenditure; so, they expect the government to increase the allowance (Interview, 2024).

Party**Financial services**

Nepali Congress	<ul style="list-style-type: none"> • Commitment to provide old age allowance above sixty-five years of age in a timely and transparent manner • Commitment to establish a unified database of beneficiaries to avoid duplication
CPN-UML	<ul style="list-style-type: none"> • Life cycle social security since childhood to old age • Transparent digital allowance system • local level social security desk
CPN-Socialist	<ul style="list-style-type: none"> • Digital transfer of elderly allowances • Provide additional support to marginalized elderly persons
Rastriya Prajatantra Party	<ul style="list-style-type: none"> • Distribution of allowances in a timely manner
People's Socialist Party	<ul style="list-style-type: none"> • Distribution of allowances via banks

Table 2: Commitment of Political Parties towards Financial Security for the Elderly

The finance minister delivered a budget speech for the fiscal year 2022/23 and announced that the age of the senior citizens receiving social security allowance under social security program is reduced to sixty-eight years from seventy years (Budget Speech, 2022). Since then, the elderly people are getting allowance at the age of sixty-eight. According to the Central Bureau of Statistics, the number of senior citizens above sixty-eight years was 18,27,000 in the year 2021. About thirty six percent of the social security amounts have been spent in old age allowance which accounts for 66 billion rupees. According to the Department of National ID and Civil Registration, the senior citizens receiving an allowance of Rs 4000 monthly who have completed seventy years are 12,70,000 and citizens from Kanali region receiving Rs 2660 per month are more than 21,15,000 (DONIDCR, 2021). The life expectancy of Nepalese has increased to more than seventy years but the age limit of senior citizens receiving old age allowance has been reduced to sixty-eight years from seventy which is technically not feasible in the long run as it adds financial pressure on the part of the government.

Old age home, meeting centers and clubs

The older people always want to live with their family members but it is not possible in some instances, some may not have a family, those having a family may have problems like the family members have to go to work and do not have sufficient

time for maintenance and care of elderly parents. However, the Senior Citizens Act 2006 mentioned that the rights of the elderly should be ensured and has also compelled the family members to take care and maintain the elder parents based on the economic status and social prestige of the members. (Senior Citizens Act, 2006). The family may not be socio-economically strong enough to bear the cost of care at the expense of their children and career, and, even if they are socio-economically strong may have some personal values and priorities (Acharya, 2008). In such a situation old age home, visiting or meeting centers for elders and clubs become the only support system for senior citizens.

Old age homes, clubs and visiting centers may be required for the elderly persons to share their feelings to move away from loneliness caused by nucleation in the family structure. Realizing this, the establishment of the community managed old age homes appears in all the manifestos and all five parties propose elderly clubs and visiting centers at the ward or municipal level, linking cultural or recreational program to promote active and dignified aging. Nepali Congress and CPN- UML commit for the establishment of elderly homes via state facilitation or public private partnerships, without robust implementation framework. Records and evidence suggest that the origin and development of old age homes of a kind started in 1938 B.S in Nepal but its actual establishment was made in 2030 B.S (Acharya, 2008). Nepal has shown interest from the side of Non-governmental organizations and private sectors only when the UN declared 1999 A.D as the international year for the elderly (ibid). Later on, the government realized the need for the maintenance and care of the senior citizens and started to allocate a budget for addressing the issues related to senior citizens. The Ministry of Women, Children and Senior Citizens is the recognized organization involved in the formulation of plans and policies related to elderly people and for the coming fiscal year the government has allocated 116 billion rupees for this ministry (Budget Speech, 2024/25). Progress has been made in the establishment of old-age homes, daycare centers and visiting centers. Among the 753 local units, 211 have already established daycare centers and visiting/meeting centers for elderly people (MoWCSC, 2020/21).

Party

Old age homes, meeting centers and clubs

Nepali Congress	<ul style="list-style-type: none"> • Commitment to establish community- managed old age homes • Allocate local budget for the maintenance and staffing of elderly homes • Commitment to set up senior citizens clubs and meeting centers at local levels • Initiatives to foster connections between generations and support cultural transmission
CPN-UML	<ul style="list-style-type: none"> • Committed to establish old-age homes visiting/meeting center in each ward via Public Private Partnership. • Coordinate with NGOs • Cultural and recreational programs
CPN-Socialist	<ul style="list-style-type: none"> • Commitment to establish old-age homes supported by local governments • Establishment of ward level clubs and perform regular social activities
Rastriya Prajatantra Party	<ul style="list-style-type: none"> • Establish elderly homes in each districts • Promote cultural heritage for elderly persons
People's Socialist Party	<ul style="list-style-type: none"> • Commitment to establish old-age homes • Community based elderly shelters • Establish clubs for elders to promote community connections

Table 3: Commitment of Political Parties towards Old Age Homes, Meeting Centers and Clubs for the Elderly

Transportation Facilities

It becomes very difficult for the older people to travel from one place to another either for getting allowance or medical facility or any other purposes because of scarce financial resources. Some sort of security must be provided by the state so that they could travel comfortably without financial burden. Almost all parties have made commitments regarding concessions in the transportation and elder-friendly infrastructures. Peoples Socialist Party and Rastriya Prajatantra Party promises to provide free travel to religious, touristic and panoramic sites within the country. Based on the view of some elderly, they have not traveled at free of cost to any place

within the countries, however, the fifty percent concession of elderly in transportation has been effectively implemented since a very long time (Interview, 2024).

Party	Transportation Facilities
Nepali Congress	<ul style="list-style-type: none"> • Work with public and private sectors to provide subsidies in transportation and develop elderly friendly safe walkways and public transport stops.
CPN-UML	<ul style="list-style-type: none"> • Elder-friendly transport stops and concession in the transportation
CPN-Socialist	<ul style="list-style-type: none"> • Free travel to religious, touristic and panoramic sites within the country • Develop paths accessible to elderly persons
Rastriya Prajatantra Party	<ul style="list-style-type: none"> • Work with public and private sectors to provide subsidies in transportation and develop elderly friendly safe walkways and public transport stops.
People's Socialist Party	<ul style="list-style-type: none"> • Elder-friendly transport stops and concession in the transportation

Table 4: Commitment of Political Parties about Transportation Facilities for the Elderly

Senior citizens Abuse

In Nepal, a total of 1,068 older people consisting of 691 male and 377 female were abused within a period of six years from 2012 to 2017 (Thapa, 2018). Only one in twenty four cases or 4 percent of elderly abuse has been reported globally as per UN report, 2017 which means that 25,000 elderly people were abused over the period of six years in Nepal, an average of more than 4,000 per year (Thapa, 2018). Similarly, reported cases of different kinds of elderly abuse (physical, psychological, financial, sexual and neglect) within a period of four years from 2018 to 2021 was 944 and the death rate of elderly persons after abuse was 851 (Ageing Nepal, 2022). This figure shows that elderly abuse is growing in Nepal which cannot be neglected and needs urgent attention from the part of the government. Elderly abuse occurs when people go against the deeply rooted cultural values of obedience, devotion and care towards one's parents and these may sometimes remain unreported in the name of preserving family prestige. This is a serious issue and the most underdeveloped area; all the political parties mention about awareness programs, legal support and redress mechanisms. Rastriya Prajatantra Party, though not strong on enforcement, focuses on moral and cultural educations to promote respect towards elderly persons. However, there is no clarity on coordination with police, judicial

bodies or social workers to address the cases of abuse. CPN-Socialist have promised for the management of regular monitoring from the municipal level to see whether the senior citizens are living with adequate maintenance and care from their family members or not.

4. Discussion

As manifestoes are the commitment made by the different political parties before the election about their vision, plans and policies just to attract the voters to choose a particular party but the manifestoes did not get implemented properly. Manifestoes, although read by only a small population, form a major point of departure for launching any election. Preparing the manifestoes does not necessarily ensure that it would get implemented at once because, first of all it should be recognized in the government's annual plans and programs which should be also reflected in the national budget. The government has presented the annual plans and programs 2024/25 to the joint session of both the houses (The National Assembly and The House of Representatives).

When the livelihood and healthcare of the elderly population is so much dependent upon government assistance, voting by them becomes very important. In the United States, seniors are a tempting campaign target, particularly because they are potentially swing voters not committed heavily to any party (Binstock, 2007). The other cause is that the seniors turn out to vote at a higher rate than do other members of other age groups (ibid). If a candidate wants to win, they would better pay attention to the issues of elderly population (Bunis, 2018). In Nepal, as part of the poll campaigns, political parties would favor the senior citizens by conducting various programs in their honor a few days before voting to take place. This makes the senior citizens think whether the political parties are campaigning only for election purposes to win the heart of the elder voters or really want to translate their promises or to work in their favor. After winning the election; they would ignore the issues of the elderly and this has been widely adopted by various political parties of Nepal since a very long time. If parties are really serious about the issues of the senior citizens, then they should have consulted them to make the manifesto realistic. As manifestoes are prepared without proper study and consultation, they have only become the tool for election campaigning.

Now-a-days, older voters are becoming more aware than they were in the past and can easily understand the vested interests of political parties that make them rethink and identify the better candidate to vote for. In the last election manifesto, 2017 CPN-UML was committed to increase the old age allowance to Rs 5000 but still

the seniors above seventy years are receiving Rs 4000 and seniors above sixty of Karnali regions are receiving Rs2660 as a monthly allowance which has been initiated by UML- led government since 1994 with only Rs 100. This shows a mismatch between the promises and the delivery. Given the growing necessity to implement other schemes related to social security based on manifesto, constitution, national and international commitments, the expanding payment requirement may add extra pressure to the budget- non-contributory social security schemes will not be sustainable in a few years' time (Khadka, 2017). Some of the senior populations are still deprived of the facility provided by the state because most of the senior citizens particularly from the Muslim community clearly lag in citizenship acquisition rate relative to other religious groups (Gurung & Khatiwada, 2015). Moreover, based on the views of some other elderly people residing in old age homes, lack of identity makes them deprived of some benefits provided by the state (Interview, 2024).

The government of Nepal has realized the need for an effective organization to address the necessities of the elderly people but it is very difficult to translate the decision into reality. It is concerned with few welfare programs such as providing allowance and health care facilities but the evidence showed that the allowance has not been enough to meet the health care of the senior citizens as the health institutions and care providers are privately owned or profit oriented (Shrestha et.al, 2021). Once they become profit oriented, less time and effort will be concentrated towards maintenance and care of the elderly population.

5. Conclusion

Manifesto is a guidebook for voters to know about the commitment of a particular political party which also helps voters to make a rational decision on whom to vote for. Different political parties have issued their manifestoes but, in this study, assessment of only five political parties' manifestoes has been done, three from coalition government, one from CPN-UML and one from Hindu Nationalist Party - Rastriya Prajatantra Party. Political party's manifesto is important because it displays or gives ideas about how much they care for citizens. The manifestoes have been assessed based on five factors- health care services, financial security, transportation, old age homes and elderly abuse prevention. All the political parties have prepared attractive manifestoes showing care for senior citizens but the overall responsibility goes to the winning party. The elected representatives should be responsible and accountable towards the citizens; they should translate the promises made before the election. The analysis showed that the senior citizens were

prioritized in the annual policies and programs of the government and have also been included in the national budget with the allocation of a certain amount of money for the maintenance and care of the elderly. This clearly shows that different political parties and the government are prioritizing older people so that they can lead a comfortable life. Based on the view of some elderly, few welfare programs such as the old-age allowance, concession in transportation have been found to be effectively implemented. In addition, the services provided by the old age homes were satisfactory. However, many of the elderly are unaware about the free health insurance program launched by the government. In addition, they don't know where to complain if they get abused by family members (Interview, 2024). There are many unreported cases of abuse in the name of preserving family prestige and also due to the lack of hope in the Nepalese legal system. In this situation, a strong mechanism of monitoring is essential to check whether the older people are kept with adequate maintenance and care or not from the family members. This clearly shows that the elderly population did not realize the benefits as committed in the political party's manifesto. Senior citizens were sometimes used as an instrument for election campaigns because the majority of the elderly population cast a ballot after the assessment of the manifesto as they are becoming much more aware than they were in the past.

References

- Acharya, P. (2008). Senior Citizens and the Elderly Homes: A Survey from Kathmandu, *Dhaulagiri Journal of Sociology and Anthropology*, 2, 211-230. <https://doi.org/10.3126/dsaj.v2i0.1362>
- Acharya, S., Ghimire, S., Jeffers, E. M., & Shrestha, N. (2019). Health care utilization and health care expenditure of Nepali older adults. *Frontiers in Public Health*, 7, Article 24. <https://doi.org/10.3389/fpubh.2019.00024>
- Ageing Nepal. (2023). *Elderly Abuse in Nepal* (Unpublished Report).
- Binstock, R.H. (2007). Older People and Political Engagement: From Avid Voters to 'Cooled-Out Marks'. *Generations*, 31(4), 24-30. American Society on Ageing.
- Bunis, D. (2018). The immense power of the older voter. *AARP bulletin*. <https://www.aarp.org/politics-society/government-elections/info-2018/power-role-older-voters.html>
- Central Bureau of Statistics. (2014). *Population Monograph: Vol I & II*, Kathmandu: Central Bureau of Statistics.

- CPN-UML. (2022). *Local Level Election 2079 Manifesto*. Communist Party of Nepal (Unified Marxist-Leninist). Retrieved from <https://cpnuml.org.np/publications>
- Department of National ID and Civil Registration (2021) Retrieved from <https://donidcr.gov.np>
- Government of Nepal. (2017). *Nepal Gazette*. Department of Printing. <http://rajpatra.dop.gov.np>
- Government of Nepal, Ministry of Finance. (2021/22). *Budget speech 2021/22*. <https://mof.gov.np>
- Government of Nepal, Ministry of Finance. (2022/23). *Budget speech 2022/23*. <https://mof.gov.np>
- Government of Nepal, Ministry of Finance. (2024/25). *Budget speech 2024/25*. <https://mof.gov.np>
- Government of Nepal. (2024). *Annual policy and programs of the Government of Nepal for the fiscal year 2081/82 (2024/25)*. Office of the Prime Minister and Council of Ministers. <https://opmcm.gov.np>
- Gurung, Y.B., & Khatiwada, P. (2015). Legal Identity in Nepal: An assessment of existing database and recommendations for future direction. *Research Gate*. <https://www.researchgate.net/publication/280216395>
- International Labor Organization. (2010). World social security report 2010/11: *Providing coverage in times of crisis*. ILO. <https://www.ilp.org/publications/world-social-security-report-201011-providing-coverage-in-times-crisis-and/lang--en/index.htm>
- International Labor Organization. (2016). The right to social security in the constitution of the world: Broadening the moral and legal space for social justice (ILO Global Study, Vol.1: Europe). Geneva, Switzerland: International Labor Organization. <https://www.ilo.org/sites/default/files/wcmsp3/groups/public/@ednorm/@normes/documents/publication/wcms518153.pdf>
- Jamil, I., Dhakal, T.N. & Poudel, N.R. (2017). The state of governance and citizens' trust in public and political institutions in Nepal: Trust Survey Data Book. Tribhuvan University, Central Department of Public Administration.

- Karki, K.B., Maskey, J., Giri, M., Pandey, A.R., Makai, P., Subedi, R., Poudyal, A., & Aryal, k.k. (2017). *Assessment of chronic kidney disease support program of Government of Nepal*. Nepal Health Research Council,
- Khadka, R. (2017). *Analytical briefing on the social security sector in Nepal*. International Labor Organization and Ministry of Labor and Employment of Nepal. Kathmandu.
- Law Books Management Committee. (2006). *Senior Citizens Act, 2063 (2006)*. Kathmandu: Law Books Management Committee. [https://nepal.un-fpa.org/sites/default/files/pubpdf/senior citizens act.pdf](https://nepal.un-fpa.org/sites/default/files/pubpdf/senior%20citizens%20act.pdf)
- Law Book Management Committee. (2015). *Constitution of Nepal*. Kathmandu: Law Books Management Committee.
- Law Book Management Committee. (2017). *Local Government Operation Act, 2074 (2017)*. Kathmandu: Law Books management Committee.
- Law Books Management Committee. (2018). *The Social Security Act*. Kathmandu: Law Books management Committee.
- Matland, R. E. (1995). *Synthesizing the implementation literature: The ambiguity-conflict model of policy implementation*. *Journal of Public Administration Research and Theory*, 5(2), 145-174.
- Ministry of Women, Children and Senior Citizens. (2021). *Annual review 2020-2021*. Government of Nepal.
- Nepali Congress. (2022). *Local Level Election 2079 Commitment Manifesto*. Nepali Congress Central Office. <https://nepalicongress.org/publications>
- Nepal Communist Party (Unified Socialist). (2022). *Manifesto of CPN-Unified Socialist: Local Election 2079*. Central Office, Alok Marga, Min Bhawan, Kathmandu, Nepal.
- People's Socialist Party. (2022). *Manifesto of People's Socialist Party: Local Election 2079*. Nepal
- Poudel, R. (2024). *Address by the Right Honorable President Mr. Ramchandra Poudel to the joint session of both houses of the Federal Parliament*. Government of Nepal
- Rastriya Prajantra Party. (2022). *Manifesto of Rastriya Prajatantra Party: Local Election 2079*. Campaigning Committee.
-

- Shrestha, S., Aro, A.R., Shrestha, B., & Thapa, S. (2021). Elderly Care in Nepal: Are existing health and community support systems enough? *SAGE Open Medicine*, 9, 1-5. <https://doi.org/10.1177/20503121211054465>
- Suiter, J., Farrell, D.M. (2011). The parties' manifestos. In Gallagher & M. Marsh, M. (Eds.), *How Ireland Voted* (pp. 29-46). Palgrave Macmillan, London
- Thapa, S. (2018). *Demanding an End to Elder Abuse in Nepal*. Help Age Nepal.
- UK Parliament. (2014). *Parliamentary Sovereignty*. Retrieved from <https://books.google.com.np>
- United Nations, Department of Economic and Social Affairs, Population Division. (2020). *World population ageing 2020 highlights* (ST/ESA/SER.A/451). https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/files/documents/2020/Sep/un_pop_2020_pf_ageing_10_key_messages.pdf
-

Administrative Reform in Nepal: Conceptual Discussion

Binod Kumar Shahi

Abstract

Administrative reform in Nepal has been a continuous process aimed at promoting administrative efficiency, effectiveness, transparency, accountability, responsiveness, through restructuring policy, structure, and adopting new administrative norms, values, technology. The set up of the ancient administrative system in Nepal was based on centralized, hierarchic and rigidity which also had negative effects such as corruption, maladministration, political patronage, nepotism, favoritism. A number of efforts were made to make the effective administrative system adopting various conceptual and theoretical development in this field. This article examines the theoretical foundation in line with the efforts made through administrative reform in Nepal. The study also reviews the implementation of recommendations given by different reform commissions in Nepal. It is based on historical research design and relies on secondary data collected from books, research article, legal provisions, government report, and the archives. Findings reveal that such efforts contributed for improving in administrative structure, service condition and power sharing through decentralization, however, practical application is very challenging due to political interference, nepotism, favoritism, status quo-oriented behavior, corruption, redtapism, buck passing nature. This is mainly due to lack of professionalism, neutral competencies, meritocracy, political commitment, ethical culture, technology friendly administration, citizen centric administration to ensure effective, efficient, responsible, transparent and accountable administration.

Keywords: *Administrative Reform, NPM, e-Governance, Decentralization, Meritocracy, Foundation*

Corresponding Author

Binod Kumar Shahi, Email: shahibinod72@gmail.com

1. Introduction

Public administration is a dynamic subject which is evolving continuously around politics, administration, business, economy and social behavior. public administration has moved from traditional hierarchical based, rigid, bureaucratic approach to new public management, new public service and new public governance each of these has significant impact in the administrative reform (Acharya, 2024). Administrative reform refers to the process of making changes and improvements to the structure, functions, and processes of government agencies and institutions. The goals of administrative reform are often to enhance efficiency, effectiveness, transparency and accountability in the delivery of public service. According to Caiden (1968) administrative reform is the artificial inducement of administrative transformation against resistance. It is artificial because it is manmade, deliberate, and planned. It is not natural, accidental or automatic (As cited by Ghimire & Ashraf, 2016). There are many terms which are used to spell out the meaning of administrative reform such as: administrative change, administrative modernization, administrative development, administrative innovation, administrative reorganization, downsizing government, right sizing government, reengineering government Since the formation of states in the past, the government required capable and efficient administration to maintain law and order, extract necessary resources, protect the country from external aggression and enhance physical boundaries.

After the second world war, a number of states were free from colony in Asia, Africa, and other countries. At this moment, these new states and newly independent states have to attain the goal of economic development, social reforms, nation building and internal harmony, security etc. But fulfilling the several points raised by the leader during the struggle for freedom was impossible for new government to fulfill. The working hand of government (administrative System) was inadequate and incapable to meet the challenges. Therefore, this situation emphasized on reforming the administrative system in the changed context. The impetus of administrative reform was experienced since the 1853 reformed movement started by the UK, and the major reforms initiated by the US government in 1883. The Scientific Management Movement developed new techniques and inspired the western governments to eliminate waste, improve output, maintain financial requirements and maximize resource utilization (Taylor, 1911). Ultimately, there emerged the human relation approach in administration. The external inducements towards the administrative reform provided a flow of assistance for administrative modernization and transfer of technology and institutions.

Besides, Development administration, Comparative Public Administration, New public Administration etc. have urged the administration to reform so that the administrative system would be able to meet the needs and aspirations of people. In more recent time there are some of the recent trends in public administration i.e. NPM (the leading themes have included privatizing state institutions, reducing the size of bureaucracies, building management capacity and promoting greater accountability) NPS, (focused on people's participation in administrative mechanism, and citizen friendly administration), NPG (focused on networking governance) Administrative reform has certain trends across the world society i.e. Policy reform, Structural reform, Functional reform/procedural reform, normative attitudinal reform. The administrative basically focus on an existing universe of public administration and seek to deal with government-wide problems (Rana, n.d.). The main purposes of administrative reform are to minimize bureaucratic inefficiency, building administrative capability, identify the reasons behind the market failure and addressing the issues emerged due to market failure.

Maintain social stability and addressing the problem of unemployment are also major purposes of administrative reform. Administrative reforms are necessitated for meeting demand and expectations of people, Fulfilling the political demands and supports, ensuring democracy and people's participation, inducing new values and norms, Institutionalizing the government bureaucracy, giving multi-dimensional role to bureaucracy. political leaders, expert and academicians, bureaucrats, consultants and experts are responsible for the administrative reform. Historically Nepal has unitary government system based on monarchy. Highly centralized administrative system dominated by hierarchy, authority driven, top-down, rigid, status quo oriented, political patronage, corruption, weak accountability, nepotism, favoritisms, due to this all-bad administrative culture the concept of administrative reform was emerged as response to the changing political, economic, social and culture scenario of the country.

This article is based on historical design by reviewing a number of published and unpublished research works such as books, articles, monographs, etc. The analysis is made on the basis of recommendation of reform commission against the implementation of such recommendations. There is also discussion on the effectiveness, efficiency, trends, challenges and practical applications regarding administrative reform in Nepal. The information is mostly generated from secondary sources reviewing research articles, books, legal instruments, government reports and policy documents.

2. Literature review on administrative reform

The administrative systems of different nations differ because of their cultural orientations. Administrative systems operate in their environment consisting of the historical, socio-cultural, economic and political factors (Rana & Gautam, 2026). Administrative reform refers to the change in administrative structure, policy, procedure, norms, values, which ultimately enhances efficiency, effectiveness, accountability, transparency, in public sector. It also focuses to reform in relation with individual, groups and institutions in the public affairs domain. The areas of reform regarding individuals focuses on attitude, values, enhancement of capacity building, skill development, and their motivating, Reform also covers the areas such as leadership, roles, status, dynamics and communication. It also focuses on the development of institution with covers decision making, organizing structure, procedure etc. (Acharya, 2024). In the past background of Nepalese administrative system was highly featured with hierarchy based, rigid, top-down authority driven, rule, regulation based, power oriented, status quo-oriented behavior. As a result, flexibility and discretion was almost absence. Rather suffered from politicization, corruption, maladministration, procedural complexity weak cooperation, coordination, negotiation participation, and poor service delivery. However, demands of administrative reform and effective governance has demanded over the time particularly introduction of federal democratic republic in Nepal. In this context academics as well, the practitioners have emphasized the need for administrative reform through restructuring, capacity building, decentralization and door step governance in the federal context of Nepal.

Application of different theories with regards to administrative reform in Nepalese administrative system can be explained in different literatures. Bureaucratic theory as developed by Max Weber in the 1920s regarded as classical approach of public administration focuses on hierarchy, rule, regulation based, merit based, neutrality, classification of personnel, work division, written decision, career development opportunity, job security (Weber, 1922). Nepalese administrative system has highly influenced this bureaucratic theory by creating a number legal instruments focusing personnel system, decentralization, procedural improvement etc. However, in the context of Nepal scholars argue that more hierarchy based, rigid, top-down authority driven, excessive proceduralism, centralized, rule, regulation based administrative system should be reformed to make efficient, flexible, discretion, result oriented, decentralized, participative particularly onward 1990s.

New Public Management (NPM) was emerged on the basis of two sorts of theoretical foundation i.e., Managerialism and Economic theories. The NPM advocates about efficiency, outsourcing, deregulation, discretionary power, result orientation, productions orientation, performance-based pay, performance-based promotion and job rotation, privatization, profit motive, lean and thin administrative structure (Osborne and Gaebler, 1992). Nepal has focused on privatization, e-governance, decentralization, administrative restructuring, performance evaluation. Despite the adoption of these new practices in administration there are certain administrative culture in the Nepalese administration due to political interference and bureaucratic hurdles.

Good governance theory emphasizes upon the transparency, accountability, rule of law, participation, constitutionalism, responsiveness, efficiency, effectiveness (UNDP, 1997). In federal Nepal there is decentralization of power, and resource from central to local level through delegation, de-concentration and devolution to make governance participative, efficient and effective. There are so many legal provisions in Nepal regarding participation, transparency and accountability which ultimately enhance the good governance.

As per the institutional theory there are two types institutions i.e. formal (governmental rule, regulation) and informal institutions (social norms, values, and practices). These both institutions shape administrative behavior (North, 1990). Nepalese administration is influenced by informal institutions. Which weaken meritocracy, and obstruct the reform implementation. Administrative reform therefore not only require the structural change but also the change in the bureaucratic culture.

New Public Service (NPS) was emerged as a theoretical approach to response the limitations of traditional public administration and new public management (Denhardt & Denhardt, 2000). NPS emphasizes people`s supremacy. It focuses on people`s participation, accountability, and seeking public interest. In the context of Nepal, the relevancy of New Public Service has increased after the adoption of federal system. Inclusion, citizen engagement in development, decentralization, participatory planning, public hearing are the practices of New Public Service adopted by Nepal.

New Public Governance (NPG) was emerged as new paradigm shift in public administration. NPG emphasizes on collaboration, participation, negotiation, and cooperation among the different actors of governance i.e., government, private sector, nongovernmental organization and civil society (Osborn, 2006). NPG focuses on dispersion of power. Scholars argue that the government itself cannot

manage all public affairs but it has to make network with rest of the actors in governance. In the context of Nepal NPG is reflected through intergovernmental relation, decentralization, public private partnership, digital governance and participatory planning.

3. Empirical review

Studies conducted by the government of Nepal found that the decentralization enhanced transparency and accountability and empowered people through their participation in decision making and implementation. Ghimire (2019) conducted the research regarding administrative reform in Nepal. The study basically focused on administrative reform from the 1960s onward and found that due to political interference, bureaucratic resistance and corruption most reform commission are failed to implement their recommendations about administrative reform.

Kim (2017) analyzed the administrative reform during Nepal's transition phase and found that the transition from unitary governance to federal governance system created reform needs to public administration. Another study by Gautam (2023) critically analyzed about local self-governance in federal Nepal and found that federalism play the significant contribution to local participation and democratic representation

Bhul (2023) reviewed over the practice of affirmative action in Nepal and found that inclusion improved participation of the marginalized, backward and disadvantage people in bureaucracy. A study report by united nation's development program (UNDP, 2019) found that local governments in Nepal are much more active in planning, budgeting, and formulating developmental programs and projects after federal democratic republic in Nepal.

There are so many discussions and debate regarding administrative reform efforts in Nepal such as institutional restructuring, application of e-governance properly, simplification of service delivery, reduction of bureaucratic hurdles, adoption of new administrative norms and values from the global society. One of the key issues raised in different forums and discussions regarding administrative reform after promulgation of constitution in 2015 is on missing coordination and cooperation among the three layers of government.

Various scholars have discussed on the administrative reform in Nepal from the theoretical and empirical perspectives but several research gaps remain. Most of the studies primarily focused on the theoretical part however there is limited

research regarding the practical effectiveness and efficiency of administrative reform. Previous research emphasized on the political interference, bureaucratic resistance and corruption as barrier of administrative reform but not analyzed about the administrative culture, informal institutions and behavior patterns within the administrative mechanism influence over the administrative reform. Studies have highlighted about the reform efforts in current scenario but not explained details about the historical evolution regarding administrative reform in Nepal hence this research attempts to fill all of these gaps.

4. Efforts of Administrative Reform in Nepal

Historical evolution of Nepalese administrative reform can be studied in following chronological periods:

Administrative features before 1951

The practice of administrative reform in Nepal was started from the ancient period but the significant efforts emerged after the democratic movement in 1951. Basically, the administrative reform effort in Nepal started from Buch Commission in 1952. government formulated some of the reform commission over the period of time and every reform commission recommended in diverse field of administration.

Since in ancient times in Kirat, Lichhavi, Malla and the Rana regimes, basis for administration was religion and ethics as well as tradition rather than systematic and scientific written legal provisions (Aryal, 2081). However, the Rana prime ministers tried some sort of improvement in administrative matters.

Kirat – the first dynasty in Nepal ruled the country up to 2nd century as per the religious principle. In Kirat regime there was provision of administrative council which was known as Chumlung (ministers, military officers, representation of local people). The kings were assisted by Bhumlung. Kirat administration also focused on decentralized local administration through Thum and village. Governance system was semi-democratic, community oriented, decentralized and welfare focused as well.

The Lichhavi ruled during 2nd to 8th century had three tiers of government such as central, Visayas (as district level), and local, i.e., village/town administrative system. Religious principle and traditional practices were the main ideas for ruling the countries. King was considered the source of power for appointing council of ministers, army administration, and the justice system, etc. Institutions

like kuther, adda, mam chok, lingwal, Shuli etc. were established as administrative and judicial bodies during Lichhavi period. As the main moto of administration was service delivery and justice to the citizens administration during this period was also considered as 'golden age of ancient period. The administrative system in the Malla period was also somehow similar to Lichhavi period. The economic prosperity, social and cultural development during this period was quite developed. However, administrative institutions were not strong and division of the country created infighting among the Malla kings which displaced their regime.

Most authority in state administration was limited to the king. In 1950, Bir Shamsheer divided Nepal into 35 districts for administrative purposes. Chandra Shamsheer established Shrestha School to train officials. Bhim Shamsheer introduced Saturday as a holiday and set office hours from 10 AM to 4 PM. Juddha Shamsheer created a military fund to provide pensions to military and civil employees.

Soon after unification in 1769 of the country, the then Shah governments were overburdened to efficiently administered the expanded country. Recruitment of employees from Thar ghar (special six castes), pajani (annual screening of employees) and khangi (salary) system was employed to run personnel system. The country was divided into 12 districts. Due to the absence of systematic administrative system and quarrelling of royal family members the absolute power from the king shifted to Rana prime ministers particularly after Kot and Bhandarkhal massacre in 1903. In Rana regime, administrative power was highly centralized, however, 35 districts were created in the country. Recruitment of employees and salary system was continued in Rana regime as it was practiced before. However, a number legal instruments such as Ain, Sawal, and social codes were created.

Administrative reform initiatives onward 1951

Modern administrative initiatives started after over throne of Rana rule in the country. A number of commissions and committees has been formed and provided recommendations to reform traditional practice of administrative system in Nepal (Acharya, 2024). One of the first initiatives was creation of Public Service Commission in 1951 to institutionalize administrative system. the Civil Service Act was enacted in 1956 similarly in 1961 Nepal was divided into 14 zones and 75 districts then it was divided into 4 development regions in 1972. Finally, Nepal was divided into 5 development regions in 1980 Civil Service Act 1992 and Civil Service Regulations 1993 were enacted.

In spite of different administrative reform, before democracy the bureaucracy was not effective nor efficient or transparent, the government still remained only with its vested interest (Ghimire & Ashraf, 2016). After the establishment of democracy in Nepal the government formed different commissions, they provided different recommendations regarding administrative reforms. which are explained below

After political changes in 1951 with the promulgation of Interim Constitution in 1951 the then government formed a three-membered 'administrative restructuring committee' under the then chairmanship of M.N. Buch in 1952 (Ghimire & Ashraf, 2016) for providing a modern administrative system in Nepal (Aryal, 2081). Key highlights of the recommendations of this committee were as follows:

- Reducing the number of ministries
- Creation of post of chief secretary
- Necessity of civil service Act
- Highlight the necessity of accounting and financial regulations
- Need for administrative training
- Not necessity of planning commission
- Establishment of police office
- Recruit senior official from India
- Review salaries and benefits through public service commission
- Appoint new employees only based on the recommendation of the public service commission
- Implement decentralization policy

As the Buch Committee's recommendations were not fully implemented Tanka Prasad Acharya government formed another high-level another committee "Administrative Restructuring and Planning Commission' in 1957 was formed under the chairmanship of then prime minister Tanka prasad Acharya. The recommendations provided by this commissions are given below (Bhatta, 2076). Some of the major areas of recommendation were:

- Introduction of civil service rule regulation
 - Establishment of O and M office
 - Establishment of institute of public administration and training center
 - Necessity of national planning commission
 - There should be technical committee in every ministry
 - Need of district development committee and Bada hakim should be the chief of the committee
-

- Establishment of Nepal Rastra bank
- Draft laws regarding employee service conditions and other necessary administrative laws.
- Establish an Organizational and Management Survey Office under the Ministry of Finance.
- Establish the Ministry of Planning and Development for plan formulation.
- Classify the recurrent and development budget
- Initiate five-year development plans
- Anti- corruption Act
- Administrative procedure Act
- Emphasize rural development program
- Implement new pay scale
- Initiate five-year development plans
- Form subject specific service within the civil service

In the changed context Panchayat Polity, the government had again constituted another administrative reform committee called “Administrative Reform Commission” in 1968 to overview the role and functions of administration. The commission was headed by the then Home Panchayat Minister Bedananda Jha. The main purpose of this reform commission was to provide necessary suggestions and recommendations to make the existing administration effective, efficient, and apparatus fast (Aryal, 2081). Major suggestions covered as:

- Reducing number of ministries
- Implement Position classification in the civil service
- Unified civil service
- Merge institutions with similar functions or operate them under a single management committee
- Define tenure for first and special class employees
- Consultation with public service commission
- Detach the role of Bada hakim from panchayat
- Adopt the principle of decentralization and treat zones and districts as local administration units
- Programmed budgeting
- Do not assign technical staff to departmental administrative work
- Implement code of conduct for employee
- Reducing political role in personnel management

- Necessity of administrative court
- Necessary of national planning council and prime minister should be the chief of the council
- Initiate program budgeting

Again another commission “Administrative Reform Commission” was formed under the chairmanship of the then Finance and General Administration minister Bhekh bahadur Thapa in 1975 (Pokhrel, 2076). The recommendations were as follows:

- Organizational development
- Reduce decision making levels while assigning proper authority
- Integrate government institution
- Allow lateral entry into civil service based on the recommendation of the public service commission
- Procedural improvement
- Institutionalize program based-budgeting
- Improving financial administration
- Establishing civil service training institute
- Promoting regional service by establishing regional offices

The focus of the recommendation was for making the administrative more professional and recommended two more ministries such as Mistry of Tourism and Ministry of General Administration.

After re-establishment of democracy in 1990 the elected government formed Administrative Reform Commission was formed under the chairmanship of then Prime Minister Girija Prasad Koirala in 1991. Major highlights of the recommendations of that commission were as follows:

- Review over the Scope of government and loosen strict the government control
 - Establishing efficiency in service delivery
 - Make citizen charter mandatory
 - Reducing the role of NPC
 - Define tenure for special class employees
 - Improving budgetary system
 - The involvement of non-government sectors in service delivery
 - Reforming civil service
 - Implement an integrated civil service system
-

- Abolish the assistant secretary post
- Allow lateral entry into the civil service
- Introduction of job descriptions
- Reduce the number of employees by 25%

The commission was formed to make the administration capable and effective in fulfilling the demands of democracy and development (Aryal,2081).

After settling down of the Maoist movement in 2006 the elected government again formed 'Administrative Restructuring Committee under the chairmanship of the then Minister of General Administration Pampha Bhusal in 2008. The committee suggested to reform the administrative system as follows:

- Make transparency in security organizations
- Not to create new posts, to fill any vacancies in the Gazette unnumbered,
- End impunity,
- No political interference in administration
- No political and trade union involvement in job promotion and rotation of personnel.
- Implementing the machine-readable password
- Peace and security will be given priority and proper management of necessary resources will be made,
- Establish certain service centers to bring basic services to the doorsteps of the people and keep them within one door system as much as possible,
- To make citizen charter systematic and implement it compulsorily and inform the citizens,
- To prepare the work descriptions of the civil servants and make each employee responsible for his/her work descriptions.

The recommendation highlighted on transparent, inclusive and result-oriented administrative system.

Again the government of Nepal has formed 'Administrative Reform Suggestion Committee' under the chairmanship of Kashi Raj Dahal in 2012. Following points are included in the recommendation.

- Reducing the number of ministries to 18
- Establish National planning commission by law
- Strengthen sector such as education, health, and foreign affairs
- Dissolve the regional offices

- There should be only one trade union
- Remove provision for lateral entry
- Emphasis on inclusion through reservation as well as empowerment,
- Adoption of scientific and technology-based records management system,
- Prepare and implement operation guidelines,
- Review the foreign aid policy
- Set the retirement age of employee at 60 years
- Make the Nepal law commission effective
- Form a temporary commission for the special protection of the Chure Region

To make administration result oriented, dynamic, maintain good governance and transparency, introduce new values and principles

The government reform often falls shorts of targets because strategies designed to advance administrative reforms fails to incorporate a sound implementation plan. Implementation rests on a solid understanding of the readiness of the system's components (OECD, 1998). The government intended receiving some of the recommendations from different reform commissions to improve administrative system but could not implement properly (Ghimire & Ashraf, 2016).

Reservation system introduced particularly after 2006 for women, indigenous peoples, Madhesi, Dalit, disabled, and marginalized regions seems making the administrative system inclusive and participative. At the state is restructured into three tier government system, public administration has been functioning at three levels: federal, provincial, and local through federal civil service, provincial civil service, and local service. Nepal's public administration has been moving towards merit-based by employing principles of good governance,

5. Result and discussion

Administrative reform in Nepal has been a continuous process of reform even from ancient period to present time. It is shaped by political change, socio-cultural transformation and global trends as well. Nepalese administrative reform from ancient period to present federal democratic republic has undergoes through significant changes in structure, policy, norms, values and procedures.

Historically the administrative system was fused in structure i.e. a single structure used to carry out diverse functions, The previous practice of administration was highly centralized, bureaucratic, rigid, influenced by corruption, patronage

system, nepotism, favoritisms, Due to these negative characteristics of administration the administrative system was obliged to be changed and administrative reform efforts were made to ensure efficient, responsive, accountable, transparent, participative, democratic, citizen-centric, result oriented, administrative system.

After the establishment of democracy in 1951 different reform commissions were formed. They made so many recommendations regarding administrative reform. The recommendations had given a number of practical suggestions focusing on civil service management, organizational restructuring, financial administration, capacity building, decentralization, improving service delivery, through transparency, and accountability with the adoption of new technology and administrative culture. Although many recommendations of reform commission were relevant and significant their implementation remained weak due to different reasons including corruption, weak state, bureaucratic inefficiency, status quo-oriented nature, political interference, lack of political commitment, and administrative neutrality.

Theoretical foundations i.e. bureaucratic theory, new public management, new public service, new public governance, institutional theory, good governance theory provides important sources of literature review regarding administrative reform in Nepal. Bureaucracy focused on merit system, neutral administration, career system. New public management focused on the result, outsourcing, efficiency, deregulation, discretion. Similarly new public service citizen centric and citizen friendly administration. New public governance emphasizes coordination, cooperation, co-construction, dispersion of power, and network among government, private sector, civil society, and non-governmental organizations. Likewise institutional theory explains about the role of informal institutions over the administrative system. Overall, we can say that these theories play crucial adoption in administrative system of Nepal.

After the federal democratic republic in Nepal there is much more opportunities for local people participation in administrative mechanism and federalism also promotes inclusive governance and decentralized administrative system which ultimately facilitates door step services.

6. Conclusion

Administrative reform in Nepal has been continuous and significant process which aims to create an effective, efficient, accountable, transparent, result oriented, citizen centric, responsive, and appropriate administrative system. Nepal

shift to federalism brought service delivery more localized, responsive, accountable, equitable, and accessible (Pokhrel, n.d.).

Despite different reform initiatives practiced in ancient to present regimes various challenges such as nepotism, favoritism, corruption, political interference, weak administration still persists. After the federal democratic republic there are so many prospects of administrative reform i.e. decentralization, participation, inclusion, improved service delivery however, implementation is still weak. Though the local governments have become more active in policy making, decision making, resource mobilization, planning, budgeting, public private partnership sustaining this achievement is challenging. Therefore, administrative reform should not only focus on reform in structure and policy but also should focus on changing administrative culture, promoting meritocracy and ethical behavior which will help to make administration accountable, transparent, effective, efficient and result oriented. To maintain sustainability in administrative reform we should pay due attention to the strong political commitment, neutral administration, professionalism, and technology friendly administration.

References

- Acharya, M.R. (2024). *Business of bureaucracy*. (6th edition). Vidyarthi Pustak Bhandar.
- Aryal, S. (2081, BS). *Public service knowledge booster*. Ashish Book House.
- Bhatt, B. (2076, BS). *Foundation of public administration* (In Nepali), 10th edition. Sopan Masik.
- Bhul, B. (2022). *Reforming issues in the governance of public administration of Nepal*. SSRN. <https://doi.org/10.2139/ssrn.5166545>
- Denhardt, J. V., & Denhardt, R. B. (2000). The new public service: Serving rather than steering. *Public Administration Review*, 60(6), 549–559.
- Gautam, D. R. (2023). Local-self governance in federal Nepal: A Critical review. *Pragnya Sarathi*, 21(1), 60–66. <https://doi.org/10.3126/ps.v21i1.59462>
- Ghimire, B., & Ashraf, M. (2016). Beleaguered administration: A study of administrative reforms in Nepal. *International Journal of Development Research*, 6(5), 7966–7972.

- Ingrams, A. (2020). Administrative reform and the quest for openness: A Popperian review of open government. *Administration & Society*, 52(2), 319–340. <https://doi.org/10.1177/0095399719875460>
- Kim, P. K. (2022). A behavioral approach to administrative reform: A case study of promoting proactive administration in South Korea. *Public Administration and Policy*, 25(3), 310–322. <https://doi.org/10.1108/PAP-08-2022-0093>
- Ngouo, L. B. (2024). Performance of administrative reforms: Can the organizational development approach reconcile utopia and dystopia? *Journal of Service Science and Management*, 17, 1–54. <https://doi.org/10.4236/jssm.2024.171001>
- North, D. C. (1990). *Institutions, Institutional Change and Economic Performance*. Cambridge University Press.
- Osborne, D. & Gaebler, T. (1992) *Reinventing Government: How the Entrepreneurial Spirit Is Transforming the Public Sector*. Addison-Wesley, Reading.
- Osborne, S. P. (2006). *The New Public Governance?* *Public Management Review*, 8(3), 377–387.
- Pokhrel, K. (2076, BS). *State public administration and public affairs*. M.K. Publisher and Distributor.
- Pokhrel, K. P. (n.d.). *Federal system in Nepal: Accountability and civil participation*. *Journal of Political Science*.
- Rana, R.B. (n.d). *Development and contemporary public management*. R.B. Rana Publication.
- Rana, R.B., & Gautam, S. (2026). *Conceptual perspective on governance*. Mukta Foundation.
- Taylor, F.W. (1911). *The principles of scientific management*. Harper & Brothers.
- UNDP (n.d). *Public administration reform: Practice note*. UNDP
- United Nations Development Programme (UNDP). (1997). *Governance for Sustainable Human Development*. New York: UNDP.
- Weber, M. (1922/1978). *Economy and Society: An Outline of Interpretive Sociology*. University of California Press.

Economic, Socio-Cultural Constraints in Policy- Decision Making

Janaki Kumari Sharma

Abstract

Policy decision passes through a complex process as it is affected from a number of socio-economic and political factors. This descriptive article highlights the constraints in policy- decision making, namely political, economic, and socio-cultural constraints in decision making. This article reviews the theories of decision making of public policy. The article begins with introduction followed by discussion on constraints in decision-making. Finally, it includes the conclusion of the study. Literatures are drawn from international and national level for discussion purposes; however, the article eludes depth empirical research with detailed surveys.

Keywords: *Policy Decisions, Economic Factors, Socio-Cultural Factors*

1. Introduction

The pioneer of public policy Analysis H. D. Laswell (1950) stated that policy decisions as projected program of goals, values and practices. Policy decision-making devotes to actions taken within governmental settings to formulate, adopt, implement, evaluate, or change policies. Policy formation often overlaps with its decision-making process (Rana, 2014). Lasswell (1950) described policy decision making as a problem-solving process comprising the identification problems, gathering information, formulating alternative and making choices to realize specific goals and values. Policymakers, in the democratic political system, formulate policy options/alternatives considering the policy problems. Ideally, it is

Corresponding Author

Janaki Kumari Sharma, Email: jsharma@cdpa.edu.np

the course that best addresses the problem of the public based on theories at the given time. Thus, decision-making stands as one of the important stages of policymaking.

Multiple perspectives exist regarding decision-making methods. They range from rational, top-down perspectives to incremental and power-based ones. The rational model posits that decision-makers carefully filter their environment and dispassionately decision-makers side opportunities with inside qualities (Sapru, 2011). It further assumes that decision-makers carefully scan their environment and objectively match it with maximum benefits (Anderson, 2003). By contrast, the organizational/institutionalism view emphasizes that even though these may be the intentions of individual actors, the design of the organization (in terms of structure and process) greatly influences what is perceived, encoded, and acted upon. Some scholars opine the organization as entangled in its inner complexity, with limited coping routines and a high degree of context sensitivity. On the other hand, incremental decisions largely focus on the small variations from present policies (Lindblom, 1976; Rana, 2014). The political view especially questions the intended collective rationality of actors and frames them as coalitional. Stronger groups will often enhance their power and interests at the expense of the minority or even the firm's overall well-being (Allison, 1971).

Constraints in decision making

Policy/decisions emit and exist in societal and political phenomenon. Policies should resonate with the very societal howls and smiles/supports manifested through eclectic way. However, several problems and constraints can arise during the decision-making process. A policy can yield the best results if it comes over given constraints from environment, specifically political, economic, and social. It is argued these constraints should be integrated into the policy formulation process rather than be faced at the implementation stage. Policies are introduced for the public and as a nation's course of action, thus, it needs to come over widely prevailed constraints. Therefore, decision-makers should be aware of the diverse obstacles that can be encountered in the policy-making process.

Many scholars argued that political and socio-economic conditions led to the emergence of sets of policy issues. The interplay of these elements affects the nature and destiny of policies. However, by the mid-1960s, Thomas dye and others in the United States concluded that cultural, political, and other factors were less significant for explaining the mix of policy decisions than were factors related to the economic condition (Sharkansky, 1971). However, today's world appears to be a puzzle game containing numerous riddles. Addressing the public

policy problems and issues that originate in the level of development of society has also become more hazardous and controversial than ever. Thus, consideration of all policy determinants/barriers in policymaking becomes essential than before for effective policies. Given this scenario, analysts and researchers need to lay adequate evidence and information on policy choices.

Political constraints

Policies get more often stuck due to political barriers. Such barriers exist and morph into many forms making the process complicated and linger. In decision-making, a course of action, to be acceptable, must satisfy a whole set of political requirements, or constraints. Sometimes one of these requirements, or constraints, is singled out and referred to as the goal of the action. But the choice of one constraint from many is to a large extent arbitrary. For many purposes, it is more meaningful to refer to the whole set of requirements as the (complex) goal of the action. This conclusion applies both to individual and organizational decision-making (Simon,1996). Given this reason, policy actors should be cautious and ultra-aware of the political constraints in decision-making.

Policies can yield the best results if they overcome several constraints from the environment, especially political constraints. Political constraints mainly emphasize the nature of politics and government. Scholars argued that political constraints should be integrated into the policy formulation rather than be faced at the implementation stages. Ambiguity and time constraints are facts of political life. Their ubiquity makes policy-making messy complex contestable and less comprehensible. Therefore, traditional models, seeing policy making as an exercise in rational problem-solving, turn out to be unconvincing.

Political factors including various actors significantly affect the policy alternatives (Reich, 1995). Policymaking is all about the exercise of politics in which numerous hidden and direct forces play roles. Public policymaking becomes a messy process, in which circumstances, events, political dynamics, elected and unelected officials, as well as the public mood all, have equal possibilities to impact policy decisions (Almond et. al, 2011). This means that policymakers need to ensure that the initial set of policy alternatives that are subsequently submitted to the rough and tumble of politics has been generated through a systematic and analytical process relying on data and evidence (Mazo,2019).

Furthermore, political culture affects the political feasibility of policy decisions. Political culture limits the choices valuable to public officials or policymakers. Decision-makers and citizens' political culture also impacts policy choices. Com-

pared to the levels of political cultures, participant political culture shape politics and policies than parochial political culture and subject political culture (Almond et. al, 2011). However, the latter plays a catalyst in creating political instability. Individuals and society nurture their own political culture that differentiates the values and lifestyles of its members from those of other societies. So, policymakers must consider the acceptance of particular policy decisions concerning society to gain political feasibility to ensure the legitimacy of decisions as well.

Partisan ideology could also affect public decisions/ policies. Political ideas in defining the sorts of problems can determine policy agendas to policy decisions as well (King, 1973; Howlett & Ramesh, 2003). Different sets of ideas or ideologies can be constructed to have a significant impact on public policymaking (Chadwick, 2000; George, 1969; Howlett & Ramesh, 2003). The conflict of ideology escalates when making policies as the individuals concerned want their opinions, ideas, and choices as the best among others. Ultimately, ongoing and unsolved tension prolongs inviting complication.

Principled beliefs and causal stories alter public policies decisions (Howlett, 1992). It means a problem can arise when identifying policy problem recognition and policy content too because of different beliefs and underlying realities (Fisher and Forster, 1993). However, the influence of causal ideas and beliefs is not automatic. Although some scholars argued that some ideas become fashionable at specific times (Howlett & Ramesh, 2003). If there is synergy between ideas and the interest of actors, then a policy decision can take place.

Furthermore, John Kingdon (1984) suggests that characteristics of policy issues are concerned with the nature of political institutions and circumstances, and the development of policy solutions. In this way, that can lead to the opening and closing of windows of opportunity for policy decisions (Kingdon, 1984; Howlett & Ramesh, 2003). He also states three sets of variables -streams of problems, policies, and politics- interact in decision-making. If there is no clear interaction among these windows, policymaking becomes more complex. Besides it, he further identified discretionary political window types with other types which assist in the predictability of decisions.

Policy monopoly models also suggest how policy decisions are politically introduced. The way policy actors engage in policy discussion, debate, and persuasion and their presentation of a variety of evidence and argument in support of particular positions can make a great difference in decision-making (Majone, 1989; Howlett & Ramesh, 2003). Scholars Jones and Baumgartner view that specific subsystems gain the ability to mold the interpretation of problems and thus how it

is conceived and discussed among decision-makers. They further come to say that policy subsystem members seek to alter policy images/ discourses through several tactics (Howlett & Ramesh,2003).

Moreover, the strategy adopted by decision-makers affects policymaking. Generally, the strategy adopted by them falls into two types. In the 'downsian' strategy, groups can publicize a problem to alter its venue by encouraging the public to call upon the governments to resolve it (Baumgartner and Jones, 1993; Howlett & Ramesh,2003). In the second type of approach, decision-makers involved in the policy subsystem that does not like the policies being developed or discussed by governments seek to alter the institutional arrangement within which the political subsystem expands their membership (Baumgartner and Jones, 1993; Howlett & Ramesh,2003). Hence, this way decision-making process can get stuck with a pile of turning points.

Economic constraints

Economic constraints exist as external factors that limit decision-makers to do what they want, and the factors are usually out of the control of the decision-maker (Rana, 2014). These sorts of constraints represent the main important factor in the decision-making process, including making choices and determining the desirability of options. Monetary also affects decision-making as tends to provide the required skills, knowledge, and so on.

From Thomas Dye to Frederick Pryor, all developed the idea that the structure of a nation's economy determined the types of public policies-decisions. To clarify it further, the life span of decisions depends on the national/state's economy. In its extreme form, this line of analysis led to the emergence of the convergence thesis. The convergence thesis suggests that as countries industrialize, they tend to converge toward the same policy mix (Ramesh & Howlett, 2003). Many scholars indicated that there is a positive relationship between a nation's economic condition and welfare policies. To put it further, a high level of economic development and wealth creates similar opportunities regardless of the differences in their social and political structures. Wilensky (1975) opined that economic variables are quite important than political ones in understanding why such policies are adopted and why not others.

Economic constraints contain two folds effect on the policy environment (Sharransky & Edwards,1978). Firstly, it affects the demands on the political system. The monetary condition determines the prospective demands that come from the environment. The destitute society/group would demand of fulfilling their basic

needs. Whereas an affluent and wealthy, people/society would claim innovation, for instance space explorations as their policy agendas. The second restraint is that decisions are to be taken by decision-makers. The decision approved in terms of political and social conditions may turn out to be infeasible when it comes to finances. This can limit the set of political, and socially feasible alternatives. Hence, when decision-making comes to finances, decision-makers have to consider it wisely if covers the lives of decisions.

Several economic forces shape public policy (Sharansky & Edwards,1978). The quality and quantity of natural resources such as fuel, minerals, and agricultural lands can affect policy decisions. To clarify this, if a nation has fertile land, then policymakers can take decisions to produce abundant wheat and eradicate hunger within five years. To do so, it needs skills, knowledge, and so on. Similarly, the quality of industry and agriculture also helps employment creation and economic growth. If there are plenty of excellent industries, the decision-makers can make policies to provide new job opportunities to people based on their skills and interests. Furthermore, the condition of foreign trade deficit/profit has input in policy decisions. When a nation falls into a trap of deficit, then the nation cannot afford luxurious policy solutions though they turn out to be effective choices. However, if there is plenty of foreign investment, policymakers can initiate policies adhering to it. A viable source of money can lead to a kind of confidence and agreement to choose the best policy option and get implemented it. Additionally, unemployment, recession, and inflation create obstacles in policy decisions. When a government struggles with unemployment, inflation, and recession/depression, it needs to enact policies to combat these problems (Almond et. al, 2011). As a result, decision-makers cannot move out of those hurdles and lag the other needs.

Socio-cultural constraints

Socio-cultural constraints affect public policies significantly (Blyth,2016). Basically, socio-cultural barriers denote to human-made constructs emitted from social norms and cultural values. The two concepts are so intertwined (e.g., a group has a culture of behaving in a certain way, which is linked to what they believe about what constitutes an admirable life). All societies need to be able to make collective choices that affect all their members. Some of those choices enter the domain of “politics” or “public policy” and some do not. Whether or not there is a clash of values is the common cause of something falling into the realm of politics (Muer, 2014).

In a democracy, politics and policy decisions depend on how voters behave. Social modernization transforms the political values and political culture of the

public which increase demands for a more participatory system (Almond et. al, 2011). In one view of the world, such as some parts of the rational choice school of political science, voters choose the politicians who promote policies most likely to advance their interests. In this view, policymakers aim to develop and implement policies decisions in a way that will provide benefits to a majority, or a large enough minority to be successful. The tools of cost-benefit analysis, and in particular distributional impact assessments, would therefore be at the heart of policy-making. However, some scholars argue that the desire to engage with rational choice theory moved political science research away from a concern with culture and ideas (Blyth, 2016).

However, social-cultural constraints constitute a huge place in policymaking, especially in developing nations. Unless the decision-makers address societal and cultural issues related to policy decisions, low chance of an agreement remains in such a heterogeneous society (Benabou, 2008). The problem of societal fragmentation would severely emerge when narrow sectional groups are too strong to be ignored even in a strong state. It also weakens the state's ability to mobilize them toward the resolution of societal problems.

There are a few socio-cultural elements that mold policies. They have possibly an adverse impact on decision-making seeking by restricting access to policy options and giving rise to negative emotions. Firstly, the condition of cultural diversity can impact policies. Ethnically diverse decision-makers may not have a common understanding of the same issue. This can be equally applied to the common public as well. The policy that seems to be perfect for one group may appear as a problem or threat to the next group. Secondly, the state of stratification of society can determine policies (Almond et. al, 2011). It means, people from affluent strata can have higher policy demands whereas, the poorer section of society can demand just for assurance of basic things. Thirdly, Social values, beliefs, and attitudes, literacy have huge potential to determine policies. The variance in the previously mentioned elements might escalate policy options. To nourish policies, consideration of these fundamentals is essential. Finally, the literacy level of citizens can shape policies. The higher the education level of citizens, the higher the chance that they lay their demands more complex (Howlett & Ramesh, 2003). Compared to it, illiterate people would demand less intricate policy solutions.

Moreover, social values and norms impact decisions. Recognition of demands coming from society is quite essential. Decision makers should acknowledge whether they hold the possibility to address the demands of an open society or a closed society's norms. Deviations and variances co-exist in terms of customs,

traditions and norms in both societies. Policymakers should also be familiar with if the public supports the policy change. Identifying such tendency would allow them to figure out possible risks while making decisions (Howlett & Ramesh 2003). Open society welcomes newer policies with wider support than resistance to it like in closed ones. Furthermore, social harmony can also matter in making decisions. When society is fragmented and heterogeneous, mutual tolerance between races, and harmony might be low. Consequently, a policy can turn into ‘an apple of a cord’ rather than a solution.

2. Conclusion

In conclusion, numerous ambushes lie in policy-decision making. Fundamentally, decision makers are circumscribed by economic barriers. This factor significantly determines the demands that come from the environment and the decisions that are taken by decision-makers. The higher the national economy, the higher the chance of public policy coming to promote public welfare. Furthermore, social-cultural constraints widely prevail in every political system. Addressing such constraints helps ensure the legitimacy of decisions and becomes easier to get implemented. To do all this evidence, analysis, and information are of great importance. Going through all hurdles is only possible when the decision-makers are also well-informed dynamically also pay attention to political goods (values) that motivate different policy- decisions.

References

- Allison, G.T. (1971). *The essence of Decision Making: Governmental decision-making during the Cuban Missile Crisis*: Little, Brown Company. Boston.
- Almond, A. (1988). *The Return to the State*. American Political Science Review: American Political Science Association.
- Anderson, J. (2003). *Public Policymaking: An Introduction*: Houghton Mifflin College.
- Almond, G., A., Bingham, G., Dalton, R., J., Stron, K. (2011). *Comparative Politics Today*: Pearson. India
- Bénabou. (2008) “Ideology.” *Journal of the European Economic Association*. (2–3): 321–352
- Blyth. (2016). *Culture, values and public policy*: University of Bath. Australia.

- Fisher, F. and Forester, J. (1993). *The Argumentative Turn in Policy Analysis and Planning*: UCL Press Limited University College. London.
- Howlett, M. M. Ramesh. (2003). *Studying Public Policy: Policy Cycles and Policy Subsystems*. Oxford University Press.
- Kingdon, J. W. (1984). *Agendas, Alternatives, and Public Policies*: Little Brown: Boston
- Lindblom, C. E. (1977). *Bargaining: The Hidden Hand in Government*. Los Angeles: Rand Cooperation.
- Lindblom, C. E (1977). *Politics and Markets: The World's Political- Economic System*: Basic Books.
- March, J. G. Johan P. Olsen. (1984). *The New Institutionalism: Organizational Factors in Political Life*, *American Political Science Review*: Cambridge University Press.
- Muer, S. (2014). *Is your Policy a Dodo?* *Civil Service Quarterly*. Issue 4.
- Muers, S. (2018). *Culture, Values and Public Policy*. University of Bath: Australia.
- Rana, R. B. (2014). *Aspects of Public Policy*: Kantipur College of Public Management.
- Reich, M.R. (1995). *The politics of health sector reform in developing countries: three cases of pharmaceutical policy*. *Health Policy*, 32(1-3), pp. 47–77.
- Sapru, R.K. (2011). *PUBLIC Policy: Art and Craft of Policy Analysis*: PHI Learning Private Limited. New Delhi.
- Sharkansky, I. (1971). *Constraints on Innovation in Policy Making: Economic Development and Political Routines*, in Frank Marini, ed., *toward a New Public Administration: The Minnowbrook Perspective*: Chandler.
-

SJPG

Information for the contributors

Objectives of SJPG

The SJPG aims to focus at advancing science and the art of public policy and governance. It seeks to do so by fostering and sharing knowledge and experiences among academics, practitioners, and researchers and students of administrative sciences. This journal will address the common issues, which its audience at different levels is facing the world over. Its central theme is the continuing need to improve both efficiency and effectiveness in a situation of scarce resources and rising public expectations, especially of service quality. The journal will cover theories, concepts, methods and practical experiences, which have a bearing on how these issues, can best be managed.

The reviewing process

Primarily, each paper is reviewed by the editor(s) and, if it is judged suitable for this publication, it is then sent to two referees for double blind peer review. Based on their recommendations, the editor then decides whether the paper should be accepted as it is, revised or rejected.

Copyright

Authors submitting articles for publication warrant that the work is not an infringement of any existing copyright and will indemnify the publisher against any breach of such warranty. For ease of dissemination and to ensure proper policing of use, papers and contributions become the legal copyright of the publisher unless otherwise agreed upon.

Manuscript requirements

- Articles should be between 2000 to 4000 words in length.
 - The title should be in appropriate size.
 - A brief autobiographical note should be supplied including:
 - Full name
-

- Affiliation
- E-mail address
- Full contact details
- Brief professional biography.

NB This information should be provided on a separate sheet and authors should not be identified anywhere else in the article.

- Abstract: Authors must supply an abstract of around 250 words in total.
 - Provide up to six keywords, which encapsulate the principal topics of the paper.
 - Headings must be short, clear and reflective.
 - Notes or Endnotes should be used only if absolutely necessary and must be identified in the text by consecutive numbers, enclosed in brackets and listed at the end of the article.
 - All Figures (charts, diagrams and line drawings) and Plates (photographic images) should be submitted in both electronic form and as hard copy originals. They should be of clear quality, in black and white and numbered consecutively with Indian numerals.
 - Tables should be typed and included as part of the manuscript. They should not be submitted as graphic elements. Supply succinct and clear captions for all tables, figures and plates. Ensure that any superscripts or asterisks are shown next to the relevant items and have corresponding explanations displayed as footnotes to the table, figure or plate.
 - References to other publications must be in Harvard style and carefully checked for completeness, accuracy and consistency. You should cite publications in the text: (Adams, 2006) using the first named author's name or (Adams and Brown, 2006) citing both names of two, or (Adams et al., 2006), when there are three or more authors. At the end of the paper a reference list in alphabetical order should be supplied:
 - *For books:* Surname, Initials (year), Title of Book, Place of publication, Publisher.
 - *For book chapters:* Surname, Initials (year), Chapter title, Editor's Surname, Initials, Title of Book, Place of publication, Publisher, pages.
 - *For journals:* Surname, Initials (year), Title of article, Journal Name, volume number, pages.
 - *For published conference proceedings:* Surname, Initials (year of publication), "Title of paper", in Surname, Initials (Ed.), Title of published proceeding which may include place and date(s) held, Place of publication, Publisher, Page numbers.
 - *For unpublished conference proceedings:* Surname, Initials (year), "Title of paper", paper presented at Name of Conference, date of conference,
-

place of conference, available at: URL if freely available on the Internet (accessed date).

- *For working papers:* Surname, Initials (year), Title of article, working paper [number if available], Institution or organization, Place of organization, date.
- *For encyclopedia entries (with no author or editor):* Title of Encyclopedia (year) "Title of entry", volume, edition, Title of Encyclopedia, Place of publication, Publisher, pages.
- *For newspaper articles (authored):* Surname, Initials (year), Article title, Newspaper, date, pages.
- *For newspaper articles (non-authored):* Newspaper (year), Article title, date, pages.
- *For electronic sources:* if available online the full URL should be supplied at the end of the reference, as well as a date that the resource was accessed.

Final submission of the article

Once accepted for publication, the editor may request the final version as an attached file to an e-mail or appropriate medium labeled with author name(s); title of article; journal title; file name. Authors should note that proofs are not supplied prior to publication. The author must ensure that it is complete, grammatically correct and without spelling or typographical errors.
