

Resource Disparities and Regional Development in the Federal State of Nepal: Investigating the impact of resource disparities on regional development and potential solutions. (Theme 2)

Nepal has had progressive development, albeit inequitably spread. There is still little resource mobilization despite the abundance of human and environmental diversity. We can observe the state of people, particularly in the provinces of Gandaki and Karnali, where people frequently die young and must walk for days in order to reach a hospital. As of now in the current fiscal year, the Karnali Provincial Health Directorate reports that 152 newborns have passed away in the province.¹ At 1.7 kg, Kopila BK's 2-year-old daughter was born significantly underweight. They were urged to seek quick treatment in Nepalgunj, but were unable to do so due to financial difficulties. The infant is currently receiving malnutrition therapy at Bheri Hospital, weighing 3.5 kg. The child's health hasn't greatly improved despite hospital care, which the family attributes to inadequate care during and after pregnancy.² This instance is merely illustrative. Numerous examples exist that paint a picture of the low standard of living and issues that people have been dealing with as a result of resource inequality. People in other provinces are denied access to even basic medical care, whereas residents in Provinces 3, 2, and portions of Province 1 have easy access to healthcare in an emergency.

Due to inadequate facilities, experienced educators steer clear of rural locations, posing a barrier to education in these places. Low school attendance has an effect on instruction. According to reports from Shree Janajyoti Multiple Campus and Sudurpaschimanchal Academy, instruction has been suspended because of a lack of students. Lack of resources and training for hands-on learning causes teachers to use theoretical teaching approaches, particularly when it comes to science and other subjects. The development of competent workers is hampered by this lack of practical knowledge.

Just half of the people in the Karnali region have access to electricity, but the provinces of Bagmati and Gandaki have nearly reached full electrification.³ Sudurpaschim's state is merely superior to that of the Karnali province. Accessibility varies, even within the same province. For example, province 1's Jhapa and Morang districts have access to electricity, but Okhaldhunga's state appears to be in poor shape. In a similar vein, NEA must operate in the Bagmati Province area of Kavre.

The amount of revenue generated by Nepalese provinces varies greatly; Province 6 contributes the least (0.24%) and Province 3 the most (48.56%) to the revenue of the central government.⁴ This misallocation of resources is the cause of this imbalance. Provinces 6, 7, and 5 are among the regions lacking in trained human resources. Due to the low profitability, investors are not eager to make investments there. Consequently, revenue creation is further hampered by inadequate infrastructure and low tourism despite desirable destinations.

¹ <https://kathmandupost.com/karnali-province/2023/07/08/karnali-failing-to-curb-malnutrition-in-children>.

² *ibid.*

³ <https://www.urjakhbar.com/news/0109555477>

⁴ [Province 6 weakest in terms of revenue collection \(kathmandupost.com\)](#)

The federal system of Nepal has a centralized power structure that restricts the autonomy of local governments, impeding their effectiveness and accountability. In provinces like Gandaki and Karnali, where resources are plentiful, centralized control hinders efficient use of resources and causes delays in resource exploitation. In order to allocate resources optimally, decentralizing power is essential when taking into account the various needs of the provinces, particularly in the growth of tourism. A clause should state that, as opposed to involving the central province, a specific portion of the money received from more developed provinces should go directly to less developed provinces. In order to alleviate developmental gaps, it is also essential to change the way revenue is distributed—from a population-based allocation to one based on need, particularly in less populous areas like Karnali and Far Western. Effective federalism and general development depend on supporting interprovincial cooperation and building local government capability.