Access to Employment for Indigenous Nationalities¹

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Context

The livelihood of indigenous nationalities, traditionally and still today largely depends upon subsistence agriculture, and where agriculture is not a possible subsistence activity, upon other subsistence activities, including trans-boundary trade. Therefore, profit motive is not necessarily a driving factor for production; which can also impact the drive for innovation. Another major characteristic feature is the subsistence nature of agricultural activities and its continuation over the years, with little orientation towards technological innovation, thus leading to static labor productivity and / or without much specialization. The social and political system based upon such subsistence agriculture, and other activities has helped perpetuate their subsistence status even now, despite significant advancements in science and technology in these spheres. The traditional social and political set up, combined with lack of alternative livelihood options has negatively impacted the development of many indigenous communities in Nepal.

Employment opportunities have grown tremendously beyond traditional subsistence activities. Traditional composition of employment in Nepal has shown a significant change, with the result that conventional job distribution between different segments of the society has, for some sections of the population, been made increasingly redundant. New opportunities have emerged, however the social and political system perpetuating conventional specialization of service delivery often debar indigenous nationalities from accessing new knowledge-based employment opportunities. This situation has given rise to the need for special measures to ensure these indigenous nationalities have a smooth transition from traditional subsistence oriented employment prospects to new knowledge-based employment opportunities. Addressing this situation has become even more imperative because of the fact that new technologies and entry of other (non-traditional) communities in their traditional spheres of activities is increasing because of their increased access to knowledge-based new technologies. This trend has led to the displacement of many from their traditional occupations and increased unemployment rates. For example, the modern footwear industry and entry into that industry of ‘non-sarki’ communities has led to their displacement from their traditional jobs.

The other fact, that needs to be taken into consideration, is the increasing competitiveness of the global market. We see the emergence of international governance through a plethora of international agreements on different regulatory mechanisms which increasingly guide international relations, based on efficiency and competition. In this context, the nation cannot afford to keep a large mass of people uncompetitive. Special measures need to be taken to make them competitive in the global context, not just in the national context, so that the country can compete with the

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global market. Even for the provisions on protection, there is a growing competition among developing countries. The entry into the World Trade Organization and other regional trade pacts calls for increasing the competitive strength, which also means building the competitive strength of the indigenous nationalities. It also means that while going for different preferential treatment (affirmative action), efficiency should not be compromised beyond a limit so that the country can remain competitive as compared to other immediate competitive countries.

It also means that special preferential programs designed for indigenous nationalities should not compromise with the efficiency that the country needs to achieve in any given point of time. And such a point is often guided by the need for gaining immediate competitive strength vis-à-vis other competing countries.

**Indigenous Nationalities (janjatis) in the Country**

Indigenous nationalities constitute more than 37% of total population of Nepal and comprise a wide range of different communities and peoples. 59 indigenous "nationalities" have been officially identified, however there are also some indigenous nationalities who have not be identified and / or who form less than 0.1% of total population. The population growth rate of indigenous nationalities (2.53%) is higher than the national average of 2.07%. More than 54% of them are in the age group of 15-59 years.

The indigenous nationalities are diverse groups – while some are threatened by extinction, others have very sizeable populations. They have been grouped into five categories by the Nepal Federation of Indigenous Nationalities (NEFIN) based primarily on their numbers and other indicators reflecting socio-economic status. These are: endangered groups, highly marginalized groups, marginalized groups, disadvantaged groups, and advanced groups. The other categorization is based on their geographical concentration, hill and terai janjatis. Hill janjatis are further sub-grouped into Newar/Thakali and other hill janjatis. Newar/Thakali are significantly concentrated in Central Development Region while others are scattered in different parts of the country. The socio-economic status of the indigenous nationalities grouped by ecological regions is available for the census year of 2001. Some of the characteristics features of indigenous nationalities as obtained from these findings are:

- Population growth rates are higher for terai and other hill janjatis categories, and lower for advanced group. They also have higher proportion of population under 15 years thus apparently with higher dependency ratio.
- Janjatis in the rural and remote areas are more in disadvantageous situations.
- Almost 3/4th of them own assets in the forms of agriculture land and livestock. Some micro level studies indicate that such assets particularly land is of marginal quality, and average size of landholdings is lower than that for the ‘higher-up’ communities.
- Literacy rates are higher for advanced group, and terai janjatis in particular have very low literacy rate. The proportion of SLC + and graduate + people is considerably low for all except the advanced group. So, educational level is low for indigenous nationalities, which can have significant implications on labor productivity.
• It is notable that the indigenous nationalities have relatively lower graduates in comparison to their population size. For example, hill janjatis constituting 23% of total population have only 6.5% of total graduates.

• In subsistence agriculture, proportion of self-employed is likely to be remarkably high, and that can be seen in the pattern of employment status of various categories of janjatis.

• As the new enterprises are few and far between in the rural and remote areas, employees are less in those areas.

• The feature described above is also substantiated further by occupational distribution patterns. The indigenous nationalities are found to be predominantly farm or fish workers followed by production workers. Very few are professional/technical workers, administrative and clerical workers.

• Production workers are likely to be the ones with traditional caste-based work specialization such as blacksmith, sarkis, tailors etc.

Few indigenous communities are economically well advanced, most fall behind in economic advancement as well as in human development indicators. The exceptions are Thakali and Newar, two major indigenous groups having a per capita income above the national average, and other human development indicators also significantly above national averages. However, Newar also has its own caste-based hierarchy within the broad group. Therefore, there are many Newar sub-groups who are deprived of opportunities, and do not enjoy a higher level of per capita income and other human development indicators. However, in summary, it can be said that more than half of the population of indigenous nationalities fall below the poverty line. More critical than this is their low empowerment level, which means their access to a better future is not easily ensured.

**Traditional employment pattern**

The traditional employment pattern of indigenous nationalities was traditionally governed by subsistence agricultural needs, within a feudal hierarchical social system. This was further reinforced by the political integration process, which consolidated political control by certain class/caste groups. It needs to be noted that the political control is ensured not through decentralized control system but through central command of certain social groups. Feudalistic control system tended to secure the control without the participation and involvement of all the subjects. This has had a close bearing on the difficulties faced by many of the indigenous nationalities in their ability to benefit from the new opportunities.

In the traditional caste based division of labour, skills are transferred from one generation to another from subsistence perspective, and there is not much incentive for innovation. As a result, labor productivity is often low. It often prevents them from having access to new employment opportunities in the similar products. For example, the traditional skills of blacksmiths or for that matter damai will not qualify them for modern agriculture equipment workshop or garment factory. Major reasons for such disqualification can be found in (i.) low literacy level, (ii.) low skill level, (iii.) low level of leadership and entrepreneurship, and (iv.) less access to new frontiers of knowledge. There is a kind of vicious cycle perpetuated by the existing feudal hierarchical social system, which often results in: pushing indigenous nationalities away from new frontiers of knowledge; keeping their labor productivity low; and in the process, denying the entry
into new employment opportunities while displacing them from the existing traditional ones.

Subsistence activity sustains livelihood with low level of open unemployment. Hence traditional employment pattern of indigenous nationalities is characterized by:

- Low level of open unemployment
- Low labor productivity and hence low income level
- Limited access to new frontiers of knowledge and new technology
- Past social relationships preventing effective access of these nationalities to new frontiers of knowledge / technology.

Realizing this past phenomenon, the state is now prepared to provide some advantageous provisions in the form of preferential treatment to these nationalities so that they can contribute more effectively and competitively in the world community characterized by globalization and international regulatory system. Rules of law and globalization ensure efficiency. Thus, the issue of employment needs to be addressed at two interrelated fronts:

- Increasing employment opportunities, and
- Increasing labor productivity.

**Tenth Plan and Indigenous Nationalities**

The Tenth Plan (2002 – 2007) is the first poverty reduction strategy paper of the country (PRSP), a document that is accepted as a core document by all the stakeholders including the donor community. It is an important and necessary document to access the foreign assistance including concessionary loans. It has devoted one separate chapter for the indigenous nationalities.
It has accepted the widespread inequalities prevailing in Nepali society, and calls for an equitable social set-up for which it has spelt out policies for 'backward communities', and those, including some indigenous nationalities, who find themselves unable to participate in or benefit from mainstream of development process. the Plan aims at achieving its objective of a more equal and just society by policies aimed at empowering these groups through greater political representation and building their individual capabilities.

From the employment perspective, there are two important policy perspectives in the Tenth Plan. They are:

1. Develop their traditional skills and technology of their conventional professions, and
2. Make indigenous nationalities capable of participating in the mainstream of development process.

In the first policy perspective, labor productivity is likely to increase thus in the process increasing the income level, while in the second one new vistas of employment could also be opened up.

Some of the policies at the operational level are:

- Establishment of National Foundation for planning and foreseeing the implementation of the programs for indigenous nationalities
- Give priority to the students of indigenous nationalities in the admission for the technical and vocational subjects in the higher education.
- Provide scholarships to the indigenous nationalities at the school level education.

Programs however are not well spelt out. Recently, in the context of admission in the education sector, 10% seats are now reserved for the indigenous nationalities. However, other programs are no so well targeted to the indigenous nationalities.

Proposal for the Employment Promotion for Indigenous Nationalities

There is a need for more specific policy spell-outs for empowering indigenous nationalities through building up their capacity at the individual level. The efficiency based competitive set-up calls for proactive participation of labor force in their economic pursuits. Some of the characteristics features of modern day labor force are:

- They are expected to be proactive
- Have management and entrepreneurial skills
- Take leadership roles
- Desirous of increasing the skill level in the context of technological changes.

These features are critical for getting access to better employment opportunities and higher labor productivity. Thus, first strategy in securing better access to employment opportunities to the indigenous nationalities is to imbibe these critical features through training and education. More specific strategies will be:

- Improve literacy rate, and increase access to information
- Improve access to educational institutions, and secure admissions
• Enhance skill levels and familiarize with new technologies to upgrade the quality of services traditionally provided.
• Build leadership quality and familiarize with management tools to face the challenges of modern day management practices
<table>
<thead>
<tr>
<th>Strategies to improve employment situation</th>
<th>Policy Thrusts</th>
<th>Programs</th>
</tr>
</thead>
</table>
| Increase labor productivity | Increase literacy rate | • General literacy program  
• Functional literacy program  
• Material support |
| Increase the school admission | Increase the admission in the technical and vocational schools | • Reservations  
• Affirmative actions e.g. Material support, Coaching, Leadership training  
• Scholarships / Accommodation  
• Reservations in the hostels  
• Loan support |
| Increase access to new employment opportunities due to new innovations and technological changes | Increase access to information on government rules and regulations, opportunities, etc. | • Tailor made mobile training workshops  
• Leadership training  
• Demonstration programs |
| Increase in the admission in the higher education | Special technical workshops to familiarize new technologies to traditional professional caste groups e.g. map reading for masonry and carpenters etc. | • Public libraries  
• Access to internet  
• Subscription to newspapers for their learning centers and clubs  
• Networking with welfare organizations to increase circulation of newspapers and reading materials |
| Reservations in the employment opportunities | Quota in the public employment opportunities | • Seat reservations in the civil service  
• Priority provisions in various other public bodies.  
• Affirmative actions for increasing the skill levels, and for encouraging private sector to diversify their staff composition | • Coaching and Training  
• Scholarships for such training opportunities if training is outsourced  
• Priority in bidding and tendering to such private organizations having mixed staff composition.

<table>
<thead>
<tr>
<th></th>
<th>Nepal</th>
<th>Total Janjatis</th>
<th>Hill Janjatis</th>
<th>Terai Janjatis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (2001) – in million</td>
<td>22.7</td>
<td>8.5</td>
<td>1.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Population (in%)</td>
<td>100.0</td>
<td>37.2</td>
<td>5.5</td>
<td>23.0</td>
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<td>Pop Growth Rate (in %)</td>
<td>2.07</td>
<td>2.53</td>
<td>1.76</td>
<td>2.51</td>
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<td>Pop Dist by Age group (in %)</td>
<td>Under 15</td>
<td>39.4</td>
<td>38.8</td>
<td>31.5</td>
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<td></td>
<td>15-59</td>
<td>54.1</td>
<td>54.4</td>
<td>60.6</td>
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<td></td>
<td>60+</td>
<td>6.5</td>
<td>6.8</td>
<td>7.9</td>
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<td>% of HHs owning assets</td>
<td>Agri Land</td>
<td>75.6</td>
<td>77.5</td>
<td>64.7</td>
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<td></td>
<td>Livestock</td>
<td>71.5</td>
<td>73.1</td>
<td>41.6</td>
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<tr>
<td>% of HHs operating small scale non-agri enterpris es</td>
<td>All sectors</td>
<td>20.1</td>
<td>18.7</td>
<td></td>
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<tr>
<td></td>
<td>Manufacturing</td>
<td></td>
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<td></td>
<td>Trade/Bus</td>
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<td></td>
<td>Transport</td>
<td></td>
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<td></td>
<td>Services</td>
<td></td>
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<tr>
<td></td>
<td>Others</td>
<td></td>
<td></td>
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<tr>
<td>Educational Attainment (in%)</td>
<td>Literacy Rate</td>
<td>53.7</td>
<td>53.6</td>
<td>72.2</td>
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<td></td>
<td>SLC +</td>
<td>17.6</td>
<td>12.9</td>
<td>28.1</td>
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<td></td>
<td>Graduate +</td>
<td>3.4</td>
<td>2.0</td>
<td>5.8</td>
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<tr>
<td>%age share in...</td>
<td>Population</td>
<td>100.0</td>
<td>37.2</td>
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<tr>
<td></td>
<td>Literate persons</td>
<td>100.0</td>
<td>37.4</td>
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<tr>
<td></td>
<td>SLC +</td>
<td>100.0</td>
<td>27.4</td>
<td>12.7</td>
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<tr>
<td></td>
<td>Graduate+</td>
<td>100.0</td>
<td>22.3</td>
<td>13.6</td>
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<tr>
<td>Economically active population above 10 yrs for more than six months (in %)</td>
<td>53.1</td>
<td>55.3</td>
<td>48.0</td>
<td>58.5</td>
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<tr>
<td>Employment Status (in %) of respective total economically active</td>
<td>Employer</td>
<td>3.4</td>
<td>3.2</td>
<td>3.9</td>
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<td></td>
<td>Employee</td>
<td>26.6</td>
<td>24.5</td>
<td>33.3</td>
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<tr>
<td></td>
<td>Self-employed</td>
<td>66.4</td>
<td>68.5</td>
<td>59.5</td>
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<td></td>
<td>Unpaid family worker</td>
<td>3.6</td>
<td>3.7</td>
<td>3.3</td>
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<tr>
<td>Occupational Distribution of labor force-10+ yrs. (in %)</td>
<td>Prof/Tech Workers</td>
<td>4.6</td>
<td>3.3</td>
<td>8.4</td>
</tr>
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<td></td>
<td>Admn Workers</td>
<td>0.6</td>
<td>0.5</td>
<td>1.7</td>
</tr>
<tr>
<td></td>
<td>Clerical Workers</td>
<td>2.2</td>
<td>1.9</td>
<td>3.8</td>
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<td></td>
<td>Sales and Service Workers</td>
<td>8.6</td>
<td>7.9</td>
<td>19.2</td>
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<td>Farm fish Workers</td>
<td>60.2</td>
<td>63.0</td>
<td>39.7</td>
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<td>Production Workers</td>
<td>23.6</td>
<td>23.3</td>
<td>27.2</td>
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<td>0.1</td>
<td>0.1</td>
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<td>Nepal</td>
<td>Total Janjatis</td>
<td>Hill janjatis</td>
<td>Terai janjatis</td>
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<td></td>
<td></td>
<td>Newar / Thakali</td>
<td>Other hill janjatis</td>
<td>Total Hill Janjatis</td>
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</tbody>
</table>

References


