

Nepal: From Moon-Promises to a Nation That Builds

Toward a Manifesto for Building the Nation That Shaped Me

10 February 2026

Why This Essay

When I read about the progress of other Asian countries while Nepal struggles across nearly every dimension, I feel quiet loss. Seeing people living in dire poverty across the country, I sense something has gone wrong. Passing public schools with half-empty classrooms while private schools overflow, I see a system that sorts rather than lifts. Watching patients queue outside public hospitals while private clinics line Kathmandu and Bharatpur, it becomes clear care has become a privilege rather than a right. Hearing that people must bribe to access basic government services, I see how deeply corruption has entered everyday life.

Watching thousands of young Nepalis leave daily for foreign manual work is unbearable. Seeing families trapped in poverty across generations without secure food, education, or a path forward brings urgency as well as sorrow. This is not temporary hardship; it is a life sentence passed from parent to child. And when villages empty and fertile fields are overtaken by monkeys in a country increasingly importing its food, the conclusion is unavoidable: something is deeply broken.

Breakdown across services, farming, schooling, health care, and employment reflects systemic failure. When it persists across generations, stagnation becomes chronic and risks extending beyond economics into the civilizational fabric.

Having witnessed this pattern, I write with pain but also responsibility. I left Nepal long ago in pursuit of higher education, yet I have never left it in spirit. I write not as a politician nor for any party, but as someone shaped by this country and determined to understand why it has settled for so little and to share why remaining unchanged leads nowhere.

Before considering how this cycle can be broken, we must confront how the system learned to survive without building. This essay seeks to do that. It is not a detailed manifesto, though it points toward one: it examines the political mechanism trapping voters in cycles of promise without delivery, describes where Nepal stands and how it arrived here, identifies where effort must shift if Nepal is to build the nation it has long deferred, and asks political parties not what they promise but what they are willing to restrain and build. It then turns to what voters must demand.

I. Age of Moon-Promises

Year after year, elections arrive with promises from every political party to address painful realities, yet little follows. Once elected, commitments are abandoned. For decades, Nepalis have been promised prosperity under monarchy, multiparty democracy, and republic alike. Each promised transformation; each delivered disappointment. Now election manifestos read like shopping lists — free services, instant prosperity, guaranteed growth. Claims grow larger not because capacity improves, but because exaggeration carries no cost. Manifestos are read and forgotten, and no one compares promises with delivery. There is no scorecard or audit. Failure leaves no trace.

Recognizing this, parties behave rationally. If breaking promises carries no cost, the only way to compete is to promise more. Elections become auctions of fantasy. Yesterday's exaggeration becomes today's baseline. Tomorrow's manifesto must promise the moon: promises expand precisely because they are never meant to be kept. Ideology and "Isms" become shields behind which failure hides. Parties defend themselves not by showing results, but by invoking doctrine or vision while blaming rivals, history, or foreign countries.

Faced with persistent broken promises, citizens expect betrayal. Cynicism becomes rational. In such a system, realism is punished and exaggeration rewarded. The system turns upside down: it becomes harder to win by promising what can be done than by promising what cannot. However, courageous political parties should stand up, promise reality, and expose how hollow past moon-promises have been. Until this political malpractice is confronted, no reform — economic or social — can take root.

II. Where Nepal Stands

To understand Nepal's position today, we begin with the most basic indicator of national performance: economic growth, the closest proxy for prosperity. Nepal's economy produces about US\$49 billion in gross domestic product (GDP) each year. It sits between two economic giants, India and China, which together account for more than one-fifth of global output. Nepal, roughly one percent the size of India's economy and about a quarter of one percent of China's, is being left further behind each year. The numbers tell the story. In 1980, Nepal's average income per person was roughly on par with India and China. Today, at about [\\$1,450](#), it is roughly half of India's and about one-tenth of China's. The purpose of comparison is not to measure parity but to illustrate how far Nepal has fallen behind.

Growth is not abstract; it finances education, health care, infrastructure, and dignity for ordinary households. It is an outcome of fundamental pillars: jobs, education, investment, infrastructure, especially energy, and labor productivity (how much each worker produces). To understand why growth has faltered, we must examine the weaknesses across these pillars.

Job scarcity is acute in Nepal. In the last year alone, roughly 840,000 Nepalis departed for foreign employment, about 2,300 daily, excluding movement to India. Only about 6 percent of the working-age population holds formal employment domestically. Of roughly 21 million working-age citizens, only 8.5 million participate in the domestic labor force while more than five million work abroad, yet youth unemployment remains near 23 percent.

Education shows similar fragility. Learning outcomes remain weak: more than half of children aged 9–14 lack foundational competencies expected at grades 2-3. Progression through the system is unstable; of every 100 entering Grade 1, only seven graduate without interruption. About three-quarters attend public schools where outcomes lag private institutions, constraining skill formation and mobility. When capability formation is shallow and uneven, productivity cannot rise.

Investment reveals a structural paradox. Domestic saving remains extremely low, 6 percent of GDP. Including remittances, national saving rises to about 36 percent, yet total investment stands near 24 percent. Large volumes remain unconverted, held in deposits, invested in land or gold, or

lost through capital flight. Deployed capital often flows into low-productivity activities such as real estate speculation rather than enterprise expansion.

Energy use exposes further structural gaps. Nepal remains among the lowest energy users in the world. Per-capita energy consumption is roughly 520 kilograms of oil equivalent per year, about one-fifth of the global average. Even more revealing is that electricity accounts for only about ten percent of total energy use. Nearly two-thirds of Nepal's energy still comes from traditional biomass. Per-capita generation is roughly one-third of India's and about one-twentieth of China's. For a country long described as hydropower-rich, this gap reflects an inability to convert natural potential into productive capacity. Limited supply exists, and even more limited domestic absorption signals that energy has not reorganized production across agriculture, logistics, or manufacturing.

Low productivity hinders Nepal's prosperity further. A child born today is estimated to realize only about 18 percent of potential productivity. Weak productivity limits competitiveness, contributing to exports of only about 8 percent of GDP while imports are about 33 percent, producing one of the world's largest trade deficits in terms of GDP.

III. Why Nepal Stalled

The weaknesses described above are not isolated failures. They reflect structural conditions shaping incentives across decades. Nepal underperformed not because of episodic policy mistakes, but because it failed to build systems capable of converting potential into progress, widening inequality in the process. What I describe as four drags on progress have reinforced these failures across generations.

At the core lies *low ambition*. Leadership has too often governed with horizons defined by survival and distribution rather than expansion and competitiveness. A nation does not grow beyond the ambitions of those who lead it. When horizons remain limited, policy manages scarcity rather than creating abundance. The drive to build, compete, and export is rarely visible in Nepal's policy culture.

Low ambition sets *wrong priorities*. Economies that advance treat growth as a binding objective organizing budgets, institutions, education, and trade strategy. In Nepal, growth often functions as rhetoric rather than constraint. Political parties repeat the language of "double-digit growth," but rarely explain how or through what structural change. The result is a persistent gap between aspiration and execution.

The third drag, *Institutional unpredictability*, rooted in lawless power, constrains progress. Rules are applied unevenly, contracts are uncertain, timelines are unreliable, and enforcement is inconsistent — leaving individuals and firms unable to plan or invest. When power operates above law, horizons shorten and investment retreats. As discretion dominates, compliance yields to connection; firms scale cautiously, and innovation slows. These conditions also underlie the frustration visible in Nepal's Gen-Z uprising, reflecting demands for rule-bound governance and genuine opportunity.

Politics over performance is the final drag. In successful countries, governments earn legitimacy by delivering results. Growth, jobs, and rising living standards become the currency of political survival. In Nepal, legitimacy is built through political control, identity, coalition management, and survival—not outcomes. Underperformance on the economic front carries limited cost.

Together these structural drags create an equilibrium in which underperformance perpetuates itself. Regardless of geography or size, institutional patterns that reward maneuvering over building keep the country trapped.

IV. The Necessary Path

If systems can fail, they can also be built. This section asks what must change for Nepal to escape its low-growth equilibrium. Stagnation is not destiny but the result of repeated choices. The question, therefore, is whether the country is ready to build rather than merely survive. Because stagnation is both institutional and aspirational, progress requires raising ambition alongside systemic reform. This path does not demand miracles or ideological reinvention, but building the conversion mechanisms that translate effort into capability, capability into enterprise, and enterprise into employment. Six elements illustrate what this framework entails.

First, workers must be treated as national assets rather than safety valves for migration. Job creation at home must anchor all other policies. Employment expands skills, stabilizes communities, and channels savings into productive use. For decades, labor policy has centered on facilitating migration rather than expanding domestic employment. Reorienting policy toward work creation is the only way to build futures locally and nationally.

Second, education must become a pipeline into employable capability. Capability formation is not just a social duty; it is core economic strategy. Scaling skills through effective public secondary education should be a national priority. Education also enables Nepal to shift from technological laggard to leapfrogging — adopting advanced production methods, including digital and AI-enabled systems. When schools produce usable capability, firms expand, productivity rises, and opportunity reaches beyond privileged households. Without it, Nepal cannot reverse deterioration in its labor market or wider economy.

Third, policies should be revamped in such a way that capital is redirected toward enterprises that hire, produce, and export. Financial systems and policy incentives must reward risk-taking in production rather than passive asset holding. Every lever should be used to deepen investment.

Fourth, energy must shift from capacity expansion to production integration. Reliable power in agriculture, logistics, and manufacturing lowers costs, raises productivity, and creates employment. The focus should be on raising domestic demand for electricity rather than prioritizing export. Other infrastructure investments should prioritize internal mobility and production.

Fifth, Nepal must treat enterprise as a central partner in growth. For decades, the country has publicly accepted markets while quietly constraining them. Enterprise is the arena in which production is organized, employment is created, and innovation is tested. Giving enterprise a larger role does not weaken the state; it strengthens its focus. The state must create conditions in

which enterprise becomes rational and safe through predictable rules, enforceable contracts, and regulatory restraint.

Finally, rules must become credible. Predictable timelines, transparent procedures, and equal enforcement reduce friction and allow productivity to rise. Corruption, delay, and discretionary enforcement divert effort from building to navigating. That must end. This reflects demands voiced across generations, especially by Gen Z, and would significantly strengthen economic performance.

They represent practical conversions through which effort translates into progress. Any political party committed to governing honestly should focus on these six elements with discipline. Only then can Nepal establish the foundations of prosperity while strengthening the services on which ordinary lives depend — decent public education, reliable health care, and meaningful work. When systems fail, the poor absorb the damage; they cannot substitute private schooling, private clinics, or influential networks.

V. Credibility Through Restraint

Moon-shot pledges followed by inaction have become obstacles to progress. With elections approaching, manifestos will multiply. They should be judged not by scale, but by whether they address capability failures and commit to institutional discipline. Any serious political party seeking to build Nepal must make binding commitments that limit discretion and make delivery routine. Credibility requires commitment to five restraints:

- Rule of Law: Political authorities will cease interference in courts, regulators, and police; ministerial intervention will be illegal and reviewable.
- Education: Control of education through party networks will end; performance, not loyalty, will determine careers, and public education and health systems will be protected from political capture.
- Economic Reform: Protection of speculation and cartels will be withdrawn; production will be safer than speculation under law.
- Infrastructure: Electricity and infrastructure will no longer serve as political trophies; governing procedures will be rule-based.
- Transparency: Governance without measurement will end; independent scorecards will trigger parliamentary review of failure.

This is credibility: not promises of delivery but surrender of discretion. Nepal does not need another platform — it needs a higher standard of legitimacy that asks not what parties say, but what powers they relinquish.

VI. Citizens Demand

Democratic accountability requires voters to value institutional discipline over rhetoric. Citizens should judge parties not by promises, but by their willingness to bind themselves to credible rules. Prosperity emerges from institutional consistency rather than ideological proclamation. For this reason, voters should make seven demands:

- Rule before power: Authority must obey law, not personal influence.
- Jobs before slogans: Domestic employment is the only measure of success.

- Power that produces: Electricity used matters more than megawatts announced.
- Schools and hospitals that work: Their performance must carry political consequence.
- Capital that builds: Savings must finance enterprise, not speculation.
- Enterprise before ideology: Producers must be enabled, not distrusted.
- Performance with consequences: Failure must trigger accountability, not explanation.

These expectations define the minimum standard of a serious democracy, one in which parties choose realism over fantasy, follow disciplined paths, accept institutional restraint, and deliver measurable results.

VII. Conclusion

Nepal's history reflects missed transformation rather than inherent limitation. Talent, resources, and savings still exist, though increasingly deployed abroad, and the systems converting them into prosperity are absent. Building demands disciplined commitment rather than rhetorical optimism. When institutions function, education generates skills, energy powers production, savings support enterprise, and jobs are created at home. In turn, this allows prosperity to extend beyond averages toward dignity for the last household in the last village.

The coming political cycles will test whether Nepal transitions from survival toward construction, from moon-promises toward credible systems. The choice is not ideological but developmental: to continue performing hope, or to build it through disciplined institution-building. Let this be the moment Nepal turns the page from performing hope to building prosperity.

Acharya holds a PhD in Economics, and writes on economic issues in Nepal and Canada. He can be reached at acharya.ramc@gmail.com