

Received Date: January 2022

Revised: March 2022

Accepted: June 2022

Urbanization in Nepal: Focus on Pre-requisites and Trend

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Abstract

This study aims at assessing the basic pre-requisites and trends of urbanization in Nepal. Using secondary sources of data, the study embarks on a successive analysis of the years ranging from 1952 to 2017, while employing a descriptive research design. Simple descriptive tools: tabulation, percentage, and trend line are used for data presentation and analysis. Urbanization in Nepal is defined as a crucial way in terms of the rise in the proportion of the total population residing in designated urban areas; not by the sufficient availability of infrastructures but by the excessive migration of people from rural to urban areas seeking modern amenities. The official statistics show that the trend of urbanization in Nepal is in increasing order in recent years. This is the by-product of ad-hoc political decisions. However, this paper limited its scope by considering only pre-requisites, and trends as a measure to examine the pattern of urbanization in Nepal. This paper provides insightful guidelines, and problems solving strategy, especially, for decision-makers, policy makers, planners, demographers and academicians in relation to developing countries. Academic integrity, professional ethics, and minimum similarity index are used.

Keywords: Development, urbanization, pre-requisites, trend & political decision.

Introduction

The 21st century is the age of hyper-globalization in which urbanization, migration, industrialization, economic liberalization and innovation of science of technology have logically played a catalytic role in relation to the pace of development from local to global scale. Owing to the impact of such global forces, Nepal is also rapidly urbanizing process. Urbanization, among the others, has been becoming a driving force that has been deriving the pace of development around the world. The horizon of urbanization is largely expanding, today. More than half of the world's population lives in cities (Ministry of Urban Development [MoUD], 2017). Cities now play a far larger role in

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the debate around global development, and as a result, it is becoming the most inspiring anthropogenic socio-economic and cultural transformation in the globe, particularly in emerging economies (Gu, 2019). On a global scale, urbanization is not a new concept. Since the industrial revolution, the proportion of the world's population living in cities has increased. In 1800, just 3 percent of the world's population resided in cities, growing to 13 percent in 1900 (Smart & Smart, 2003). It is a process of modernization and social change. It is the advanced form of rural culture and is generally considered an engine of economic growth and development (Devkota, 2012). By 2050, it is expected that 64 percent of the developing world and 86 percent of the developed world would have been urbanized (Ministry of Population and Environment [MoPE], 2017). In Asia, Nepal is one of the least urbanized countries, but as a result of numerous factors including socio-economic, geographical, political, and demographic, the pace of urbanization has accelerated in recent decades and is likely to continue.

The process of population concentration in specific areas in which population density is relatively high. Indeed, the transformation of villages into towns and towns into cities is the proxy of modern development (Subedi, 2014). When population tend to an urban area with significant demographic, economic and physical movement (Chapagain, 2018) reflect the level of urbanization and its advanced form influence the existing urban centers (Smart & Smart, 2003). After going through the arguments given by the voluminous authors, it is concluded that an area where basic facilities are available and primary industry-based employment system changed into the industrial pattern of employment, this type of structural changing process considered as an urbanization.

Urbanization has historically been associated with development, specialization, industrialization, and demographic awareness (Sharma, 2003). United Nations Population Fund (United Nations Population Fund [UNFPA], 2017) has remarked as “urbanization is predominantly the process by which towns and cities are formed and become larger as more people begin living and working in central areas.” It is argued that economy and population density jumped from ruralism to town, city and urban center gradually, on the basis of population size, income and basic social overhead capital, collectively called urbanization.

Owing to hyper globalization and neo-liberalism, today world has been entering the era of rapid urbanization, where more than half of the world population is residing in urban areas. Globalization and urbanization both are spreading multiple effects around the world, due to this, Nepal also cannot escape from this phenomenon. Conceptually, there is consistency while defining the term urbanization in Nepal because it is defined and redefined over the time, for example, the census (1952/54) provides data on 10 ‘prominent’ settlements with

a population of over 5,000. Later on, the census (1961), for the first time has logically been defined the term urban “as an area with a population cluster of 5,000 and over and having an urban environment such as high school, college, judicial and administrative offices, bazaar, communication facilities, mills, factories etc.” (CBS, 1995 as cited from Sharma, 2003). The Nagar Panchayat Act (1962) established the designation of Nagar as a local level urban administrative entity, as opposed to a local level rural administrative unit. The Act approved that a population of ‘not less than 10,000’ was usually essential, prerequisite for a locality to be granted municipal status but it was not sufficient’ (Sharma, 2003). In 1976 the population size criteria to receive the municipal status was reduced to 9,000. It shows that the population size was not consistently followed while defining the urban in the past effort. After the restoration of multi-party system in (1990), the Municipality Act (1992) and the Local Self Governance Act (1999) were endorsed and renamed the early notation of ‘Nagar Panchayats’ by Nagarpalika (Municipality) on the basis of population size, density, occupational structure of the population and infrastructures. Currently, Local Government Operation Act (2017) also categorized urban areas into three layers, (i) Metropolitan city, (ii) Sub-Metropolitan city and (ii) Municipality respectively on the basis of population size, annual average income and infrastructures.

Urbanization is measured as an indicator of modernization and a crucial process of development. Urbanization and development have been synonymous concepts to the extent that higher level of urbanization lead to higher level of development. The structural changes in the economy that accompany the process of urbanization. In 1952/54, there were only 10 municipalities in Nepal occupying 2.9 percent population (Basyal & Khanal, 2001). This scenario now has been dramatically changed. By 2017 there have been 293 urban administrative units (including metropolitan city, sub-metropolitan city and municipality) where two third (66.08%) population of the country are residing (Central Bureau of Statistics [CBS], 2021). Urbanization and development nexus has several issues, challenges and perspectives. In this paper, it has attempted to assess the current pre-requisites and historical trend of urbanization in Nepal.

Objectives

The focused objective of the paper is to describe the current basic pre-requisites and trend of urbanization in Nepal.

Methods and Materials

For the purpose of trace out and description of urbanization pattern in Nepal, required data were drawn from secondary sources. The various census report published by central

bureau of statistics, Nepal, the Constitution of Nepal (2015), Local Government Operation Act, (2017), National Urban Development Strategy (2017) and scholarly articles were thoroughly reviewed. Going through the secondary data, this paper encompasses the urbanization trend from 1952 to 2017 including only numbers of municipalities, population living in urban areas and current pre-requisites of urbanization declared by Local Government Operation Act (2017). Pre-requisites of urbanization are predictor variables and trend of urbanization as an outcome variable. This paper used descriptive statistical tools (tabulation, percentage and trend line) to analyze the trend of urbanization with the paper's scope limited to Nepal. The pre-requisites of urbanization was considered as predictor variables and trend of urbanization as an outcome variable. Data sources covered over the years, thus, longitudinal cum cross sectional research design is followed. This paper followed academic integrity, professional ethics, and minimum similarity index for its reliability and validity.

Results and Discussion

Pre-Requisites of Urbanization

According to Ministry of Urban Development (2015), migration is the main cause of urban growth in developing country like Nepal. In general, net in-migration is a major driver of urban growth and urbanization due to structural change, in addition to the naturally occurring growth of people and expansion in an urban region (Tiwari, 2008). In addition, policy factors also induced the urbanization process in many developing countries. The causes that speed up urbanization in Nepal include natural increase, rural to urban migration, international migration, border extension, and reclassification (Ministry of Population and Environment, 2017). The overall trajectory of urbanization in Nepal is significantly impacted by boundary and administrative reclassification in particular.

Urbanization is strongly correlated with economic growth, as shown by the per capita gross national product (GNP), population size, mode of production, and availability of essential infrastructures. This is especially true until a nation reaches a mature stage of development. As a result, urbanization to some extent is necessary for a nation's overall development (Tiwari, 2008). There are no universal standards used by nations to identify urban areas. Urbanization could be characterized in terms of the size of a city, basic amenities and its population. In Nepalese context, according to Local Government Operation Act, 2074 recognize further subdivision in the definition of urban area. Based on the population size, annual revenue and level of infrastructure facilities available in the Municipalities, they are categorized as Metropolitan (Mahanagarपालिका), Sub-metropolitan (Upa-mahanagarपालिका) and Municipality (Nagarपालिका). While providing municipal status to a settlement, a

regional dimension is recognized in terms of population size. The requirements for the Hill are lower than that for the Terai. The pre-requisites to urbanization process in Nepal in terms of population size and average annual income of the last five year (Table 1).

Table 1: Pre-requisites of Urbanization in Nepal

Classification of municipalities	Minimum population					Internal income (average annual income of last five years) in Rs.
	MD	HD	TD	IT	KV	
Municipality	10,000	40,000	75,000	50,000	1,00,000	Mountain region 1,00,00,000 and other districts: 3,00,00,000
Sub-metropolitan City	2,00,000					250,000,000
Metropolitan City	5,00,000					1,000,000,000

Source: Local Government Operation Act, 2017

Note: MD = Mountain Districts, HD = Mountain Districts, IT = Inner Terai and KV = Kathmandu Valley

Apart from annual average income and population size, other basic internationally acceptable and standard physical facilities and social overhead capital such as road, transportation, electricity, hospital, school, college, university, national and international airports, sewage, drainage etc. are essential.

Trend of Urbanization in Nepal

Urbanization in Nepal is defined as a crucial way in terms of the rise in the proportion of the total population residing in designated urban areas; not by the sufficient availability of infrastructures but by the excessive migration of people from rural to urban areas seeking to modern amenities (Basyal & Khanal, 2001). The pace of urbanization is accelerating so rapidly in developing world. People are being pushed from the place of origin (rural) and pulled toward place of destination (urban). Every year thousands of people tend to urban centers in search of a better life and secure future. In 2011 the 58 municipalities covered only 19 percent of Nepal’s population. Until 2013, only 17.1 percent of Nepal’s population resided in 58 designated urban areas (United Nations Department of Economic and Social Affairs, 2014). Over the last 60 years the number of urban places or municipalities has increased from 10 in the 1950s, 130 in 2014 and 293 in 2017.

Although the intercensal decade’s growth rate was 3.43 percent, the average annual growth rate between 1981 and 2011 remained at 5.3 percent ((Nepal Urban Development Strategy [NUDS], 2017). In 2017, the Government of Nepal decided to implement a major territorial reform based on constitutional provision through the local level restructuring commission (LLRC) after promulgation of the Constitution of Nepal in 2015. The commission has recommended a total of 753 local level units, of which 293 are declared as urban units (6 Metropolitan City, 11 Sub- Metropolitan City and 276 Municipalities) that comprises 56.5 percent of the urban population (16.5 million) of total population of Nepal (29.1 million) as of 2019 (CBS, 2019). According to the preliminary report of the current national census (2021), 66.08 percent of the Nepal’s population lives in urban area which was only 17 percent in 2011(CBS, 2021). The major causes of rapid urbanization are reclassification and migration from rural to urban areas which resulted in urban infrastructure deficit. The growth of the urban population for the last decade has been very fast due to both political decision and rural urban migration. The scenario shows that, urbanization trend in Nepal is increasingly in recent years. Among others, one of the leading factor to increase in the percentage of Nepalese people living in urban within a short period of time is government’s political decision to transform rural administrative units (Rural municipalities) to urban administrative units (Municipalities). Table (2) highlights the historical trends of urbanization in Nepal.

Table 2: Historical trends of urbanization in Nepal

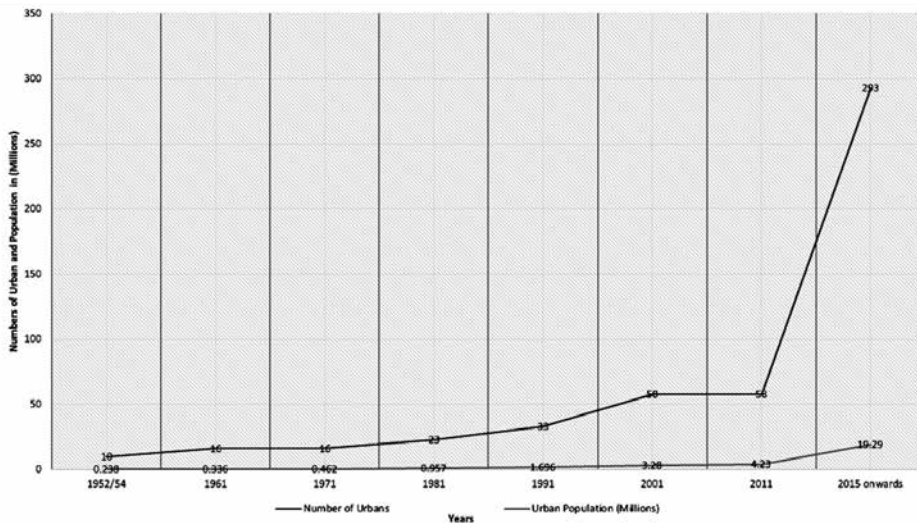
Census Years	Number of urban areas	Urban population (millions)	Urban population (Percent)
1952/54	10	0.238	2.9
1961	16	0.336	2.9
1971	16	0.462	4.1
1981	23	0.957	6.3
1991	33	1.696	9.2
2001	58	3.28	13.9
2011	58	4.23	17.07
2015 onwards	293	19.29*	66.08*

Source: CBS, 2011, 2019 and 2021

* The preliminary report of the census, 2021

Table (2) shows that, the share of people living in urban areas has continuously expanded since 1950s to 2015. It should be emphasized, however, that the larger discrepancies between national and urban growth rates are mostly explained by an increase in the number of urban areas after the 2011 census. In 1971, for example, there were 16 municipalities in Nepal, and 7 more municipalities were added in 1981 and reached 23 (16+7) municipalities. Likewise, in 1991 there were 33 (23+10) municipalities and then since 2001 to 2011 the size of municipalities reached 58 (33+25). Similarly, in 2014, additional 72 municipalities were declared and the total number of urban places reached 58 to 130 (58+72). Likewise, government of Nepal, again declared 163 additional municipalities by 2017 onwards and now the total number of municipalities reached 130 to 293 including 6 metropolitan city, 11 sub-metropolitan city and 276 municipalities.

Figure 1: Trends of urbanization in Nepal over the years



There exists functional and positive relation between numbers of municipalities and percentage of people residing in urban areas. Higher the number of urban centers/municipalities greater the proportion of people living in urban areas. In Nepal declaration of new municipalities by the government through political decision and excessive rural urban migration, the percentage of urban population is increasing so rapidly in recent years. The urban population as a percentage of the total population of the country was 2.9 in since 1950s to 1961 and then after reached 4.1 percent by 1971, 6.3 percent by 1981, 9.2 percent by 1991, 13.9 percent by 2001, 17.07 percent by 2011, 27.2 percent by 2014 and 66.08 percent after by 2015 respectively (Table 2). From 2011 to 2017 the number

of municipalities are declared so rapidly by the political decision and due to this, the population residing in rural area limited by 37.3 percent in 2014 and 33.92 after 2017.

Discussion

Urbanization and urban development are substantially influenced and guided by key policies of the government in sectors such as education, transport, communication, agriculture, tourism, industry, energy, environment etc. in addition to the policy followed in the urban sector. Currently, municipalities are de facto urban areas in Nepal. In terms of existing physical, natural, socio-economic and cultural environment, the interpretation of urban environmental condition is critical. Available social overhead capital such as water supply, sewage, drainage, health and sanitation, housing, road and transportation shows the urban deficiency (NUDS, 2017).

The study of urbanization and urban expansion in Nepal is complicated by definitional contradictions that occur both in time and place. Whatsoever, the level of urbanization in Nepal has been comparatively low by prescribing indicators (population size, annual income and modern facilities) as compare to other countries in the world (MoPE, 2017), on the one hand and trend of urbanization is dramatically increase on the other. Despite not having a long history of urbanization, Nepal, a landlocked nation sandwiched between China and India, is currently undergoing rapid urbanization (Devkota, 2012). In recent years, Nepal's urbanization has increased significantly (Chapagain, 2018).

Sarker et al. (2018), reveal that many developing countries around the world are gaining experience as much as fasting which is similar to this study because Nepal's urbanization tendency has increased dramatically, especially after 2015. Until, 2011 only 58 urban areas were designated but after the promulgation of the Constitution of Nepal in 2015, the size of municipalities voluminously increased and reached 293. The economy's transition from a rural, subsistence-based one to an urban one is marked by urbanization. It is concluded that strategic management of rapidly increasing urbanization is key for world-wide sustainable development. UNDESA (2014) argued that in global perspective Nepal was one of the top ten fastest urbanizing countries with 3 percent growth rate. Higher aspiration for employment, quality education, health, security and many other modern amenities are influencing factors that induced the economically active population to shift from the subsistence agriculture sector to the non-agriculture sector. Currently, around two third population of Nepal are residing in the urban areas (CBS, 2021).

In developing economies including Nepal, there is no strong policy and guidelines to respect, preserve and conservation of historical cities. Legal and institutional framework

is weak in the context of Nepal. The urbanization process is jeopardized and influenced by political power. Political interference disturbs mostly in planning and development sector. No proper visioning, planning and with insufficient indicators, for example, population size, income and basic infrastructures such as roads, electricity, solid waste management, water supply, sewage disposal and, many immature settlement localities (rural areas).

Conclusion

This paper focuses on urbanization trend and explores the essential pre-requisites to urbanization in Nepal. The trend of urbanization in Nepal has been gradually increasing since very beginning since 1950s to 2011. After 2015, the gear of urbanization pattern in Nepal is increasing so dramatically. This rapid urban expansion is primarily due to migration from rural to urban areas, and adjustments in administrative boundaries to meet the minimum population criteria to declare the municipality. This practice is not by other factor but by political decision. Newly, designated urban areas after 2015 have no adequate, sufficient and standard criterion. This is a key finding of this study. Urban areas are considered as a chief source as well as engine of economic development especially in an ongoing economy. The role of urbanization in the national gross domestic production (GDP) is quite decisive. It is concluded that well and systematic urbanization is a symptom of development and would be more appropriate for a country like Nepal. Thus, proper land use planning, a tool to develop an area in a sustainable way would be designed. For this, it needs clear rules and regulations to accelerate the regional balance, rural-urban balance, and sound, inclusive and broad economic development policy in reality.

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