

CHAPTER I

INTRODUCTION

1.1 Background

Poverty and unemployment are emerging problems of most of the developing countries and Nepal is not an exception. These problems are increasing rapidly in the urban areas. Employment plays an important role to alleviate poverty. Entrepreneurship development is one of the ways for self-employment and which help to reduce poverty. The Government of Nepal has put efforts to develop entrepreneurship through adopting policies and programmes in different periodic plans. The interim plan has aim to generate the opportunities of self employment by the utilization of skill of indigenous entrepreneurs, finance and technology for poverty alleviation (NPC 2007).

Entrepreneurship is a property of poor and unemployed people to give a way to them for coping strategies to earn their livelihood by conducting any enterprising activities. Enterprises comprising micro enterprises, through to small, medium and large companies are the principal sources of economic growth and employment creation (ILO 2009). In the developing countries, Small and micro enterprises are considered to be significant in terms of utilization of local resources and skills. It can capture local market and opportunities and also utilize local financial resources. Development of small and micro enterprises helps in implementing entrepreneurial culture among the people, who are by tradition mostly self sufficient farmers and do not have market oriented economic culture.

Due to the low access in the resources and economic capabilities, poor people do self employed work i.e. farming, street vendors of goods and services, carpeting, carving, wage labouring etc. by using indigenous knowledge, skills and labour. So, we can say that small and micro enterprises contribute significantly for economic growth, social stability and equity. These sectors are most important vehicles through which the people having low income can escape from poverty with limited skills and education. Since these sectors have limited opportunities to set job to compete for formal sector jobs, these men and women find economic opportunities in micro and small enterprises as a business owners and employees. Among the different enterprises,

some of them are traditional occupation just pursuit through generation to generation. Such type of enterprises is closely related with caste/ethnicity, culture, religion and tradition of the community. Pottery, tailoring, shoemaking, carving, smithing etc. are traditional enterprises and skill has transformed through apprenticeship. Nevertheless, now adays, different agencies conduct training programmes for such occupational groups and other interested persons. Wood carving is one of such jobs.

The art of wood carving has been the pride of Nepal in many countries; wood work has been a part of the traditional architecture of Nepal and is per excellence of the Newari art (Aran 1978). It is important craft especially in the Kathmandu valley. Craftsmen have acquired a high degree of skill by the intricate carving and made hundreds of year ago an windows, struts, doors and other wooden structure which can still be observed in the valley. Some craftsmen have adopted wood carving enterprise as a means of livelihood in different places of the valley. An old compact, Newari settlement of the Bungeamati is one of them.

1.2 Statement of the Problem

In the historical development of industries, handicraft appears to have important position in Nepal. Wood carving is a kind of handicrafts. This art is output of the combination of the carvers' knowledge, skill and labour. The term wood carving has taken as that product which is made by manual labour using only hands and legs of the craftsmen with the help of simple tools; no machine is used for making wood crafts (Shilpakar 1981). Wood carving is the traditional enterprises of the Newar, especially Shilpakar. Since starting phase to now this enterprise is in up and down condition, has not been developed smoothly.

Such enterprises are found in different geographical locations across the country and produce different products and serve for the people. Different agencies have a significant role in promoting the marketing system which are being influenced by the various factors like transportation, communication etc. The wood carving is important both from economic points of view and performing art and craft. Not only that the wood carving of Nepal is unique in the world. So the foreigners like the Nepali wood carving products very much. Despite the positive aspect, the wood carving enterprises are facing some problems i.e. raw materials related, market related, while competition with machinery

products, irregular income etc. Nevertheless, the households adopt the wood carving enterprise as a means of livelihood.

Many researchers and scholars have paid their attention towards formal sectors' wood carving industries but there are limited researches in informal sectors enterprises on the perspective of livelihood. In this context, some research questions may be relevant to the research.

- What is the evolution feature of wood carving enterprises in Bungamati?
- How is the marketing pattern of the wood carving enterprises?
- Have the enterprises faced any problems with regard to wood carving enterprises?

1.3 Objectives of the Study

The general objective of the study is to analyze the livelihood pattern of the households running wood carving enterprises in Bungamati. The specific objectives are as follow:

- To assess the evolution feature of wood carving enterprises,
- To examine the market chain of the wood carving enterprises,
- To identify the problems of wood carving enterprises.

1.4 Significance of the Study

This study is concerned with small scale wood carving enterprises, which are forest, based and closely related to a certain ethnic group. In these enterprises, entrepreneurs do not use any modern equipment and machine; they use only their skill with hands and simple tools. In the context of globalization and the modernization (the age of machine), such types of handicraft work are easy or not? And can the entrepreneurs earn their livelihood easily or not? These are the vital questions.

Wood carving is an art or skill-oriented enterprise and all art themselves as valuable and meaningful. Entrepreneurs should know the meaning of their art because it helps to promote business. Marketing channel helps to link different geographical locations economically and spatially. This study tries to show the linkage and role of different agent in marketing channel. This study tries to gather many information about the enterprise and the entrepreneurs such as problems of the enterprises, potentiality etc. So,

it has significance in this way, who wants to get information about wood carving enterprise. The relationship between human and nature is a part of livelihood; this research tries to explore the relationship; that is also importance of the study.

1.5 Limitations of the Study

Wood carving enterprises are dispersing in several places in Kathamndu valley, both in formal sector and informal sector. A small compact settlement of Bungamati in Lalitpur has been selected in this study. The limitations are in terms of both time and funding especially in data collection process.

In the process of the data collection, the enterprise heads were absent in some cases. In that cases, other members of the sample households of the wood carving responded to the questions. As a consequence, there might have some limitations. In this context, the findings of this study can not be used to generalize to the wood carving enterprises of other areas. This is also limitation of the study.

1.6 Organization of the Study

This study has been organized into seven chapters. The first chapter deals with the introduction, statement of the problem, objective, significance and the limitation of the study. The second chapter presents review of literature and includes concept and definition of enterprises, historical background of the wood carving and wood work in the world as well as in Nepal. It also deals with the theoretical framework, empirical example of livelihood and wood carving in the international context and the national context existing policy related to the micro enterprise development. Chapter three presents methodology with wide description of data collection tools and technique as well as processing and analysis of data.

Chapter four is the beginning of data analysis. It shows the development of the wood carving enterprise in Bungamati as major sources of livelihood, motivational factors to the enterprises and previous occupations, investment. Chapter five is related to the market chain of wood carving enterprises and income generation from the enterprises. Chapter six tries to identify the problems that the enterprises faced and also presents the whole livelihood condition of the households (which are conducting wood carving enterprises) on the basis of sustainable livelihood approach developed by Chambers and Conway. The last chapter deals with the conclusions of the study and recommendations for further researchers.

CHAPTER II

LITERATURE REVIEW

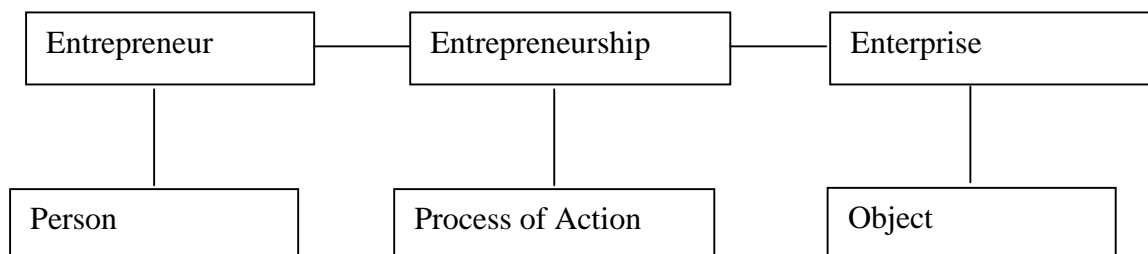
Review of the literature deals with the major components which are related with the micro enterprises, informal sector, wood carving enterprise and livelihood. Major policies and programmes related to the micro enterprises have been reviewed. After reviewing literatures of such sectors the synthesis has been given.

2.1 Concept of Enterprise

Enterprising practice was started since the development of human civilization but the concept and word was used after a long time. Generally, any economic activities conducted by the entrepreneurs are known as enterprises. Now the question can arise, what are entrepreneurs? The word entrepreneur has been taken from French language, where it cradled and originally meant to designate and organizer or musical or other entertainment (Khandka 1999). Since the beginning of the 18th century, the word was used to refer as economic concept. Lack defined the entrepreneur as an individual (some times a team of individuals) who conceived and brings into existence a commercial venture. A commercial venture is one which is profit oriented and which adds to inputs in an economic sense (Lack 1988 Cited in Karki 1994).

That has observed from the existing literatures that the entrepreneur is a diligent, hard working person with ability of risk bearing. The enterprise is a business of the entrepreneurs and the conducting process is entrepreneurship. The following figure shows the relationship among them.

Figure 1: Relationship of entrepreneur, entrepreneurship and enterprise



Source: Desai and Rai 2008.

Harper(1984) defined enterprise as means an organization primary for production and commercial sale of industrial products in almost all cases for the pecuniary or other martial benefit of the enterprise's owner or owners such as the proprietor, partners or members of a cooperative.

After industrial revolution, production, distribution and consumption pattern changed and became systematic which is motivated from entrepreneurial concept. Chico et.al.(1987) described the decade of 80s as "the age of entrepreneurial explosion". Not only has that time, in recent time, had the entrepreneurial culture played a vital role in the economy of the world. In the beginning of the industrial development the emphasis was given on the big industries. Small scale enterprises were neglected and they were considered to be slow contributors to the economic development. But small enterprises are means of utilization of local resources, indigenous knowledge, skill. It also helps to convert urban waste as resource. Such enterprises flow goods and services between rural and urban area. These types of enterprise can help to generate employment and manage urban environment by using waste as a raw materials (Pradhan 2004).

2.2 Evolution and Concept of Informal Sector

Informal sector is not a new phenomenon as information can be extracted back from the 1950s and 1960s, then it was assumed with the right mix of economic policies and resource allocation, traditional subsistence economy can be converted to the dynamic modern economy of the society. A British economist Keith Hart, used the term 'Informal Sector' for the first time in his study of economic activities in Ghana in 1971. But the word has become popular since the mission of the International Labour Organization (ILO) 1992 defined it as "the traditional sector there had just persisted but expanded to include profitable and efficient enterprises apart from the marginal activities"(ILO 1972 Cited in Dawadi 2008). Over the past few decades several terms have been used to describe the informal sector i.e. unregistered, underground, traditional, alternative, marginal, autonomous etc. At the same time some economist defined enterprise according to the size of firm, number of employees and quality of production.

The definition of the informal sector is changing by the time. In 1993, the fifteenth International conference of labour statistician (ICLS) adopted an international

statistical definition of the informal sector. The definition was based on production units or enterprises rather than on employment relations. It can be concluded that the informal sector is unorganized, non-registered sector which does not pay any form of tax in general. But it can support the formal sector of the country in different ways.

2.3 Livelihood Approach

People have different ways to adapt with their local environment in the different parts of the world. Different models and approaches have been developed to address this adaptive pattern. Sustainable livelihood approaches developed by different scholars are important models on livelihood.

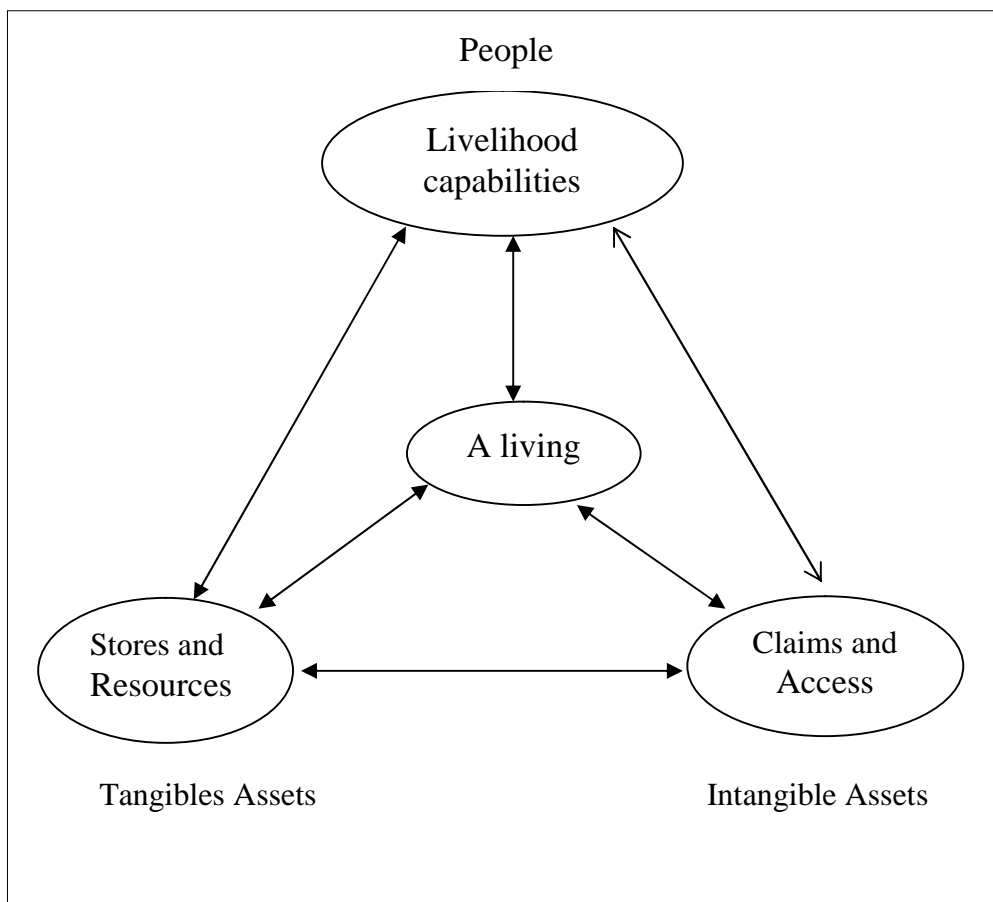
The livelihood concept is a recent one. This concept dates back to the work of Robert Chambers in the mid 1980s and further developed by Chambers and Conway and others in the early 1990s (DFID 1999). After that, several international forums adopted the sustainable livelihood as a development concept. The Brundtland Commission in 1987 introduced the UN conference on environment and development in 1992 adopted the concept of sustainable livelihood for all. Other development agencies such as DFID, UNDP, OXFAM etc have captured the concept of sustainable livelihood and then they modified and developed their own framework to address the multiple dimensions of poverty. In the classic paper on sustainable livelihood in 1992, *Sustainable Rural Livelihood: Practical Concepts for the 21st century*, Robert Chambers and Gordon Conway defined sustainable rural livelihood as:

A livelihood comprises of capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term.

They point out three interlinked concepts, namely capability, equity and sustainability as the fundamental for sustainable livelihood. In addition, they further note that, each of them are both an end and means of sustainable livelihood. Capability refers to the ability of an individual or household to cope with stresses and shocks and ability to find and make use of livelihood opportunities. Likewise, equity implies a less unequal distribution of assets, capabilities and opportunities. The concept of equity places especial concern on the enhancement of the most deprived ones, coming to an end to the discrimination of any kind. Furthermore, sustainability refers to self-sufficiency and self-reliance.

Chambers and Conway (1992) have presented an approach for sustainable livelihood which has given in figure 2. The figure depicts the interaction and interplay between different assets, capabilities of households or an individual and livelihood. Households or individual have certain capabilities with which they mobilize different assets (the resources and stores they have) to make a living. A living is the output or gain from the activities (livelihoods strategy). Livelihood capability greatly influences in capturing available livelihood options and hence gaining decent living capabilities and assets are interdependent to each other. Higher capabilities of households enable them to undertake better livelihood strategies (activities for gaining a living) which in term enhance the stock of assets. Similarly, better stock of assets forms the basis for enhancing capabilities. The capabilities and assets together enable households to adopt sustainable livelihood strategies, the central idea of which is to ensure sustainable decent living. Household’s assets provide material and social means to realize a livelihood. Livelihood sustainability is a function of how assets and capabilities are utilized, maintained and enhanced in order to preserve livelihood (Chambers and Conway 1992).

Figure2: Components and flows in livelihood



Source: Chambers and Conway 1992.

According to the livelihood approach, assets could be tangible or intangible. Stores and resources, which households command are the tangible assets. Stores include food stocks, valuable such as gold jewelry and saving. In the same manner, resources include land, water, livestock, tree, form, equipments and domestic utensils. Claims and access are intangible assets of households. Claims are the appeals and demands that can be generally made at times of stress and shocks or at times of contingencies or emergencies for materials, moral or other supports. The supports may take any form e.g. Food, loans, implements gifts or work i.e. exchange of hands. Access refers to the practical opportunity to use resources, stores, services (transportation, education, health, shops, market etc) or to obtain information, material, technology, employment, food or income. Social capital (social network of a household and prevailing policies, institutions and process) largely determine the extent of claims a household can make and access it has to different services.

2.4 Historical Background of the Wood Carving

Wood carving is one of the oldest skills of human being. Early wo/men used stone tools to shape tree trunks into huts, boats etc. After making metal weapons, wood carving was developed rapidly in the world. Before the industrial revolution, only hand-chisel has been used for wood work. After entering the metal age from the Stone Age, there was started strong competition within the artisans. Wood carving in 'Egyptian Pyramid age' is one of the achievements among the competitions (Shilakar 2054). In this way, we can say that the wood carving was started from the primitive age. The most skillful workers among primitive peoples are the natives of west central Africa (Shilpakar 1981). They carved beautiful figures and marked out of hard wood.

Wood carving in Nepal

In Nepal there is no record as to when wood carving first appeared. But wood carving has very old tradition as it is mentioned in “Rig-Veda” and subsequent ancient books. On the process of digging there were found much archaeological evidence about the wood carving in Terai. Davids (1970) has written that the house of Kapilvastu was made by brick and wood, palace of king Siddhartha might have wooden (Shreshta 2063).

In many historical books about Kathmandu, authors have mentioned about ancient culture, tradition, settlement pattern, and art and architecture including wood carving of the valley. Prapannacharya (2051) has said, wood industries have broadly developed in kirat period. The Lichhabies had wooden houses (Regmi 1969). But there is no any model of wood carving before than 13th century. There is a believe that, wood carving model of Chhusyabahal, Musyabahal and struts of Indreshwor Mahadeva of Panouti are since 13th /14th century (Shrestha 2063).

The wood carving was highly developed in Malla period. We can see the art of superb craftsmen in different temples and Darbar squares. Shaha period started after unification of Nepal and decreased the speed of wood carving development in Nepal. When Rana regime started, they neglected Nepali wood carvers and the art and hired foreign artisans. After establishment of democracy, the door was opened for foreigner to visit Nepal. After that wood carving enterprises also increased gradually with the development of tourism.

2.5 Government Policies and Programmes

2.5.1 Micro enterprise policy 2007

The micro enterprise policy for the first time developed in 2007 as a policy guideline to address the micro enterprises based on locally available resources, indigenous technology and small capital investment. According to the policy, any economic activities based on agriculture forest, tourism, mines and handicraft are the micro enterprise which should have the following conditions:

-) Manufacturing enterprise- fixed capital not extending two hundred thousand rupees, except house and land,
-) Service enterprise- fixed capital not extending one hundred thousand, except house and land,
-) Entrepreneur himself or herself as a manager,
-) Maximum of nine workers,

) Annual turnout of two million rupees maximum and

) Electric capacity of engine or equipment with five kilowatt and less, if exists.

The main focuses of the policy is to provide opportunities of employment, self-employment and entrepreneurship for improvement of living of standard of the poor people particularly women, Dalits, indigenous nationalities, Madhesis and other backward communities.

2.5.2 Interim plan 2008-2010

The interim plan has focused on poverty alleviation by providing employment opportunities for poor people. To address this aim the plan has a policy to conduct training programmes about cottage and small industries in different district with high involvement of women, Dalit, Jansajaties and conflict affected people. The plan has adopted the slogan-"be entrepreneurs, reduce youth poverty" as a mission of employment generating . The interim plan has specified the sectors specific policies such as agriculture, forest, tourism, mines etc. to develop micro enterprises.

2.5.3 Industrial enterprises act 1992

This industrial enterprises act, 1992 promotes for industrial development. The government is creating the investment friendly environment to attract investors for investment. The act motives to use indigenous raw materials and man power in the enterprises. It has made provision that the pre-operation cost of an industry for skill development training can be capitalized.

2.5.4 Industrial policy 1992

The industrial policy has focused to reduce the pressure of unemployment and underemployment in the agricultural sector through the development of employment generating industries especially small, cottage and agro-based industries

2.6 The Empirical Studies

2.6.1 Studies on traditional occupations

Change is universal and continuous phenomenon, which is found in all over the societies at all the times. However, the rate of change may vary from society to society and even within a society over a period of time. People have adjusted their way of living to the changing environment from historical period. In the same manner, there are gradually changing livelihood strategies of *Kumal* living in Pokhara with the changing process of natural, socio- cultural or economic environment. In this study Bhurtel (2000) explained furthermore that the occupation follow by the *Kumal* was agriculture, making pots, fishing etc. Now adays predominate one is agriculture, others are labouring, service in government and non governmental sectors are main occupations. Similarly, due to the cause of the mechanization and rapid growth of industries, low income generation from pot making, low social prestige's etc. the *Prajapaties* of Talako tole (pottery square) are in the process of shifting traditional occupation. This study was made by Kharbuja (2009). The specific changing feature in the traditional occupation of such community i.e. Damai and kami has been seen in Pahchakanya and Namsaling of Ilam. Lack of modern training and skills, the occupation community have disable to fulfill customers' need .So, industrial products, readymade and fashionable goods are replacing them .Rai (2004) has curried out this study. Another is the street cobbler in Kathamndu by Pathak (2004). Cobbling was the way of earning of Dalit especially Sarki community in the past but now a days we found the occupation adopt by non occupational cast also in urban areas.

These two studies have been done on the basis of sustainable livelihood approach developed by DFID. They concluded that seasonality, institution social value and norms play the role to make this occupation more vulnerable. Not only that, theses changing or shifting processes have also brought unemployment problem in the country.

2.6.2 Studies on poverty and livelihood

Livelihood strategies of people living in Karnali region may be the first study on livelihood in Nepal. This study has been done by Bishop (1990) . Karnali being

located in the northern Himalayan region and having rugged terrain, low productivity and no accessibility in terms of road connectivity bears very hard circumstance for the people to seek their livelihood. Livestock ranching is the most important activity characterized by seasonal movement to higher elevation areas in summer to lower areas in winter. Due to lower temperature in long winter season, agricultural activities require long growing season. Lack of diversification of livelihood activities in the area is very common. So, the author advocates for the need of more activities to strengthen the livelihoods of the people enable them to improve their livelihood security.

Livelihoods of the hill and mountain people

Although Nepalese are highly active adoptive and dynamic actors, survival strategies at the present time hardly suffice to cope with risk. On the basis of the case study of two VDC namely *Siding* and *Karuwa- Kapuche* in Kaski, Adkhikari and Bohle (2008) has concluded that. Different survey techniques such as participatory research appraisal (PRA), household survey, traffic and trades survey, key informant survey (KIS) were applied to study livelihood of farmers who cope with food deficiency. Among the different caste /ethnicity of the VDCs, Brahmin households were found to be relatively more sufficient in food production and Tamang households were in the most vulnerable position. The villagers bartered bamboo and forest products with food grain (especially maize and millet) to the lower villagers and they purchased low quality rice of Tarai. The villagers adopted different strategies i.e. wage employment, business (alcohol producing and selling), selling bamboo- products, animal husbandry, temporary migration, carpentry, taking loan etc to reduce the food deficiency. Road network has played an important role in spatial linkage.

The hillsides and mountainous area are particularly vulnerable for livelihood due to their inaccessibility, fragility, marginality and diversity. Although many of the world's hot spots for land degradation are found in hillside area, there are also many bright spots, where improvements in natural resource management are resulting in increased incomes. Land degradation is potentially serious threat to food production and rural livelihood particularly in rural poverty. The policies, institutions and technologies that impact on there lives influence resource use decision made by households and local communities in pursuit of today survival and livelihood security .Such decision are the main determinants of links between poverty elimination, improved land care and

sustainable rural livelihoods. This study was made by Ellis (1999) on poverty, land care and sustainable livelihoods in hillside and mountain region.

Livelihood of the street vendors

There are different studies on the street vendors of Kathmandu in Nepal. To analyze socio-economic background, cause of choosing vending occupation and vulnerable context of the vendors are the common part of many researches and the findings are the same or nearly the same. Among the vendors, around ninety percent are migrated from out of the village and capture different types of vending i.e. fruit, food, ice-cream, clothes, bag and watch etc. Among them ice-cream vending is male dominated occupation (Paneru 2008). Poverty, social insecurity, landlessness are the main causes to push them in urban area and lack of skill and capital, low education are the plus point to select the street as trade place. But, Poudel (2005) concluded that due to the lack of employment the numbers of educated and skilled population is also interested to do trade as street occupation. The vendors have got remarkable economic gain after they adopted these occupations; however, there are many constraints and vulnerability. Entitlement on natural capital in Kathmandu is very limited or not. Seasonality is main problem of them. There is no clear cut policy of this occupation and they are running without rules, regularities, so they are very often harassed by the authority and policy. Ranjit (2000) on vegetable and fruit vendors, Poudel (2005) on vegetable vendors, Paneru (2008) on ice-cream vendors, Dhamala (2008) on fruit vendors, Dongol (2005) and Acharya (2009) on all type of vendors have studied by adopting sustainable livelihood approach developed by DFID.

Livelihood and adaptive strategy

Mountain environments are changing perceptibly in their natural and economic setting. Bringing example from southern Arun Valley, Koirala (2006) has undertaken spatio-temporal analysis of resource utilization between 1984 to 2004. The major livelihood strategies included agro based activities characterized by several distinct types such as cereal crop farming, horticulture, cash crop farming etc. and these were changed in time e.g. development of road network triggered human pressure to cause expansion of cultivated area during 1992. Better connectivity changed traditional food crop production to horticulture and cash crops and has helped to improve household

ncome. The role of remittances is becoming increasingly important in livelihood maintenance as well as overall status of the households in those areas. Other study was made by Subedi and Pandey (2002) in livelihood strategies of Rai communities in two different locations representing different altitudinal zones in Arun Valley, namely Sitalpati and Makalu. In the lower elevation, change in land utilization pattern reflected more towards *khet* (irrigated cultivated land) in higher elevation, it was more towards *bari* (cultivated land). Changes that took place in last twenty years showed that *bari* in lower elevation and *khoriya* in higher elevation has reduced significantly. The adoption in the cause of reduced landholding size in both location was off- farm activities. In addition to this, their strong sense of use of inters- household relations were peculiar during severe stress.

In both studies they were generalized on the basis of primary data collection from the field survey. Secondary information was also used.

Non-timber forest product based livelihood

Though agriculture is the mainstays of all rural households, this does not support them throughout the year. So, they have to adopt a wide range of livelihood strategy i.e. agro- based, livestock- based and forest- based for food security. Bringing example from two VDCs namely Dolphu and Kimri of Mugu, Pradhan and Baskota (2007) has stated that NTFPs are the major source to earn livelihood. *Yearshagumba* and *Guchi chayau* are major NTFPs collection of the local people. Because of the intensified extraction, and lack of knowledge about conservation, most valuable NTFPs are found endangered and vulnerable condition. Market of NTFPs range from local level to international and there are vital role of middlemen. The poor collectors have not knowledge about the marketing channel and they have not link beyond the local market and the middlemen so, they are exploited. This study was based on primary data and some secondary data was also used. On the basis of capabilities assets and activities, researchers tried to link livelihood and resource utilization.

2.6.3 Studies on wood work and wood carving enterprises

Studies on wood carving in Nepal

Due to the traditional occupation and no any opportunities beyond it the wood carvers are working in different wood carving firm. Shakya (1995) has carried out this study on the basis of primary data collection from different wood carving firms in lalitpur. The socio-economic condition of wood carvers is not good .Major problems of them are over exploitation by the boss and there is no any organization to raise their problems. Other study has been done by Shilpakar (1981) from the economic point of view. She has employed enterprise survey in different wood carving firms and concluded that due to the wood carving is a pride of Nepal it has considerable impact upon the total overseas trade of Nepal . The major problems of the firms are unavailability of raw material, lack of supervision and skilled workers, limited size of market etc. 13th to 18th centuries as a golden era in wood carving in Nepal. Neither we can see such type of unique and typical carving before the era nor after. Nevertheless, the wood carving in Nepal was started since ancient period. Three major cities of the valley and vicinity such as Panouti, Chapagaun, Bungamati, Gokarna, Nuwakot etc are the most important for medieval wood carving. Shreshta (2063) , further described about the tantrik effect of Nepali wood carving as well as origin and development. She described about doors, windows, door rings, struts, brackets, lintels, trefoil, and idols of different Gods in the different temples. She did this study on the basis of primary data collection as well as secondary data. Most important techniques were observation and reading of literatures.

Studies on international wood carving enterprises

India has a long history on wood carving. Since economic liberalization, there has been very rapid growth in handicraft exports, inclining woodcarving. This case study was done in four wood carving centers in different Pradesh i.e. Uttar Pradesh, Rajasthan and Kashmir by Chetterjee et. al. (2005), with applying structured and informal interviews to collect information. Income generation and overall livelihood outcomes are vary from one wood carving centre to others. Now adays, khatakheri is one wood carving centre which has been completely transformed, from agriculture - based economy. In general, only a few artisans are doing agriculture and livestock farming as a secondary occupation and other give up completely. Most of the entrepreneurs possessed their own houses, the majority of which are made of concrete, rather than less durable materials. High level of state policy to support for the handicraft industry including wooden craft help them to

sustain their livelihood. But there are some challenges to the enterprises which are facing now i.e. rising wood scarcity and cost, and increases in labour price. Severe competition from other Asia countries involving in trade such as China, Thailand and Indonesia is also facing.

Similarly, in many part of Africa wood carving has cultural, religious and ceremonial significance. In South Africa, carving traditionally formed as a part of the Tsonga culture. In south Africa, there are two types of informal wood carving industries namely 'road side carver vendors' and home carvers' Road side carver vendors produce and sell their good from road side shelters along the main tourist routs. Among the home carvers men generally carve the wood and women and children sand and polish the finished products. High level of unemployment, combined with a shrinking job market, lack of land for farming and increased need of cash etc are the motivational factors to adopt wood carving as a livelihood option in south Africa. The wood carvers produced undecorated utility items, such as bowls spoons platters, boards, trays etc and customer of the products are tourist from different countries and local people also purchase some products. This study was carried out by Shackleton (2005) on the basis of field survey in the Bushbuckridge district, near the Kruger national park, which is the most important tourist destination area.

Kenya has a long history on wood carving, however, commercially started after world war first .Cause of choosing this enterprise are the same case like south Africa. The supply of wood to the carvers is dominated by middlemen and they exploited wood producer farmers. More favorable wood species are Broachy leena hillensis, Dolbergia melanoxyton, Combretum schumannii etc for carving . Many wood carvers are work in large group or in co- operatives to share tools, marketing opportunities. In Kenya wood carving employs more than forty percent of the national formal timber industry. Despite its economic importance, wood carving industry in Kenya has received scant govern attention. As a result over exploitation of more favorable wood and imbalance between wood demand and supply are major problems this study was made by Choge et.al. (2005).

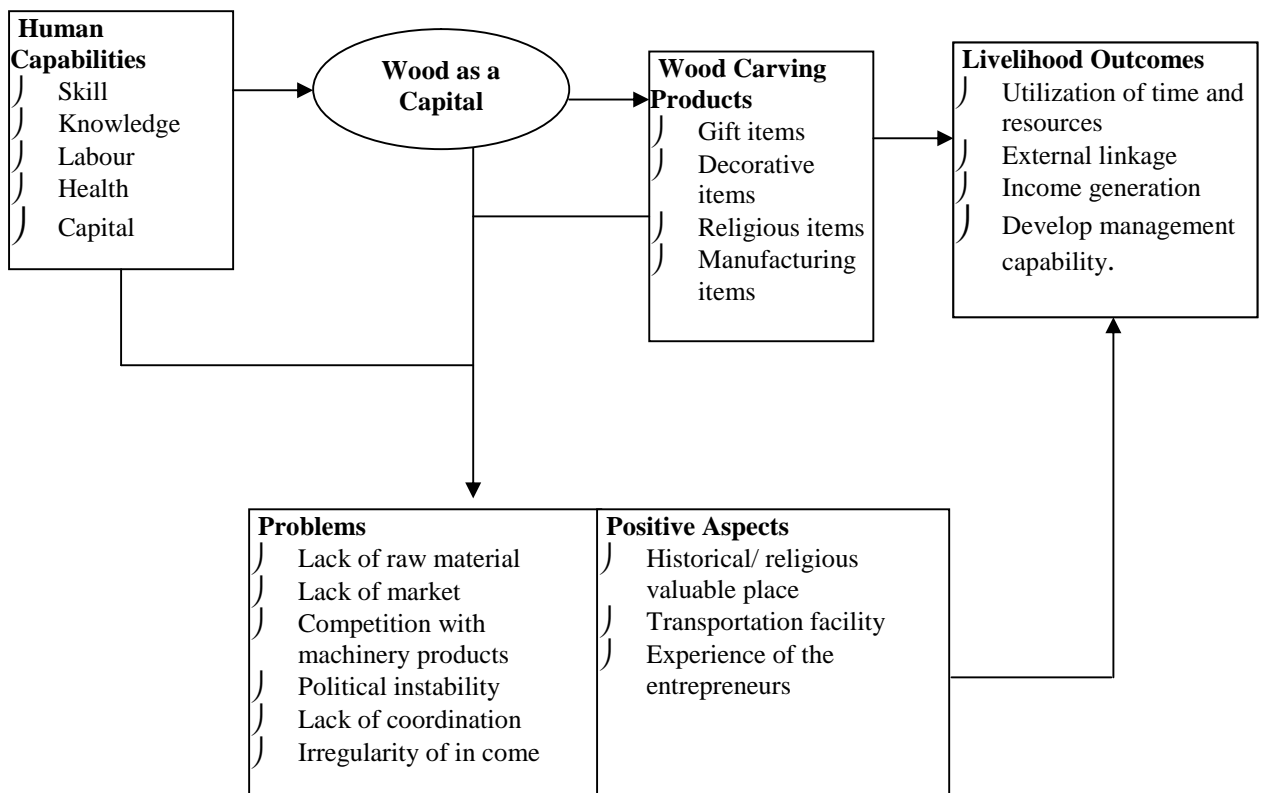
2.7 Synthesis of Literature and Conceptual Framework

Many studies on livelihood have done in Nepal on the human ecological perspective. Most of the studies are followed the sustainable livelihood framework. The studies on wood carving have been concentrated mainly on contribution on the nation economy and as aesthetic valuable art. A few studies are in the socio- economic condition of wood

carving in wood carving firm. There is lack of study on informal wood carving and the livelihood of the entrepreneurs.

In other countries, there are many studies on informal wood carving and livelihood, some of them are mentioned above. But the socio- cultural, economic, physical, political etc. condition even the carving tradition cultures can differ from country to country. This study tries to fulfill the gap of wood carving enterprise with livelihood perspectives. On the basis of past studies on livelihood, studies on wood carving and field experience, the conceptual framework has created, which has given below in figure 3.

Figure 3: Conceptual framework on wood Carving enterprises and livelihood



According to the framework human capabilities deal with skill, knowledge labour and health. Likewise, the wood as a capital which is in the crucial position in wood carving enterprises. By the combination of the capabilities and the capital different product are produce. There are some problems related with the capabilities, capital and the products whereas there are some positive aspects also, which is given in the separate box in figure. Although there are some problems, the livelihood outcomes are positive.

CHAPTER III

METHODOLOGY

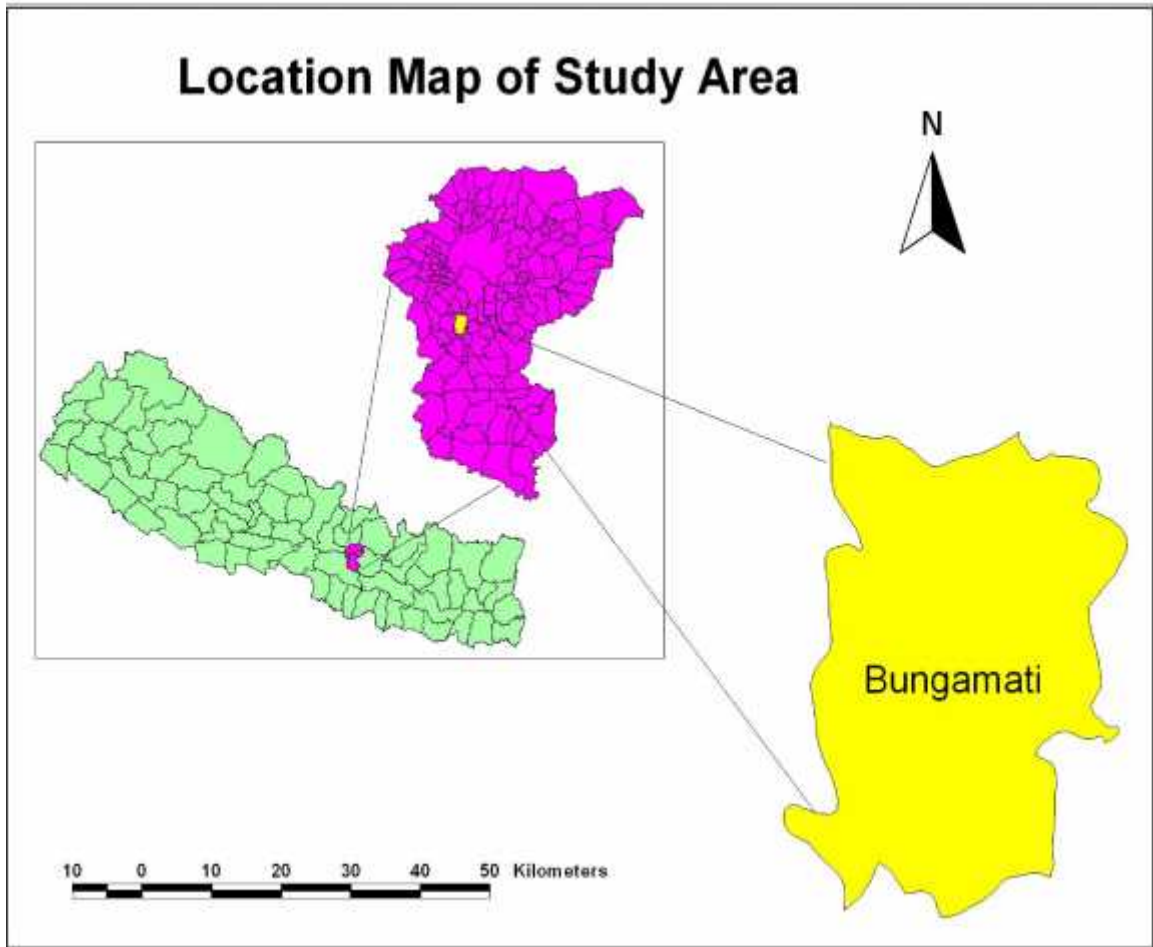
3.1 Identification of the Wood Carving Enterprises

There are mainly two types of wood carving enterprises i.e. large scale and small scale. Large scale industries are conducted in different part of the city and they employ many wood carvers as a worker. Small scale or micro enterprises are such type of enterprises which are running in own area with some workers/helpers or without any workers/helpers. Here, in the present study, entrepreneurs who are running and working in second type of enterprises are primarily selected and regarded as wood carving enterprises.

3.2 Selection of the study area

In Katmandu valley, there are several traditional valuable settlements and most of them have unique feature of traditional economic activities and famous for them. Khokana for mustard oil, Chapagaun is well known for cheese. Bungamati for traditional wood carving .So, the Bungmati market centre has been selected for this study. Much of the activities in Bungmati are still centered around the Machhendranath (HMG 1969). So, particularly the market centre is known as the study site because the large no of wood carving enterprises are concentrated in the settlement.

Figure 4: Location map of the study area



3.3 Nature and sources of data

In this study, data were collected from both primary and secondary sources. Primary data were obtained from the field study by employing various techniques and tools in the proposed time frame. The obtain data were not only quantitative, also are qualitative in nature. Many study has completed in informal sectors' enterprises, livelihood and vulnerability context by different scholars and different agencies (private and government) have policy and record about enterprises. These all were also used in this study as a secondary source of information.

3.4 Research Design

3.4.1 Reconnaissance survey

Prior to field, survey a reconnaissance was conducted to get information about the areas and settlement as well as wood carvers. Reconnaissance survey has been conducted with two main purposes; one is to enumerate total number of wood carving enterprises in the compact settlement, the other was to be familiar in that environment. The reconnaissance survey also helped to make a new strategy to conduct formal field survey and rapport building. The survey was started from Sota tole near bus Park, and ended to Dhokapeni and Sorhakutte through Burnani, Edha, Machhendrabhal, kota tole etc.

3.4.2 Sample size and sampling procedure

There was a plan to get exact number of wood carving enterprises and wood carvers from VDC record but, unfortunately the VDC has no any record. So, the total number of wood carving enterprises has been found by head count method in reconnaissance survey. Total forty six enterprises were found in that compact settlement around Mechhendranath temple. All of those enterprises were selected for the study. Only one entrepreneur was selected from each enterprise as a respondent. Most of the respondents are enterprise heads.

The wood carving enterprises are distributed in various tole of the settlement. The distribution pattern of the enterprises has given the following table.

Table 3.1: Distribution of wood carving enterprises

Tole	Enterprises	
	Number	Percent
Bhunna	2	4
Burnani	4	9
Bwanchhe	2	4
Chochhe	3	7
Dhokapeni	3	7
Edha	2	4
Ekha	4	9

Kilako	2	4
Kota	8	17
MB	11	24
Sorhakhutte	3	7
Sota	2	4
Total	46	100

Source: Field survey, 2009.

3.4.3 Data collection tools and techniques

In order to complete this research, data is the most important component. So, the first, second and half of third week in December were spent in the field to obtain data from primary source. To collect both quantitative and qualitative data various tools and techniques was used that are as follows:

(i) Observation

The main goal of observation survey was to get relevant information for the study, to minimize the possibility of false and inaccurate information collection. In this study, the observation technique was used to gather data and information of physical characteristics of working houses, environmental condition within the enterprises and around. Condition of walking track to the enterprises, the behavior of wood carvers with customers and their bargaining or interaction quality has also observed. Observation helped to assume comparative income of the enterprises. Observed data and information was recoded on observation protocol sheet the protocol sheet has given in appendix III.

(ii) Enterprise survey

Enterprise survey was employed to obtain detail information about wood carving enterprises and livelihood assets of the households. From enterprise survey data has been acquired about evolution of wood carving enterprises in Bungamati, motivational factors and causes of choosing the enterprise, investment and income of the enterprises, source of raw material and consumers. The survey also helped to get information about types of wood to make different items; more demand items their perception toward wood carving. Opinion of wood carvers toward problems and

prospects of wood carving enterprises in Nepal, future plan to extend the business and vulnerability context were also obtained from this survey.

The survey was employed in each enterprise of the settlement with structured and semi structured questionnaire. The questionnaire has given in appendix I.

(iii) Focus group discussion

On the basis of the preplan, two focus group discussions have been conducted in two places namely Bus Park and Machhendrabahal temple. A group of six entrepreneurs was made in Bus Park by inviting a entrepreneurs from each Tole i.e. Sote, Burnani, Kilako, Chonhhe, Bwanchhe and Ekha as a representative of the tole. Likewise, in Machhendrabahal temple there were gathered eight entrepreneurs from other six toles. One entrepreneur from Edha, Bhunna, Dhokapeni and Sorhakhutte tole and two/two from Machhhendra bahal and kota tole was gathered in discussion. Those two focus group discussions were employed to obtained information about the evolution of wood carving enterprises in Bungamati, source and availability of raw material, forward linkage of the wood carving enterprises, trend of business. Interest of new generation toward this occupation, organizational and institutional support to this occupation, problems and prospects of wood carving in Nepal and their expectation with government was also discussed in both places.

Checklist was used as a tool to control and guide the discussion; the checklist has given in appendix II. In both discussion the response and expecting was similar.

(iv) Key informant survey

To acquire various information about wood carving enterprise and the livelihood of the households, three key informant interviews were conducted. The first one was an old wood carver with more than forty years of experience in wood carving. He expressed his experience since starting to now and linked this art with Newari culture. A local political leader was another key person. In the past time he was also involved in wood carving but now he is working as a social worker and he gave some information about existing condition of wood carving enterprises, problems faced by wood carving enterprises and present and past government policy and programmes. The last key informant was an entrepreneur, who has experience of wood carving in foreign countries not only in Nepal. About problems and prospects, international market of wood carving products etc has been discussed with him.

These three key informant surveys were conducted on the basis of checklist, which has given in appendix IV.

(v) Informal interview

Informal interview was carried out on second last day of the field survey with foreigners, they are from Germany. A group of two women and a man was enjoying in a Racket wood carving enterprise at Edha tole and the interview was conducted with them. The interview focused on the cause of chosen this area for visiting, quality of the products and behavior of the entrepreneurs with them.

3.5 Data Processing

After finishing the field survey, the task of data processing was done both manually and by the help of computer. All the completed questionnaires were edited coded and then transformed to the data code sheet. The data code sheet was manually constructed. All the data of the code sheet have been tabulated with the help computer. Digital map was made from the available database of Kathamndu valley.

3.6 Data Analysis

The survey data were both quantitative and qualitative in nature. Therefore analysis has done on the basis of nature of data. Quantitative information has been presented on tabular form and analyzed the table. Development of wood carving enterprises, income, expenditure etc was analyzed in such way. Motivational factors and educational status of the entrepreneurs, and the business trend and the working hours have tested by Chi square test. After preliminary assessment of the enterprises development and the background of the entrepreneurs such as education age level etc. the motivational factors was generalized as a cause and effect analysis. The most important aspect of the study, market chain has analyzed from the qualitative information given by key informant and other respondents and also presented as figure.

The problems of enterprises were presented analytically on the basis of field observation and focus group discussion as well as individual survey, livelihood patterns of the households has been qualitatively analyzed keeping consideration in the capabilities, assets and problems of the enterprise. In this way qualitative

information such as respondents' personal feeling and experience were tried to present in box form and text.

3.7 Field Experience

After preparation of the survey tools, my thesis supervisor advised me for the field survey and I started from second week of December for two and a half week. I have got help from a colleague for field survey. So we conducted FGD and KIS as well as enterprise survey with comfort. Although the first day of the field has a bad experience, other days were very interesting and we learnt many things. In the first day of the survey, researcher was approaching with a respondent, a drunkard came from other house and tried to disturb us, after some discussion we were successful to convince him then he did normal behavior.

In the beginning, the researcher felt some inconvenience to become familiar with the respondents as some of them were doubtful about the researcher's identity as well as intention. Most of them guessed that researchers were from any NGOs or INGOs. We convinced them in this way we were not from any NGOs or INGOs, we were student and it was our examination. If their child had also been in the school they would also have to do such work in future. Some educated entrepreneurs expressed gratefulness to the researchers. They said that it was pride of their community. All the respondent did not express same behavior. Some of them were sensitive when asked about their assets, daily earning and expenditure.

The researcher found that it was easier to acquire information through informal talks than from asking question from questionnaire. People felt free and comfortable to answer in such informal talks. This process was practiced in some enterprises and found many hidden aspect like carving of religious and culturally valuable wood. The researcher has learnt that the FGD was more fruitful for field survey, also employed this technique and gets detail information.

CHAPTER IV
DEVELOPMENT OF WOOD CARRING ENTERPRISE IN
BUNGATI

4.1 Description of Bungamati Market Centre

Bungamati lies in the south- west part of the Lalitpur district. The VDC is extended from 27°35'to27°38'N latitude and 85°13' to 85°17' E longitude in 1130m to 1400 m of height from msl. *Nakhakhu Pravawati Khola* and *Sunukothi* VDC are in the eastern border of the VDC. Bagmati river and Seti Devi VDC of Kathamndu are in the west, *Saibu* and *Khokana* VDCs are in the north and *Dukuchhap* and *Chhampi* VDCs are in the southern border of the VDC. Machhendrabahal with old Newari settlement is in flat terrion with low elevation then *Chunikhel Danda* of the VDC.

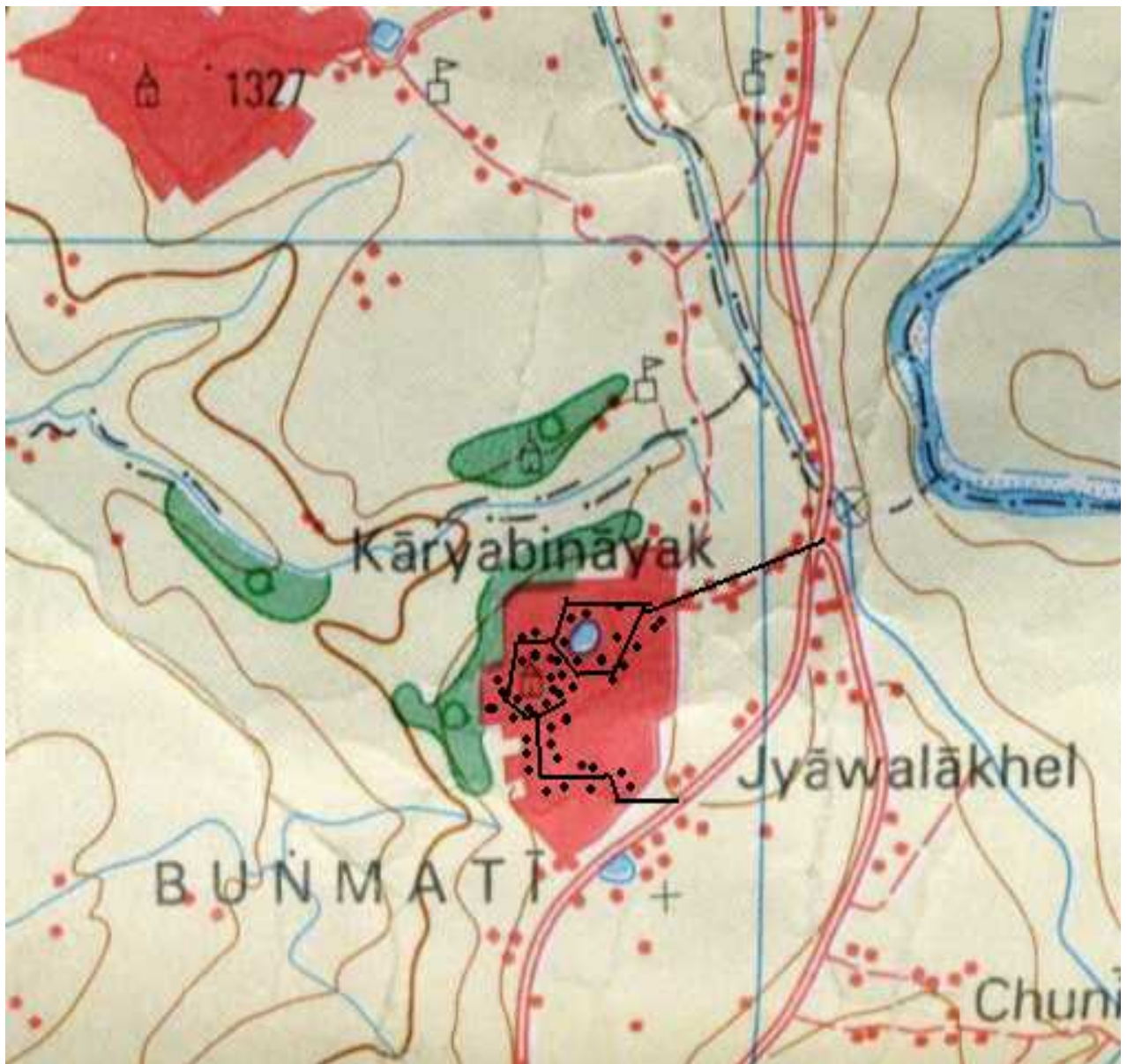
Bungamati has divided in nine wards and have different tole. Among the all tole Chhoheleni is the largest with 54 households and in Karyabinayak there is a tole with one household. All total 1114 households are in the VDC. The table 4.1 has shown the ward wise figure of households, population with gender implication.

Table 4.1: Ward wise population distribution

Ward No.	Households	Population		
		Man	Woman	Total
1	173	442	437	879
2	117	357	365	722
3	98	276	259	535
4	145	363	373	736
5	95	250	232	482
6	99	271	263	534
7	118	290	280	570
8	144	357	360	717
9	125	344	354	698
Total	1114	2950	2923	5873

Source: VDC profile, 2064.

Figure 5: Study sites in the Bungamati market Centre



- Enterprises
- Street within the Enterprises

4.2 History of the Wood Carving Enterprises in Bungamati

Among the traditional settlements of Kathmandu valley, Bungamati is one of them with Newari tradition, art and culture. Wood carving is an art and culture of them and started since very early years but they did not take wood carving as a primary occupation. Prior to the shifting the Red Machhendranath to its present location, Bungamati is presumed to have a rather agricultural village (HMG 1969). Beyond the agriculture the citizens had additional jobs, some of them were working in furniture and other industries as an employee.

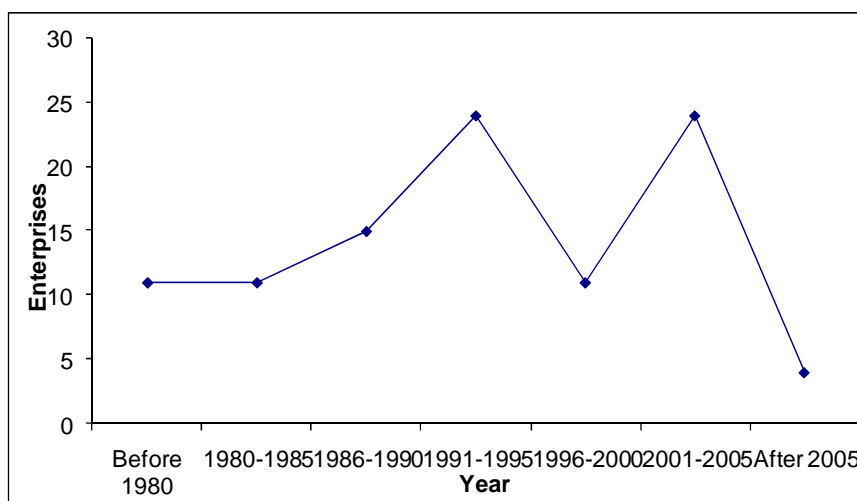
After increasing tourist flow and demand of such handicraft products, wood carving enterprises have established gradually in Bungamati. Among the total 46 enterprises, only 5 enterprises (11 percent) were established before 1980s. 2 enterprises are established after 2005s, among them one has just started since five months before. Detail about it has given below in table 4. 2.

Table 4.2: History of the enterprises in Bungamati

Starting years	Enterprises	
	Number	Percent
Before 1980	5	11
1980-1985	5	11
1986-1990	7	15
1991-1995	11	24
1996-2000	5	11
2001-2005	11	24
After 2005	2	4
Total	46	100

Source: Field survey, 2009.

Figure 6: Trend of establishment of the wood carving enterprises



According to the key informants, wood carving in Bungamati was started as a major source of income since 1970s and reached at its high level in around 1990s. Since the last one decade the establishment trend of the enterprises is decreasing.

Generally, the skill of wood carving passes through apprenticeship. So, they start carving along with the parents from schooling age, however, in 46 enterprises, no body is below 15 years. Only one entrepreneur is above 60 years and most of the entrepreneurs are between 31 to 45 years, they are 21 persons or 46 percent.

Table 4.3: Entrepreneurs with working years

Working years	Age group of the Entrepreneurs				Total	
	16-30	31-45	46-60	Above 60	No	Percent
Below 5	1	1	-	-	2	4
5-10	11	-	-	-	11	24
11-15	4	1	-	-	5	11
16-20	-	11	-	-	11	24
21-25	1	3	3	-	7	15
26-30	1	3	1	-	5	11
Above 30	-	2	2	1	5	11
Total Number	18	21	6	1	46	
Total Percent	39	46	13	2	100	

Source: Field survey, 2009.

While relating the working years with the age of entrepreneurs, there will be clear that artisans are working since long years ago. Undoubtedly, the artisans who are over aged, their working years are more than others. There is only one artisan with more than 60 years and he has been working since 30 years before. In 18 entrepreneurs with 16-30 years age group, 11 have started since 5-10 years.

4.3 Previous Occupation

Most of the entrepreneurs being young, recent one (wood carving occupation) dominated in the profile of their previous occupation.

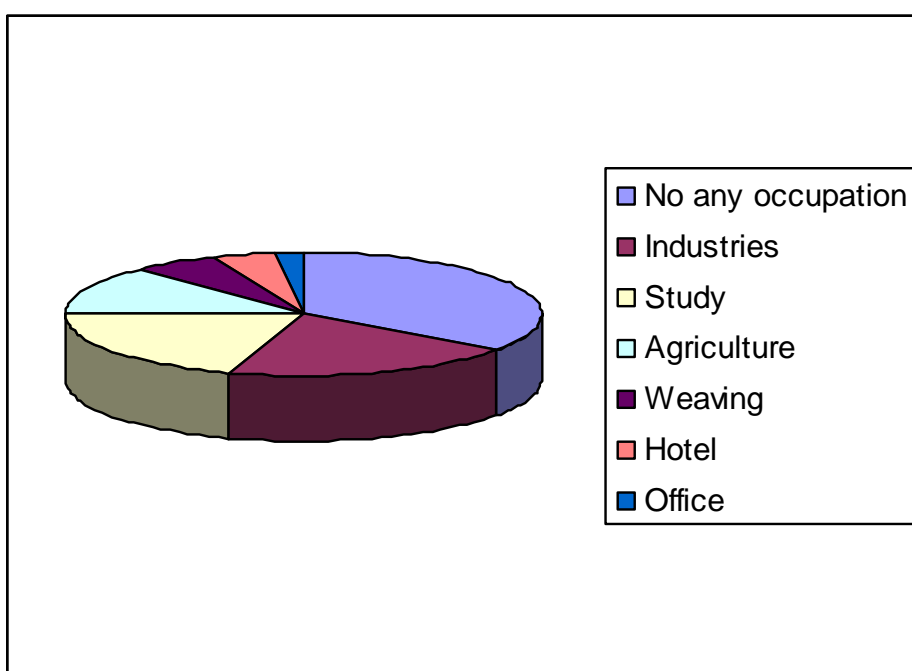
Table 4.4: Previous occupation of the entrepreneurs

Occupations	Entrepreneurs	
	Number	Percent
No any occupation	16	35
Industries	9	20
Agriculture	6	13
Weaving	3	6
Hotel	2	4
Study	9	20
Office	1	2
Total	46	100

Source: Field survey, 2009.

The table 4.3 reveals that 35 percent entrepreneurs did not do any job or occupation before this job. Of the total 46 entrepreneurs, 20 percent were studied in school and college and the same number of entrepreneurs was worked in other wood carving industries as employees. Most of them were employed in Patan Industrial estate, which was established in 1963. The estate, contributes to promote wood carving. One entrepreneur was worked in an office before entering this occupation and he is also continuing his master degree but wants to engage in this occupation for a long life.

Figure 7: Previous occupation of the entrepreneurs



4.4 Motivational Factors of the Entrepreneurs

People should do any economic activities to fulfill the need of individual and households. Most of the entrepreneurs have selected this occupation within this broad category of cause. There are some specific factors that motivated those to adopt wood carving enterprise. The causes are closely associated with their educational status.

Table 4.5: Motivational factors and educational status of the entrepreneurs

Factors	Education					Total	
	Illiterate	U.SLC	SLC	Intermediate	Bachelor	No	Percent
Family occupation	1	5	1	-	-	7	15
More profitable	1	11	-	3	-	15	33
Interest in art	-	3	-	1	1	5	11
Conserve culture	-	5	-	-	1	6	13
Earn fame	-	2	2	1	-	5	11
Low education	1	7	-	-	-	8	17
Total No	3	33	3	5	2	46	
Total Percent	7	71	7	11	4	100	

Source: Field survey, 2009.

Of the total 46 entrepreneurs 33 Percent have chosen this occupation to earn more profit and most of them (11 persons) are under SLC. Entrepreneurs have said low education as the causative factors to adopt this enterprise. Because of interest in art and to earn fame 5/5 entrepreneurs has selected the wood carving enterprise. Only 2 have passed bachelor degree and one of them has chosen to conserve culture and other has interest in art and culture. More than two third of the respondent (71 percent) are under SLC and only 3 person are illiterate. Among 3 SLC pass entrepreneurs, two are studying plus two levels. They are ladies and both have selected wood carving to earn fame. The relation of the educational status and motivational factors has drown by Chi square test .The calculated value is 30.72,which is less than the tabulated value(31.41) with 20 degree of freedom. The calculation has given in appendix- V. Here is a unique cause of adopting wood carving.

Box 1: Motivational factors for wood carving

Dhan Bahadur Magar is only one entrepreneur out of Newar tribe and out of Bungamati, who is 27 years old. He is from Rolpa and has a story about entering in this occupation. When Dhan Bahadur was five years old, his father was died and he stopped his study after one year. He left home when he was nine years old. He worked in a woolen factory as a weaver at first in Katmandu. The boss closed him in the factory. Although he worked hard in the factory, he did not get any money. Nine months later, police did free him and has got salary. After that he worked as a wage labour. Then CWIN gave him opportunity to the carving training in 2054 B.S. for 6 months. After training he is working and earning money. Although he is poor and no any others option of livelihood he wants to earn name and fame from wood carving. In his word "I want to leave a piece of wood in a temple as a contribution, so that future generation will recognize me".

Source: Field survey, 2009.

4.5 Sources of Skill

Undoubtedly, skill is an essential part and weapon of the carvers. Learning by working is a good way of skill gaining. Nobody become perfect in term of skill or the skill learning is ever ending process. However, basic knowledge and way of doing is essential, so the entrepreneurs have learned skill from different sources. Only 6 entrepreneurs (13 percent) have formal training from different organizations. Some of them have got training from Nepal Traditional Handicraft Training Centre. Others have got from other different organizations with foreign aid. The largest number of entrepreneurs (35 percent) has learned skill from friends, 9 entrepreneurs (19 percent) have leaned skill from other handicraft industries, where they worked before. Most of them have worked in Patan Industries estate; the estate gave basic training to them who are unknown about wood carving. After that they learned more in the process of working there. Table 4.6 shows this figure.

Table 4.6: Sources of skill

Sources	Entrepreneurs	
	Number	Percent
formal training	6	13
Relatives	15	33
Friends	16	35

Working industries	9	19
Total	46	100

Source: Field survey, 2009.

4.6 Employment Patterns in the Enterprises

The wood carving enterprises in Bungamati has been conducted in informal sector and most of them are in entrepreneurs' own house. Because of the nature and the place of the enterprises, any family members who have interest and want can engage in free time. The entrepreneurs, who have not sufficient family members, have employed workers. The detail about it has given in table 4.6 on the basis of tole.

Table 4.7: Employment Patterns by the enterprising houses

Tole	No. of enterprises	Family members	Workers	Working houses	
				Own	Rented
Bhunna	2	-	-	2	-
Burnani	4	3		2	2
Bwanchhe	2	1	-	-	2
Chochhe	3	3		2	1
Dhokapeni	3	1	-	2	1
Edha	2	1		2	-
Ekha	4	2	1	1	3
Kilako	2	1	-	2	-
Kota	8	6	2	4	4
MB	11	2	5	7	4
Sota	2	1		1	1
Sorhakhutte	3	1		2	1
Total No.	46	22	8	27	19
Total percent	100	48	17	59	41

Source: Field survey, 2009.

The table 4.7 shows that the largest numbers of enterprises are concentrated in Machhendrabahal tole, 11 enterprises (24 percent) are there and among them only 5 enterprises have workers and 6 do not have any workers. Among 11 enterprises, 7 have conducted in their own house and 4 are in rented house there are only 2 enterprises with family members support. Among all the enterprises, only 8 have

workers, 22 enterprises (48 percent) have support of the family members and 27 enterprises (59 percent) are in entrepreneurs own house. There are three enterprises in Chochhe tole, family members are engage in all of them but they do not employ any workers.

Being the primary occupation of the family, the involvement of the family members plays the important role. Generally, men carvers carve the wood and women and children polish and sand the finished products. The young and educated persons neglect this occupation although they are unemployed.

4.7 Trend of Business

Although the wood carving is informal and micro level enterprise, it has affected by the national political situation. So, the present time is not good for the wood carving enterprise. However, the business trend of some enterprises is going to increase. The business trend and working hours per day are closely related in the enterprise.

Table 4.8: Trend of business and working hours in the enterprises

Hours/day	Trend of business			Total	
	Increasing	Decreasing	Constant	No	Percent
Below4	-	1	-	1	2
4-8	5	3	4	12	26
9-10	5	5	3	13	28
Above 10	11	3	6	20	44
Total No	21	12	13	46	
Total Percent	46	26	28		100

Source: Field survey, 2009.

Table 4.8 concludes that, among the total enterprises, 21 (46 percent) are in increasing condition. Likewise, 12 (26 percent) are in decreasing and 13 (28 percent) are constant since it's start. Not only political situation of the country, the quality of products, capability to fulfill the customers demand are also the important aspects of the enterprises.

20 entrepreneurs (44 percent) work more than 10 hours per day, among them business of 11 entrepreneurs is going to increase. Only one entrepreneur who works less than 4 hours per day and his business is decreasing now. Most of the respondent answered

on the question about working hour that depends on the demand of the products. So, they carve more than 12 hours per day in peak season and in off season they do only 4/5 hours. The statistical test (Chi square) shows the relation between working hours and the trend of business. According to the test there is significance variation in business trend according to the classes of working hours. The calculated value is 5.29 that is less than the tabulated value (12.59) with 6 degree of freedom at 95 percent of confidence level.

Some carvers have always peak season why? It is most important question. One case has given in the box, which is the answer of the question.

Box 2: The Carvers should be artisan as well as artist

Mahesh Shakya is 32 years, is working at kota tole in own enterprise. He has got training from Nepal traditional handicraft training centre, Lalitpur. In all seasons he works more than 10 hours per day and his business is increasing since it's start because he has theoretical knowledge as well as skill in wood carving. All carves have meaning but all carvers have not knowledge about it. He also said that if we make meaningful carving with more quality, future of the wood carving will be very bright. In the case of Icon of Buddha, he said the hand of Buddha should touch in the peace (ground). He explained further more, one follower questioned to Buddha do you have any evident about becoming Buddha and gaining knowledge? Buddha touched the ground (space) and said it is the evident. So, without space touching the icon of Buddha is not perfect, that is meaningless. Mr. Shakya said about the enterprise that "we should be artisan as well as artist".

Source: Field survey, 2009.

4.8 Investment

Investment is the most important aspect of any enterprise. There is adage that 'output based on the investment'. So, investment of both human resources and economic capital is essential for wood carving enterprise. Being the skill oriented activity, skillful with labourous manpower is necessary for the wood carving enterprise. The entrepreneurs who want to establish wood carving enterprise can start with small amount of investment. Nevertheless, in Bungamati, there are some enterprises with more than 10,000Rs of investment.

Table 4.9: Investment on the enterprises

Investments (Rs)	Enterprises	
	Number	Percent
Below 2500	13	29
2600-5000	10	22
5100-7500	8	17
7600-10000	8	17
Above 10000	7	15
Total	46	100

Source: Field survey, 2009.

At first investment should do in two sectors, i.e. instrument and the raw materials. Generally, *mallet, saw, hand plane* and *hand chisel* are essential and are basic instrument for wood carving. There is not necessary a large number of investments for such instruments but *advanced chisel, clamp, big saw hammer and other drilling machine* make the work easy and they are expensive. Who has invested small capital they did not have expensive instrument.

Raw material is key factors for wood carving enterprises and is another aspect of investment. *Teak, Shisam, Sal, Tuni, Haldu, Pine, Imili* etc are the important species of wood for carving. Some entrepreneurs has started business at first for some cubic feet wood and some brought a truck wood and started, so the investment vary from enterprise to enterprise .Of the total 46 enterprises, 29 percent have invested less than 2500 Rs at first. The numbers of enterprises are decreased with the investment of large capital.

4.8.1 Source of investment

Early mentioned that the investment vary from enterprise to enterprise. Definitely, the entrepreneurs who have money they invest own capital and who have not money they take loan to start enterprise.

Table 4.10: Sources of Investment

Sources	Enterprises	
	Number	Percent
Own	38	83
Loan	8	17
Total	46	100

Source: Field survey, 2009.

Of total 46 enterprises, 83 percent have invested their own capital and 17 percent have invested by the taking loan. Some of them have taken loan from finance and bank and others have from relatives and friends without interest.

4.8.2 Monthly transaction

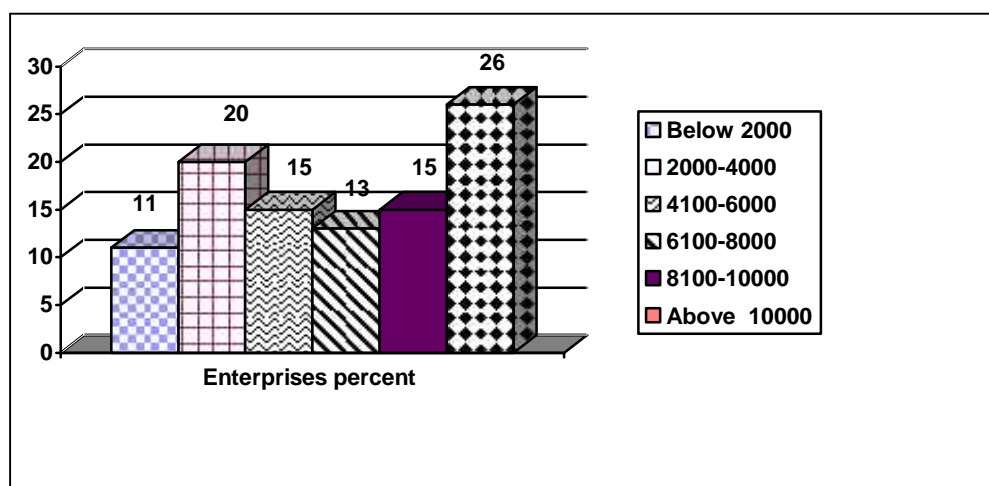
To repair weapon and to add the raw material (wood) there is need of investment or to sustain the enterprise there should be invest in a certain time. The monthly investment is depending on the demand of the product and the type of items.

Table 4.11: Monthly transaction

Investment	Enterprises	
	Number	Percent
Below 2000	5	11
2000-4000	9	20
4100-6000	7	15
6100-8000	6	13
8100-10000	7	15
Above 10000	12	26
Total	46	100

Source: Field survey, 2009.

Figure 8: Monthly transaction



The figure 8 shows that of the total 46 enterprises, 26 percent invest more than 10000Rs. per month. Likewise only 5 enterprises (11 percent) invest less than 2000 Rs. Per month.

4.9 Future Plan to Develop the Enterprises

Unsatisfaction is the nature of human being which plays positive role in the progress. In the case of the entrepreneurs most of them want either extend the enterprise or move to the other place. But they have a constraint that is current political instability of the country. The proprietors (whole household as a proprietor) of 20 enterprises (44 percent) want to extend their enterprises at the same place, 14 want to move and establish the enterprise to the other places of the valley. Likewise, 12 proprietors do not have not any plan.

Table 4.12: Future plan of the entrepreneurs by the enterprising place

Plan	Enterprising Place		Total	
	Own	Rented	No	Percent
To extend	16	4	20	44
To move	3	11	14	30
Neutral	7	5	12	26
Total No	26	20	46	
Total Percent	56	44		100

Source: Field survey, 2009.

There is a notable fact in the table 4.9, which is the closely related, future plan and the nature of enterprising place. Majority of the proprietor who want to extend their business are enterprising in own house. Most of the enterprises with rented house want to move to the other places. Among the entrepreneurs, one has a dream to

develop the enterprise as a art gallery whose enterprise is near the Machhendrebahal temple. Some want to enlarge their enterprises and develop as formal enterprises. An entrepreneur have a plan to establish a training centre as well as enterprise of 14 enterprises (who want to move other place), 14 percent (2 entrepreneur) are going to be started their enterprises around the Patan Darabar Square. Other are want to move to thamel, Patan and Bhaktapur.

CHAPTER V

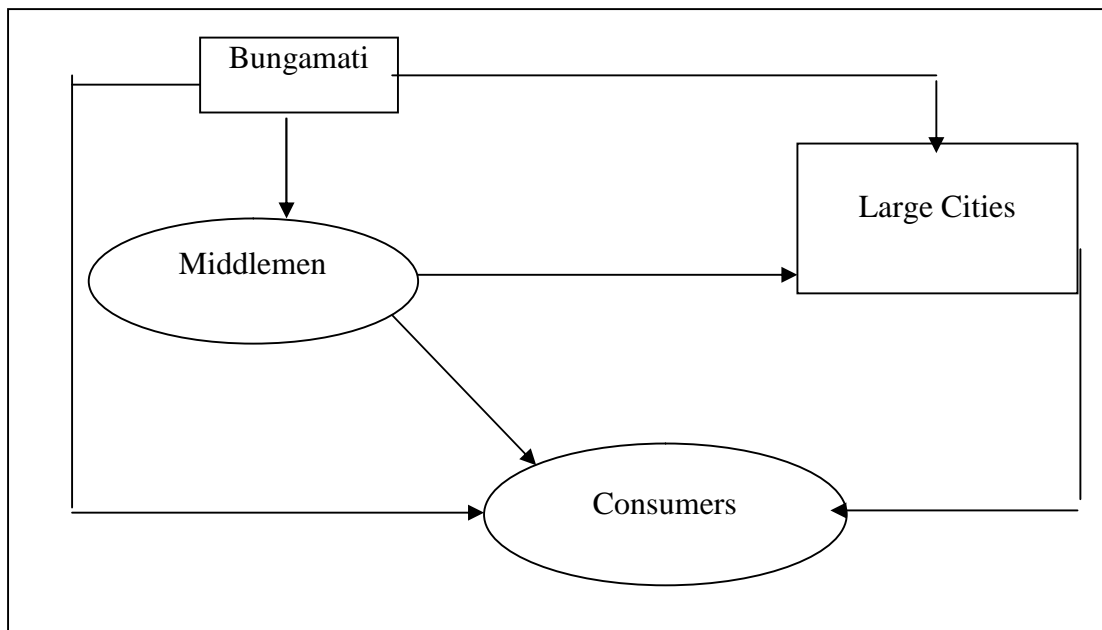
MARKET CHAIN AND INCOME GENERATION

5.1 Market Chain

In simple way, market is a gathering place of buyers and sellers. Market is an essential aspect of any enterprises. Market may vary from local to international level. In this range, goods and services can flow systematically. The flow of goods and services with various steps from the enterprises to the consumers is known as trading or marketing system. Marketing system is closely related with economic as well as spatial linkage between places. Socio cultural political, technical etc. linkage helps to enhance the marketing system or market chain of the enterprises. Flow of the raw materials from different places to the enterprises is also important to establish relationship between places which is known as backward linkage.

The wood carving enterprises of Bungamati have produced various items, such as frame, small decorative windows, sculptures of god like Ganesh, Buddha and Tara, different types of masks, struts and brackets for temples etc. They carve different figure in windows and doors. Most of them carve on the basis of market demand and some of them have direct contact with consumers and others sell to the middlemen. According to the key informant, more than 90 percent of the products of Bungamati have consumed by the foreigners, only 10 percent products have consumed by the Nepali consumers. But all enterprises have not direct link to the consumers, so they sell to the middleman. Middlemen buy from Bungamati and sell to the curio shops and retailers in Kathmandu, Patan and Bhaktapur, they have also direct contact to the India, china and other countries. Some entrepreneurs carry to sell their products direct to the shops of the large cities, not through the middlemen. Tourists buy wood carving products from the curio shops and retailers around the religious sites and other areas.

Figure 9: Market chain of the wood carving enterprises



Tourists come from different countries like Germany, France, Italy, Japan, Australia, China etc. in Bungamati. Most of them are like sculpture of Buddha, frame and small window (for decoration) and want to buy because of the quality of the goods.

5.1.1 Factors affecting the market chain

Advertisement plays a positive role to become famous of the enterprises. In the case of Bugamati, only 10 enterprises (22 percent) are advertised. Most of them are using local paper as a media for the advertisement; some are advertised by radio and television. 36 enterprises (78 percent) have not any advertisement. Some of them do not believe on advertisement and other have not concern.

The road network plays a significant role to the market chain. At first, there is the use of road network to export all products from the Bungamati. Consumers and middleman carry the products by the use of different vehicles, then air transportation use to export out of country. There may not use of air transportation to export to China and India. More or less the market channel is influence by the attention of any organization and government policy. Although there is no any organization of wood carving enterprises some of them are members of Federation of Handicraft Association of Nepal and help to marketing the products.

5.2 Income and expenditure

Cash income is more important for livelihood in urban areas than in rural areas. In rural areas, a substantial portion of consumed goods is self produced such as food, fuel and other necessary items which otherwise would take big share of income the poor peoples. In urban areas there are very less chances to produce commodities by people themselves for their own consumption. Wood carvers have same case, wood carving enterprises are the primary sources of income for the livelihood of households however the income level of the enterprises have not equal which vary from enterprise to enterprise and one tole to others.

Table 5.1: Income differential of the enterprises according to tole

Tole	Income (Rs. 000)								
	Below 10	11-15	16-20	21-25	26-30	31-35	Above 35	Total	
								No	Percent
Bhunna	1	-	1	-	-	-	-	2	4
Burnami	-	-	-	2	2	-	-	4	9
Bwanchhe	1	1	-	-	-	-	-	2	4
Chochhe	-	1	2	-	-	-	-	3	7
Dhokapeni	1	-	1	-	1	-	-	3	7
Edha	-	-	1	-	-	-	1	2	4
Ekha	-	1	-	1	1	-	1	4	9
Kilako	1	1	-	-	-	-	-	2	4
Kota	1	1	1	1	1	1	2	8	17
MB	2	-	1	2	1	1	4	11	24
Sorhakhutte	1	1	-	1	-	-	-	3	7
Sota	-	2	-	-	-	-	-	2	4
Total No	8	8	7	7	6	2	8	46	
Total Percent	17	17	16	16	13	4	17	100	

Source: Field survey, 2009.

Income of the enterprise varies in season and months. Monthly average income has been calculate and ranked in seven classes. All enterprises have good income. Among the 8 enterprises with below 10, 0000 Rs, monthly income, only one enterprise has 5000 income but others have above 5000Rs .Of the total 46 enterprises, 17 percent

earn more than 35000Rs. In a month calculation based on the table 5.1 shows that the average income of Edha tole is the highest, which is 26500Rs in a month whereas the lowest is 13 000Rs in Sota tole. Of the 8 enterprises with more than 35000Rs average monthly income, 4 are in Machhendra Bahal tole. The income depends upon the enterprises size, quality of the products, location etc.

5.2.1 Income from Religious Valuable Wood

All species of wood are not legally acceptable for business, but such types of wood are more profitable in the carving. So they carve when they get chances. A detail assessment of carving of religious valuable wood which is not legally accepted for business is beyond the scope of this study; however, one example from field study has given to link relation with income generation of the enterprises.

Box 3 :Carving of Raktachandan is more profitable

Shankar (pseudo name) has a small enterprise in Kota tole. He make mostly sculpture of Buddha, Ganesh and Tara from *Kapur*, which has good smell. About 20 months ago, two unknown persons came in his enterprise and left a piece of *Raktachandan* to make Ganesh sculpture and gave him attractive salary; they also proposed him to work with them. According to him they said that the enterprise should establish in a secret place and then he would be great but he rejected. He said that: now he has no link with them and other such workers. Nevertheless, small pieces of Raktachandan can found in Mangal Bazar. According to Shankar, most of the enterprises in the settlement are being rich day by day by carving Raktachandeen and other valuable wood but they hide that.

Source: Field survey, 2009.

Table 5.2: Family size and monthly average income of the enterprises

Family size	Enterprises		Income (Rs.)
	Number	Percent	
Below 4	5	11	18000
4	17	37	22000
5	7	15	24000
6	10	22	22000
Above 6	7	15	19000
Total	46	100	21000

Source: Field survey, 2009.

Income of the enterprises varies not only by the tole and time but also influenced by the family size. The table 5.2 shows that the income of the enterprises and the family size has a positive relationship in a certain level. But in the enterprises with six and more than six members of family have low average income than enterprises with

small family. The notable fact, of the case is that in such households there are also children and over aged people. In the small family, almost all members help in the enterprises in free time.

5.2.2 Expenditure pattern

The expenditure pattern of the entrepreneurs is same with medium level of people, but they spend large share of income to celebrate even-time festivals because the Newars are rich in culture and tradition. To maintain the family need they have to earn more money.

Most of the households spend their income to fulfill the basic need of the family and have to invest to the enterprises to sustain that. They sent their children to the private schools and colleges and most of them go to treat at private health centre in the sickness. Young members of the family want to expend for entertainment.

CHAPTER VI

PROBLEMS OF THE ENTERPRISES

6.1 Problems

No one and nothing are free from problems but they are not similar in all cases. In the current time whole system of Nepal is in the web of problems. As a result unemployment and poverty are increasing rapidly in dangerous form. There is not good environment to establish new enterprises. Large scale's enterprises are in crisis and going to be band. Comparatively, enterprises of informal sectors are less affected. But entrepreneurs feel fear to invest on new business because of the uncertainty of the country. Similarly, there are also some problems in wood carving enterprises which are facing now adays. These are described below in detail.

6.1.1 Raw material related problems

Wood, the key material for wood carving enterprises has some problems. The cost of raw wood is rapidly increasing day by day. On the other hand, they should compromise in size, quality and quantity because of the shortage of the raw wood in the local market. The wood mill and middleman bring wood of young (immature) trees, which are not good for carving but they sell at same price of high quality wood. From these types of low quality wood, products become less durable and less attractive. As the result customers dislike them. Often times movements of political and non- political organizations also hamper in the availability of raw wood in the market.

6.1.2 Market related problems

Market is the important aspect of the enterprises. In wood carving enterprises there is the vital role of market because it is the primary source of income of the households of study areas. However, the enterprises have some market related problems. Various items of plastic, machinery product of wood and Indian carving items are available in Nepali market at low price and have less quality, which affect the Nepali carving market. By the low quality products from disqualified carvers and unfair competition

among the enterprises believe of the customers have reduced. Because of the unnecessary checking process in the airport tourist feel uneasy to carry such wood carving product.

6.1.3 Irregularity in work and income

In the context of livelihood these irregularities often know as seasonality. In the early chapter mentioned that tourists are the major customers of the wood carving enterprises. In winter season, the flow of tourist has increased. So, in some months they are able to earn more than their expectation but the situation does not always favor of them. In winter season, not only foreigners Nepali visitors also enter to the valley from different part of the country and they purchase wood carving products. Winter is also favorable to construct new house and temple so, the demand of construction items like windows, doors , struts , brackets etc. can increase on the other hand Newar (the entrepreneurs) celebrates many fest and festivals in a year, these also hamper on the work and income.

6.1.4 Lack of coordination among the enterprises

There are varieties of enterprises in terms of size, location, income investment etc. likewise; there is no unity and coordination among the entrepreneurs because of their individualist thought. From that, the whole settlement can not get profit as there possible. Sanitation problem is as the result of separation. There is lack of perception that the unity is the power or force to solve the problems. If they do such work i.e. bringing raw material, to carry their product in the market, skill exchange etc in organize form that will fruitful for all of the enterprises. Because of this weakness of the enterprises, local government agency also neglect to their problems.

Although, the wood carving enterprise is economically as well as culturally valuable, the local government agency has not any concern; even the negligent VDC has not any record about the enterprises. Security is the burning challenge of the country and the enterprise has affected from this problem too. Accommodation for tourist is another problem there is no any hotel and lodge to stay a night for tourists. There is always lack of clean and hygienic hotel for tea and snacks. In Bungamati, there is only one smith to repair the carving instruments. One of the major problems of the wood carving enterprises is to conserve typical carving culture. New generation,

especially who are educated do not want to engage in this occupation. Being the compact settlement with Narrow Street some enterprise (which have not flat roof) have lack of sunny place to dry products after polishing.

In the developing countries, small and micro enterprises play a significant role in the nation's economy. In Nepal handicraft production is a major source of earning foreign currency. Wood carving is a kind of handicraft enterprise and has very prospect, if the concerned agencies give attention to develop it. There are some agencies and institutions which give regular formal training and some time government and private organization also provide certain level training about wood carving. From that, unemployed and poor entrepreneurs can also start enterprise

Box 4: Some problems and more prospects

Raj Bhai Shakya, 42 years has own wood carving enterprise at machhendra Bahal tole and has 2 workers. 3 years Ago, finishing items of about two Lakh Ruppies has stolen from the enterprise. After that he is making only ordered materials. He has just shown his carving talent in Germany and Australia. According to him wood carving of Nepal is unique than others \$0, the foreigners like Nepali carving very much. There is a offer to make typical Nepali house with carving in France, he will go there soon with other friends. He has said that the wood carvers are perfect in carving as well as designing, but the government has not attention to promote it. He is thinking now to open a hotel for foreigner and has a want to open training centre in Bungamati. There is some problems and more prospects so the future of wood carving is bright, he said.

Source: Field survey, 2009.

6.2 Livelihood of the Households

In the past time, majority of the people in Bungamati were involved in agriculture as a primary source of income and they were involved in carpentry, carving and wage labouring as secondary source. After increasing population the agriculture production became inadequate for survive and then they engage in other economic activities and wood carving is one of them. The households with own wood carving enterprise have adopted as the primary source of income to maintain livelihood. Being the skill oriented activity, the major focuses of the study is on the capabilities perspective of the entrepreneurs on the basis of livelihood. Although there is inequality in income in all months of a year, the saving from high income months help to maintain daily expenditure of the family. They expend large amount of income to celebrate fest and

festivals. Most of them are skillful in carving but they are facing problem to manage the enterprises because of having low education. More than 60 percent of the entrepreneurs have small family size (i.e. five and less than five) on the other side, except Dhan Bahadur Magar, all of them have own house and some land in the same VDC. Nine households have more than 3 Ropani land. Entitlement of the properties is an important aspect of the livelihood. Among them, 29 entrepreneurs (63 percent) want to engage the future generation in the some enterprise because they have felt it is the major source of income in own place and the significant of the skill will be increased in future.

CHAPTER VII

CONCLUSIONS AND RECOMMENDATIONS

7.1 Conclusions

Bungamati is not only religious and culturally valuable settlement but also the old market centre of Lalitpur district. In the past, though agriculture was mainstay of the household in Bungemati, they were involved in other activities like trade, carpentry, carving etc. Majority of the households changed their livelihood strategy from primary production activity i.e. agriculture to secondary and tertiary. The entrepreneurs are more diligent and self dependent from the wood carving enterprises. Mostly, the skill and knowledge from the senior have been transformed to the young generation through apprenticeship. Patan industrial estate has a significant role to teach skill to the entrepreneurs and to establish the enterprises because after they learnt skill from the industrial estate, some have started wood carving in own house in Bungamati. The wood carving enterprise has developed gradually with the development of the tourism. Being the informal and family enterprises, any family member who is interest in the work can engage in free time. But some enterprises where are not sufficient family members are employed as workers. Most entrepreneurs choose this occupation as more profitable and young with high education has selected because of the interest in art and to conserve the culture.

The enterprises do not have only significant in terms of economic activity but also link different geographical location as a market chain. The enterprises are depending on the raw material from Terai and in the bringing process different agents have a significant role. The most important aspect of the enterprises is consumer. The producing goods have wide range of market links ranging from local to international market. There is vital role of middlemen in the marketing channel. They buy wood carving products from the enterprises and sell to the curio shops, retailers in different places of the valley. They also supply directly to the foreign countries. Some enterprises themselves have a direct link to the foreign countries also. In the marketing channel, road network has a positive role.

Another important aspect of any enterprise is investment. A entrepreneurs who want to start this business can do with small capital. Nevertheless there are some enterprises with more than 10,000Rs of investment. The enterprises produce the goods on the basis of market demand. Sculpture of Buddha, Ganesh, Tara small frame, different types of mask are most demanded items. Income is not similar in all seasons and months but they balance from higher income season to the lower income. Among the different tole

Machhendrabahal tole is more favorable for business. Some enterprises in sometimes get a chance to carve most valuable wood like 'Raktachandan' and earn so much money. Children of most entrepreneurs are studying in private schools and colleges and they treat from private clinic at the sickness time. In this way we can conclude that the income of the business is good.

Although, the woodcarving enterprises are more potential enterprise, there are some problems facing by the enterprises. Instable political situation, even time movements are constraint for the development of the enterprises. Due to the lack of coordination among the enterprises, they are unable to raise their problems to the concerned agency and they are found to be exploited by the middlemen. There is always lack of clean and hygienic hotel and restaurant for tourist in Bungamati.

The major theoretical grounds underlying studies on livelihood in Nepal is sustainable livelihood framework defined by DFID and other development agencies. But this study is based on the livelihood approach developed by the Chambers and Conway. Being the skill oriented enterprises this study has focused on the capabilities of the persons. Not only carving, managing the enterprises, searching the market, collecting raw materials are also related with the knowledge, skill and techniques or the capabilities of the people.

7.2 Recommendations

Small scale enterprises have a crucial role in the economy of developing countries and those enterprises are foundation for the industrialization of the countries. So, government should bring program to promote such types of enterprise. The effectiveness of the existing policies and programmes should be studied. Sustainable exploitation of natural resources is fundamental issues and essential for sustainable livelihood. Natural and cultural environment influence the livelihood. Some of that may be the way for further research.

Marketing channel is fundamental aspect of the enterprises and in informal enterprises there are household members selves as a manager. Some enterprises have not able to well manage because of the limited knowledge and limited place. That affects the marketing system, very little has been researched in this perspective. Further researches can focused in these aspects separately. What is the occupation of other households (who have not wood carving enterprise)? Of the settlement is missing aspect of the study. So, further researches can focus on livelihood pattern and adoptive strategies of the people of Bungamati.

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Appendix – I

Tribhuvan University

Central Department of Geography

Household Questionnaire for wood carving enterprises and livelihood in

Bungamati Lalitpur.

Ward:

Date:

Tole:

A. General Information

1. Name and Caste/ethnicity:
2. Place of Origin:
3. Age: (a) <15 (b) 15-30 (c) 30-45 (d) 45-60 (e) >60
4. Sex: Male/Female
5. Marital status: Married/Unmarried
6. Education: Literate (.....) Illiterate
7. Previous occupation (If there is):
8. Family Size:

B. Enterprise and working place

1. Since when have been working in this enterprise?
2. Is there any family members engaged in this enterprise? (a) Yes (b) No
3. Do you have any workers in this enterprise?
(a) Yes (How many?) (b) No
4. If yes why do you do employee?
5. Why do you do this enterprise?
(a) Traditional enterprise (b) More profitable (c) Interest in art
(d) conserve Culture (e) Earn Fame (f) Other (specify)
6. Why do you select this area?
7. What is the source of skill learned?
(a) Parents (b) Friends (c) Formal (d) Others (specify)
8. Does your current skill enough?
(a) Yes (b) No

9. Which items have more demand?
 - (a) Gift items:
 - (b) Decoration Items:
 - (c) Religious items:
 - (d) Other:
10. Do you do other works beside this?
 - (a) Yes (what?) (b) No
11. How long time do you work in a day?
 - (a) Below 4 hours (b) 4-8 hours (c) 8-10 hours (d) above 10
12. Ownership of the enterprise:
 - (a) Own (b) Father (c) Grand father (d) Son
 - (e) Other (specify)
13. Working (enterprising house) place (a) Own (b) Rented
14. Does your business progress? (a) Increasing (b) Decreasing (c) Constant

C. Income, expenditure, Market and organization

1. How much money have you invested in this enterprise?
 - (a) Instruments Rs: (b) Raw materials Rs. (c) Others Rs
2. How much money should you expense for sustain this enterprise (in a month)?
.....
3. Do you have other properties?
 - (a) Land:..... (b) House:..... (c) Cattle:.....
 - (d) Others:.....
4. Does income remain similar in all months and season? (a) Yes (b) No
5. If not, which season /months have higher and lower and why?
 - (a) Higher: (b) Lower:.....
6. What is your transaction amount in a month?
 - (a) Higher Rs: (b) Lower Rs:.....
7. Does your income enough to support your expense? (a) Yes (b) No
8. If not, from where have you set for balance?
9. What is the source of investment?
 - (a) Own (b) Bank Loan (c) Finance (d) Others

10. From where do you bring raw materials?
11. Why are you bringing from there?
 - (a) No any alternative (b) Easy for transport (c) Cheap than other
12. Where do you supply your product?
 - (a) Customers visit to your place (from)
 - (b) Kathmandu (c) Patan (d) Out of Country (e) Others
13. Which is the last market of your products, Do you know?
 - (a) India (b) China (c) Japan (d) Others
14. Do you have membership of any organization, If yes, what's that?
 - (a) Yes, (b) No
15. What is the significance of that organization in your enterprise?.....
16. Have you got any support from government or any other agencies to promote your business?
 - (a) Government: (d) Other agencies (Name)
 - (b) Yes (c) No
17. Does any member of your family go to school/college? (a) Yes (b) No
18. If yes, what types of school/college? (a) Public (b) Private

D. Vulnerability Context

1. Do you have any health problem? (a) Yes (b) No
2. If yes, where do you go for treatment? (a) Public health center (b) Private health center
3. Do these problems affect your occupation and how?
4. Is there any chance of becoming a victim of accident while working? (a) Yes (b) No
5. If yes, what's the frequency?
6. Does the enterprise have any problems?
 - (a) Raw materials (b) Instruments: (c) Markets: (d) Government policy: (e) Others:
7. What is the prospect of wood carving in Nepal?
8. Do you know any alternative place for your business? (a) Yes(b) No

9. Do you want to move there? (a) Yes (b) No

10. Do you have any plan to extend this enterprise? If yes, mention.

S.N	Plan	Reasons
1		
2		
3		
4		
5		

11. Do you want to engage your further generation in this enterprise? Why?

(a) Yes (Because.....)

(b) No (Because

12. Have you done any advertisement to promote business? (a) Yes (b) No

13. If yes, what do you do?

-----Thank You-----

Appendix – II

Checklist for FGD

1. History of Wood Carving in Bungamati
2. Sources of Raw Materials
3. Marketing System
4. Organizations and Institutional Supports
5. Problems and Prospects

Appendix – III

Observation Sheet

1. Physical Characteristics of the house

Part of house		Tally	Total No
Type of Roof	Tin		
	Cement		
	Tile		
	Others		
Types of wall	Brick with mud		
	Brick with cement		
	Others		
Number of stories	One		
	Two		
	Three		
	More than three		

2. Environmental condition (out of houses)

Track size	Narrow		
	Wide		
Pavement in track	Black top		
	Stone pavement		
	Brick pavement		
Sewage	Open		
	Close		
Drain	Open		
	Close		

Appendix – IV

Checklist for KIS

1. Existing Condition of Wood Carving Enterprises
2. Problems
3. Government Support
4. International Market

Appendix- V

1. Chi Squire test for Motivational Factors and Educational Background of the Entrepreneurs

O	E	O-E	(O-E) ²	(O-E) ²
1	0.45	0.64	0.21	0.47
1	0.97	0.03	0.01	0.00
0	0.32	-0.32	0.10	0.32
0	0.39	-0.39	0.15	0.39
0	0.32	-0.32	0.10	0.32
1	0.52	0.48	0.23	0.44
5	0.02	-0.02	0.00	0.00
11	10.76	0.24	0.05	0.01
3	3.58	-0.58	0.33	0.09
5	4.30	0.70	0.49	0.11
2	3.58	-1.58	2.49	0.69
7	5.73	1.27	1.61	0.28
1	0.54	0.64	0.21	0.39
0	0.97	-0.97	0.94	0.97
0	0.32	-0.32	0.10	0.32
0	0.39	-0.39	0.15	0.39
2	0.32	-0.32	0.10	0.32
0	0.52	1.48	2.19	4.21
0	0.76	-0.76	0.57	0.76
3	1.63	-1.63	2.65	1.63
1	0.54	2.46	6.05	11.20
0	0.65	0.35	0.12	0.18
1	0.54	-0.54	0.29	0.54
0	0.89	0.11	0.01	0.01
0	0.30	-0.30	0.09	0.30
0	0.65	-0.65	0.42	0.65
1	0.21	0.79	0.62	2.97
1	0.26	0.74	0.54	2.21
0	0.21	-0.21	0.04	0.21
0	0.34	-0.34	0.11	0.34
				$\phi=30.72$

2. Chi Squire test for Working hours and trend of Business

O	E	$(O-E)^2$	$(O-E)^2/E$
0	0.40	0.16	0.40
5	5.48	0.23	0.04
5	6.00	1.00	0.16
11	9.13	3.49	0.38
1	0.26	0.54	2.10
3	3.13	0.02	0.01
5	3.40	2.56	0.75
3	5.21	4.88	0.93
0	0.28	0.07	0.28
4	3.40	0.36	0.10
3	3.67	0.44	0.12
6	5.65	0.12	0.02
			$\phi=5.29$

Appendix VI

Photographs



Carving Items



Interviewing with an old Entrepreneur



Interviewing with Entrepreneurs



Interviewing with a key person