

## CHAPTER VIII

### URBANIZATION

#### Introduction

The role of urban society can hardly be over-emphasized in determining the socio-political, cultural and economic-history of a country. Nepal is no exception to this. Urban society exerts its influence in charting the direction of the country's political, social and economic development. It is, therefore, imperative to study the extent and character of urbanization in Nepal. Here an attempt is made to provide some insights into recent changes in the level and rates of urbanization and relate such differences in levels of urbanization to selected indicators of socio-economic development. It will also examine components of urban growth, and assess the implications of urbanization on some aspects of socio-economic life of people.

Data on urbanization are available since 1952/54. However, these data are not strictly comparable due to changes in definitions over time. The 1952/54 census provided no formal definition of an Urban area, although it furnished detailed socio-economic characteristics for few urban-in areas, called *Shabar*. The 1961 census for the first time had provided formal definition of an urban area. According to this definition, an urban area was a locality which was inhabited by not less than 5,000 people having town atmospheres such as location of school, college, government offices, legal courts and marketing facilities. Sixteen localities met these criteria in 1961. An urban area was known-as *Shabar* in 1952/54 and 1961. However, the nomenclature of an urban area has changed subsequently to *Town Panchayat* with the introduction of the *Panchayat* system

in 1961 (2017 B. S.). The Town Panchayat Act of 1962 (2019 B. S.) defined a Town Panchayat as being, "an area having not less than 10,000 population". However, the Act did not specify any other attributes of a Town Panchayat, with the exception of a population size.

The census of 1971 did not provide any independent definition of an urban area and took the 16 Town Panchayat identified by the government as urban areas for granted and provided separate socio-demographic data for these areas in 1971. However, a close scrutiny of 1971 census data suggests that there were areas<sup>1</sup> which, even though they did not meet the population size criterion of urban area as set by the Town Panchayat Act, were declared as urban areas. On the other hand, there were areas<sup>2</sup> having a population of 10,000 and above and thus meeting the criterion of urban area, which were not recognized as urban. This shows arbitrariness in classifying urban areas.

The population size criterion of an urban area was once again reduced from 10,000 in 1962 to 9,000 in 1976. According to this revised criterion of population size, there were 23 Town Panchayats in the 1981 census.

In addition to changes in definitions, there

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<sup>1</sup> These areas are Ilam, Bhadrapur, Rajbiraj and Tansen.

<sup>2</sup> There were -twelve such areas:

1. Shiva Ganj-1 7,841 ; 2. Bhokrafia-16,835;  
3. Damak-13,993; 4. Hatiya-12,939; 5. Topagachhi-  
11,960; 6. Phaparbari-11,904; 7. Madumalla-11,292; 8.  
Mahendranagar-10,952; 9. Gauradaha-10,930; 10.  
Jayapur, Budhabare-10,533; 11. Bahundangi 10,284, and '  
12. Raj Ghat- 10,649.

were changes in district boundaries after 1961. This could also affect the boundaries as well as the size of the urban population of adjoining districts. These limitations must be borne in mind while interpreting the data on urbanization.

### Level and Growth of Urbanization

Table 8.1 presents data on level and growth of urbanization based on population 5000, and above, for the census years 1952/54-81. Urban

population as percentage of total population shows an increase over the years, from 3 per cent in 1952/54 to 6.3 per cent in 1981. The growth of urban population got its momentum since 1971. During the last decade (1971-81), urban population increased by 107 per cent and grew at the rate (geometric) of 7.55 per cent per annum, compared to 2.4 per cent growth rate of rural area.

**Table 8.1--Percentage distribution of urban and rural population, percentage change in intercensal period and rate of growth of urban, rural and total population, Nepal, Census years 1952/54-1981**

Census years	% urban	% rural	Intercensal change in urban population (%)	Rate of growth (geometric)		
				urban	rural	total
1952/54	2.9	97.1	-	-	-	-
1961	3.6	96.4	42.5	4.53	1.56	1.65
1971	4.0	96.0	37.4	3.22	2.03	2.07
1981	6.3	93.7	107.1	7.55	2.40	2.66

Source,: Central Bureau of Statistics, 1958-Population Census 1952/54, Appendix page 1;

Central Bureau of Statistics, 1967-Population Census, 1961, Vol. II, Table 6;

Central Bureau of Statistics, 1975-Population Census, 1971, Vol. V, Major urban tables;

Central Bureau of Statistics, 1984-Population Census, 1981, Vol. IX, Table 3.

The scenario of the level and growth of urban population as presented above is somewhat changed when the level and growth of urbanization is measured in terms of populations of 10,000 and more persons. If we consider the definition of urban areas as having a population of 10,000 and more persons, 2.4 per cent of Nepal's population qualified as urban in 1952/54 and 2.9 per cent in 1961,

3.7 per cent in 1971 and 6.2 per cent in 1981 (see Table 8.2.). During 1971-81, the urban population of Nepal living in places of 10,000 population and more, increased by 116.5 per cent and grew at a rate of 8.03 per cent per annum, compared to 2.39 per cent growth rate for the rest of the country. Using this definition of urban, therefore, produces an even higher rate of urbanization.

**Table 8.2-- Percentage distribution of urban and rural population, percentage change in the intercensal period and rate of growth of urban, rural and total population, Nepal, census years 1952/54-1981.**

Year	Total population	Urban Population (10 thousand and above)	% urban	% rural	Rate of growth (%) (geometric)			Intercensal change (%) in urban population
					urban	rural	total	
1952/54	8,256,625	199,549	2.4	97.6	-	-	-	-
1961	9,412,996	278,548	2.9	97.1	4.25	1.58	1.65	39.6
1971	11,555,983	432,874	3.7	96.3	4.51	1.98	2.07	55.4
1981	15,022,839	937,187	6.2	93.8	8.03	2.39	2.66	116.5

Source: Same as are those in Table 8.1.

Even though the urban population has been increasing over the years, the country still remains essentially rural in character. In 1981, 94 per cent of population was living in rural areas. Though the size of urban area looks small at present, its potential growth is very high. The urban population is growing faster than the rural population and at the current rate of growth, the urban population will double in 9 years.

### Urban Place by Size and Population

Changing level of urbanization can also be measured by comparing the number of places of given size and the distribution of population among them (see Table 8.3). Of the 10 places designated as urban areas in 1952/54, 50 per cent had fewer than 10,000 persons and 70 per cent were under 20,000 population. Only one area or 10 per cent of the urban places had populations of 100,000 and over. The above situation remained almost unchanged until 1961. However, the profile

changed somewhat in 1971. Of the 16 urban places, 4 or 25 per cent had fewer than 10,000 population and 56 per cent were under 20,000 population. For the first time in 1971, there were 3 areas having populations of 20,000-29,999 and also one in the category of 50,000-99,999. By 1981, considerable shift had taken place from small sized to moderate sized places. The number of places with less than 10,000 population was reduced from 50 per cent in 1952/54 to 9 per cent in 1981, while the number of places with a population between 20,000 and 39,999 increased from 10 per cent in 1952/54 to 35 per cent in 1981. The number of places having 40,000 to 49,999 population increased from only one in 1952/54 to 5 in 1981. Urban places having 50,000 to 99,999 population increased from zero in 1952/54 to 2 in 1981. It is also interesting to note that between the 1952/54-81, there was only one urban place having a population of 100,000 and above.

**Table 8.3-Numerical and percentage distribution of urban places by size of place, Nepal, Census years 1952/54-1981**

Size of place	Distribution of urban Places			
	1952/54	1961	1971	1981
Number of urban places	10	16	16	23
Per cent	100.00	100.00	100.00	100.00
5,000-9,999	5 (50.0)	9 (56.25)	4 (25.0)	2 (8.69)
10,000-19,999	2 (20.0)	3 (18.75)	5 (31.25)	5 (21.74)
20,000-29,999	-	-	3 (18.75)	4 (17.39)
30,000-39,999	1 (10.0)	2 (12.5)	-	4 (17.39)
40,000-49,999	1 (10.0)	1 (6.25)	2 (12.5)	5 (21.74)
50,000-99,999	-	-	1 (6.25)	2 (8.69)
100,000+	1 (10.0)	1 (6.25)	1 (6.25)	1 (4.35)

Note: Figures in parenthesis refer to percentages.

Source: Same as are those in Table 8.1.

### Distribution of Urban Population by Size

Table 8.4 shows the distribution of urban population by the size of urban places for the census years 1952/54-81. It is interesting to observe that the proportion of urban population living in the largest and smallest urban places has been declining over the years, while the proportion of urban population living in the areas having 40,000 to 99,999 population, particularly 40,000 to 49,999, increased considerably over the years. For example, the proportion of urban population living in places having a population of 100,000 and

above declined from 45 per cent in 1952/54 to 25 per cent in 1981. Similarly, the proportion of urban population living in the smallest towns with populations below 10,000 declined from 15 per cent in 1952/54 to only 2 per cent in 1981. On the other hand, we find that the proportion of urban population living in urban areas having 40,000 to 99,999 population, increased from 18 per cent in 1952/54 to 42 per cent in 1981. It shows that the urban population, over the years, have been concentrating more in the medium to large-sized urban places.

**Table 8.4 Percentage distribution of urban population by size of place, Nepal, Census years 1952/54-1981**

Size of place	Percentage distribution			
	1975/54	1961	1971	1981
5,000- 9,999	15.41	17.15	6.29	2.04
10,000-19,999	8.84	12.07	15.93	7.43
20,000-29,999	-	-	13.99	10.25
30,000-39,999	13.61	20.59	-	14.09
40,000-49,999	17.52	14.19	18.45	23.49
50,000-99,999	-	-	12.78	18.13
100,000+	44.62	35.99	32.53	24.58
Total urban population	235,892	336,222	461,938	956,721
Percentage	(100.00)	(100.00)	(100.00)	(100.00)

Source: Same as are those in Table 8.2

### Distribution of Urban Population by Geographic Zones

Table 8.5 presents data on the distribution of urban population and places by the geographic zone of the country.

The table shows that one hundred per cent of the urban population live in the Hill and Terai zones of the country. There is no urban centre in the Mountain zone. The urban population has been and continues to be concentrated in the Hill zone, although reduced considerably over the years. The proportion of urban population living in the

Hill zone is reduced from 82 per cent in 1952/54 to 52 per cent in 1981, while the corresponding figure in the Terai zone increased from 18 per cent in 1952/54 to 48 per cent in 1981. It shows that the process of urbanization of the Terai is catching up with that of the Hill rapidly. Although the Terai lags behind the Hill in terms of concentration of urban population, the former exceeds the latter in terms of concentration of urban centers. The urban centers were evenly distributed between the Hill and Terai in 1952/54 but in 1981, 60 per cent of the urban centers were located in the Terai zone.

**Table 8.5-Percentage distribution of urban population by Geographic Zones Nepal, Census years 1952/54-1981**

Geographic Zones	1952/54		1961		1971		1981	
Eastern Hill	-	-	-	-	1.58	(1)	2.47	(2)
Central ,,	82.41	(5)	66.56	(6)	57.53	(4)	41.63	(4)
Western ,,	-	-	3.14	(2)	5.85	(2)	6.23	(2)
Mid-western ,,	-	-	-	-	-	-	1.45	(1)
Far-western ,,	-	-	-	-	-	-	-	-
Eastern Terai	3.42	(1)	16.23	(3)	17.52	(4)	18.36	(5)
Central ,,	9.59	(3)	9.37	(4)	5.91	(2)	11.09	(3)
Western ,,	-	-	-	-	6.51	(2)	7.77	(3)
Mid-western ,,	4.58	(1)	4.70	(1)	5.09	(1)	3.55	(1)
Far-western ,,	-	-	-	-	-	-	7.43	(2)
<b>Total Hill</b>	<b>82.41</b>	<b>(5)</b>	<b>67.70</b>	<b>(8)</b>	<b>64.97</b>	<b>(7)</b>	<b>51.78</b>	<b>(9)</b>
<b>Total Terai</b>	<b>17.59</b>	<b>(5)</b>	<b>30.30</b>	<b>(8)</b>	<b>35.03</b>	<b>(9)</b>	<b>48.22</b>	<b>(14)</b>
No.	235,892		336,222		461,938		956,721	
All Total		(10)		(16)		(16)		(23)
%	100.00		100.00		100.00		100.00	

Note: 1. The geographic zones are for each year. as per 1981 population census.  
2. The figures in parenthesis refer to number of urban places.

Source: Same as are those in Table 8.2

It should also be noted here that within the Hill and Terai, the urban population is concentrated in fewer areas. And this pattern has remained unchanged over the years. For example, one hundred per cent (100%) of the urban population in the Hill zone were concentrated in the central Hill zone in 1952/54. The Central Hill still accounts for 80 per cent of the Urban population living in the Hill. Similarly, within Terai, the eastern and central Terai accounted for 83 per cent and 61 per cent of the urban population living in the Terai in 1952/54 and 1981 respectively. Although the urban population is spreading equally between the two major zones, the Hill and Terai, it is still being concentrated in fewer places within each of the major zones, particularly in the Hill.

### Shifts in Urban Size Categories

The shifts in urban size categories

exhibit an important pattern of urban growth. Data on the changing distribution of urban places by population size represent only the net changes. But evaluating the actual shifts in size categories for particular places over the years permits a more accurate evaluation of urban development (Table 8.6).

It can be observed from Table 8.6 that there was very little shift in size categories of urban places until 1971. However, a good deal of shift in size categories occurred during the decade 1971-81. Of the 16 urban places in 1971, 11 or 69 per cent had changed their size category by 1981 and in all but five cases the change was upwards by two size categories. Although all the size categories, with the exception of places having 50,000-99,999 and more than 100,000 population, had changed their categories by 1981, the maximum change took place in

**Table 8.6- Distribution of urban places and urban population by size of place and shifts of urban places between categories in the size-of-place distribution, Nepal, Census years 1952/54-61, 1961-71 and 1971-81**

Size of place	Places in same or shifting to higher size class*																	
	1952/54-61						1961-71						1971-81					
	S	1	2+	-1	D	A	S	1	2+	-1	D	A	S	1	2+	-1	D	A
5000-9999	4	-	1	-	-	5	2	1	1	-	5	2	2	2	-	-	-	-
10000-19999	2	-	-	-	-	1	1	2	-	-	-	3	-	1	4	-	-	3
20000-29999	-	-	-	-	-	-	-	-	-	-	-	-	-	1	2	-	-	3
30000-39999	1	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-
40000-49999	1	-	-	-	-	-	-	1	-	-	-	-	1	1	-	-	-	1
50000-99999	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
100000+	1	-	-	-	-	-	1	-	-	-	-	-	1	-	-	-	-	-
Number	9		1			6	4	6	1	-	5	5	5	5	6	-	-	7

\* Note: S= Same position; 1= Up one size class; 2+= Up two or more size class; -1=Down one class; D=Disappeared and A=Newly emerged.

Source: Same as are those in Table 8.1

small sized categories, particularly the places having 10,000-19,999 and 20,000-29,999 population. Of the 5 places with 10,000-19,999 population in 1971, all shifted their position upwards. Similarly, all the places in 20,000-29,999 population category shifted upwards. This shows that there has been a gradual shift from small to medium-sized urban places in Nepal.

#### **Distribution of Urban Population and Places by Development Regions**

Nepal is divided into five development regions. They are known as Eastern, Central, Western, Mid-western and Far-western Development regions. The data on the distribution of the urban population and places by development regions of the country are presented in Table 8.7. It shows that the distribution of the urban population of Nepal among different regions of the country were highly skewed during the period 1952/ 54-71. Although the concentration of the urban population in fewer regions still

remained, it was significantly reduced during the last intercensal period, 1971-81.

Data shows that the urban population of Nepal was disproportionately distributed among different regions of the country, particularly concentrated in the Central Development region. The Central Development region accounted for 92 per cent of the urban population in 1952/54. The dominant role of the Central Development region in the urban scenario still continues, although some what attenuated over the years.

Among the development regions, the Central region is by far the most urbanized in Nepal. In 1981, 10 per cent of its population were living in urban places as compared with 5 per cent or less in other regions (see, Table 8.7). This region accounted for 32 per cent of the total population of Nepal and contained 53 per cent of the urban population in 1981. Of the total 23 urban areas in 1981, 7 were located in the Central region which included five of the nine largest urban areas

**Table 8.7- Percentage distribution of urban population, rates of growth of urban and rural population by regions of Nepal for Census years 1952/54-81**

Region/Zone	Year	% total urban	% of region's population urban	urban growth rate (exponential)	rural growth rate (exponential)
Eastern	1952/54	3.42	-	-	-
	1961	16.23	-	23.91	-
	1971	19.10	3.15	4.80	-
	1981	20.83	5.37	8.15	2.59
Central	1952/54	91.99	-	-	-
	1961	75.92	-	2.03	-
	1971	63.44	7.58	1.38	-
	1981	52.72	10.27	5.43	2.09
Western	1952/54	-	-	-	-
	1961	3.14	-	-	-
	1971	12.37	2.33	21.11	-
	1981	14.01	4.29	8.53	2.26
Mid-western	1952/54	4.58	-	-	-
	1961	4.70	-	4.75	-
	1971	5.09	1.58	3.97	-
	1981	5.00	2.45	7.10	2.64
Far-western	1971	-	-	-	-
	1981	7.43	5.38	-	-
Hill	1971	65.00	4.90	2.47	-
	1981	51.80	6.90	5.01	1.44
Terai	1971	35.00	3.70	4.62	-
	1981	48.20	7.00	10.47	3.76

Source: Same as are those in Table 8.1

of the country. These are Kathmandu, Lalitpur, Bhaktapur, Birganj and Janakpur. Kathmandu is the largest urban center of the country, while Lalitpur and Bhaktapur are the second and third largest urban centers. These three major urban centers accounted for 46 per cent of the total urban population in 1981 and 33 per cent of the increase of urban population during 1971-81. Kathmandu and Lalitpur are the twin urban centers. Bhaktapur is the third largest urban place within the region and is situated only 13 km. to the east of Kathmandu. It is linked with Kath-

mandu city by a good metal road. Kathmandu is expanding horizontally towards the east and in the near future Kathmandu, Bhaktapur and Lalitpur may be merged into one big city.

Next to the Central Development region, the Eastern Development region has had the highest proportion of people living in the urban areas but this accounted for only 5.4 per cent of its total population (Table 8.7). This region accounted for the 25 per cent of the total population of Nepal and contained only 21 per cent of the urban population of the country in 1981. Biratnagar is the dominant.

urban center of this region. It is an industrial town. Dharan Nagar Panchayat with its 42,146 population, registered as the second largest urban area of the region and occupied the eighth position among the largest urban places in 1981. Biratnagar grew further because of its importance as a district headquarters and far better transport network with the capital city. Small and medium scale industries also flourished here during 1961-81. The Eastern region contained 7 out of 23 urban places in 1981 and this included two of the nine largest urban areas of the country.

In the Far-western Development region only 5 per cent of the its population lived in urban places in 1981. Although it accounted for 9 per cent of the population of the country, it contained only 7 per cent of the total urban population in 1981. However, it claimed only 2 out of a total 23 urban places of the country in 1981. The largest urban center in this region is Mahendra Nagar, accounting for 61 per cent of this region's urban population. Mahendra Nagar was the sixth largest urban centre of the country in 1981. The other urban center in this region is Dhangadhi.

In 1981, the level of urbanization as measured by proportion of its people living in urban places was only 4 per cent in the Western Development region. It accounted for 21 per cent of the total population of the country and contained only 14 per cent of total urban population in 1981. The Western Development region claimed 5 out of 23 urban places of the country which included one of the nine largest urban centers of the country in 1981. The largest urban center of the region is Pokhara which occupied 5th position among the nine largest urban areas of the country.

The Mid-western Development region is the least urbanized among the development regions. In 1981, only 2.45 per cent of its population lived in urban places. Although

it accounted for 13 per cent of total population of the country, it contained only 2 out of a total 23 urban places of the country in 1981. None of these two urban centers were among the first nine urban areas of the country. The major urban center of the region is Nepalganj, accounting for 71 per cent of this region's urban population. The other urban center in this region is Tribhuvan Nagar.

It may be observed from Table 8.7 that in all regions of the country the average annual rate of growth (exponential) of the urban population was higher than that of the rural population in almost each of the census years and this difference was further widened during the period 1971-81. The rural-urban differences in growth rates is higher in the Terai than in the Hill. The ratios of urban to rural growth rates were found to be 2.78:1 and 3.48:1, in the Terai and Hill during the period 1971-81.

Among the development regions, the rural-urban differences in growth rates is highest in the Western Development region followed by the Eastern, Mid-western and Central regions. The ratios of urban to rural growth were found to be 3.15:1, 2.60:1, 3.77:1 and 2.69:1 in the Eastern, Central, Western and Mid-western Development regions respectively.

#### **Level and Growth of Urbanization by Region**

If the level of urbanization is measured by the number of urban areas, the Central Development region occupied the first place followed by the Eastern, Western and Mid-western Development regions, during the period 1952/54-71. Eighty per cent of all urban centers were located in the Central Development region in 1952/54 (see Table 8.8). However, this concentration was reduced considerably from 80 per cent in 1952/54 to 30 per cent in 1981. The reduction in concentration of urban centers in the Central Development region was followed by the increase of these



Centers in other regions of the country. In 1981, the first place in terms of location of urban centers, was shared between the Central and Eastern Development region, each accounting for 30 per cent of the centers. The number of urban centers in the Western Development region also increased from 2 in 1961 to 5 in

1981. However, throughout the study period, the Mid-western Development region had the lowest number of urban places. In 1981, out of 23 urban places, the Eastern, Central, Western, Mid-western and Far-western regions contained 7,7,5,2 and 2 urban places respectively.

**Table 8.8-Percentage distribution of urban population by development regions, Nepal, Census years 1952/54-81**

Development regions	1952/54		1961		1971		1981		
	Urban		Urban		Urban		Urban		
	population	places	population	places	population	places	population	places	
<b>Eastern Dev. Region</b>									
Eastern Hill	-	-	-	-	8.27	1	11.84	2	
Eastern Terai	100.00	1	100.00	1	91.73	4	88.15	5	
<b>Central Dev. Region</b>									
Central Hill	89.57	5	87.66	6	90.68	4	78.97	4	
Central Terai	10.43	3	12.34	4	9.31	2	21.03	3	
<b>Western Dev. Region</b>									
Western Hill	-	-	100.00	2	47.33	2	44.58	2	
Western Terai	-	-	-	-	52.66	2	55.42	3	
<b>Mid-western Dev. Region</b>									
Mid-western Hill	--	-	-	-	-	-	28.94	-	
Mid-western Terai	100.00	1	100.00	1	100.00	1	71.05	1	
<b>Far-western Dev. Region</b>									
Far-western Hill	-	-	-	-	-	-	-	-	
Far-western Terai	-	-	-	-	-	-	100.00	2	
<hr/>									
Eastern Dev. Region	3.42	1 (10)	16.23	3 (19)	19.10	5 (31)	20.83	7 (30)	
Central Dev. Region	91.99	8(80)	75.92	10 (63)	63.44	6 (38)	52.72	7 (30)	
Western Dev. Region	-	-	3.14	2 (12)	12.37	4 (25)	14.01	5 (22)	
Mid-west. Dev. Region	4.58	1(10)	4.70	1 (6)	5.09	1 (6)	5.00	2 (9)	
Far-west. Dev. Region	-	-	-	-	-	-	7.43	2 (9)	
<hr/>									
Total	Number	235,892	10	336,222	16	461,938	16	956,721	23
	%	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Note: i) The geographic zones in are, for each year, as per 1981 population census.

ii) The figure Lure in parenthesis refers to percentage distribution.

Source: Same as are those Table 8.2.

From the preceding findings, it appears that the urban population and urban centers are somewhat more evenly distributed in 1981 than they were 30 years ago. In spite of this spread of urban centers and urban population across the regions, the concentration of the

centers and population within a region still remains unchanged. For example, one hundred per cent (100 %) of the urban population in the Eastern Development region were concentrated in the Eastern Terai in 1952/54. The Eastern Terai still accounts for 88 per cent

of the urban population living in the Eastern Development region. Similarly, within the Central Development region, Central Hill accounted for 90 per cent and 79 per cent of the urban population living in this region in 1952 / 54 and 1981. The absolute majority of the urban population of the Mid-western Development region has been and continues to live in the Mid-western Terai. One hundred per cent the urban population of the Far western Development region lived in the Far western Terai in 1981. The only departure from this intra regional concentration of urban

population could be found in the Western Development region. In 1961, one hundred per cent of the urban population of the Western Development region lived in the Western Hill. In 1981 the Western Hill accounted for only 45 per cent of the urban population of the Western Development region and the remaining were living in the Western Terai.

The extent to which changes in the size of urban places varied by region can also be assessed by noting- the regional differentials in shifts among size categories (Table 8.9). There was very little shift among size categories until

**Table 8.9- Distribution of urban places and urban population by size of place and shifts of urban places between categories in the size-of-place distribution, Nepal, Census years 1952/54-61, 1961-71 and 1971-81: Ecological Zones**

Size of place	Places in same or shifting to higher size class*																	
	1952/54-61						1961-71						1971-81					
	S	1	2+	-1	D	A	S	1	2+	-1	D	A	S	1	2+	-1	D	A
5-9999	2	-	-	-	-3	1	-	1	-	3	1	1	-	-	-	-	-	-
10-19999	-	-	-	-	--	-	-	-	-	-1	-	-	1	-	-	-	-	2
20-29999	-	-	-	-	--	-	-	-	-	--	-	-	1	-	-	-	-	-
30-39999	1	-	-	-	--	-	1	-	-	--	-	-	-	-	-	-	-	-
40-49999	1	-	-	-	--	-	1	-	-	--	1	-	-	-	-	-	-	-
50-99999	-	-	-	-	--	-	-	-	-	--	1	-	-	-	-	-	-	-
100000+	1	-	-	-	--	1	-	-	-	--	1	-	-	-	-	-	-	-
Number	5	-	-	-	-3	2	2	1	-	3	2	4	1	2	-	-	-	2
5-9999	2	-	1	-	-2	1	1	-	-	2	1	1	-	-	-	-	-	-
10-19999	2	-	-	-	-1	1	2	-	-	-2	-	1	3	-	-	-	-	1
20-29999	-	-	-	-	--	-	-	-	-	--	-	1	1	-	-	-	-	3
30-39999	-	-	-	-	--	-	1	-	-	--	-	-	-	-	-	-	-	-
40-49999	-	-	-	-	--	-	-	-	-	--	-	1	-	-	-	-	-	1
50-99999	-	-	-	-	--	-	-	-	-	--	-	-	-	-	-	-	-	-
100000+	-	-	-	-	--	-	-	-	-	--	-	-	-	-	-	-	-	-
Number	4	-	1	-	-3	2	4	-	-	2	3	1	4	4	-	-	-	5

\* S= Same position; 1= Up one size class; 2+= Up two or more size class; -1=Down one class; D=Disappeared and A=Newly emerged.

Source: Same as are those in Table 8.2

**Table 8.10- Shifts of urban places between categories in the size of place distribution: 1952/54-61, 1961-71 and 1971-81, for the development regions of Nepal**

Size of place	Places in same or shifting to higher size class*																	
	1952/54-61						1961-71					1971-81						
	S	1	2+	-1	A	D	S	1	2+	-1	A	D	S	1	2+	-1	A	D
5000-9999	-	-	1	-	--		1	-	-	-	--		2	1	-	-	-	-
10000-19999	-	-	-	-	--		-	1	-	-	--		-	-	-	-	-	-
20000-29999	-	-	-	-	--		-	-	-	-	--		-	-	1	-	-	-
30000-39999	-	-	-	-	--		-	1	-	-	--		-	-	-	-	-	-
40000-49999	-	-	-	-	--		-	-	-	-	--		-	1	-	-	-	-
50000-99999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
100000+	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
Number	-	-	1	-	--		1	2	-	-	--		2	2	1	-	-	-
5000-9999	4	-	-	-	--		-	1	-	-	-5		-	-	-	-	-	-
10000-19999	1	-	-	-	--		1	-	-	-	--		-	3	-	-	-	-
20000-29999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
30000-39999	1	-	-	-	--		-	1	-	-	--		-	-	-	-	-	-
40000-49999	1	-	-	-	--		-	1	-	-	--		1	-	-	-	-	-
50000-99999	-	-	-	-	--		-	-	-	-	--		1	-	-	-	-	-
100000+	1	-	-	-	--		1	-	-	-	--		1	-	-	-	-	-
Number	8	-	-	-	--		2	3	-	-	-5		3	-	-	-	-	-
10000-19999	-	-	-	-	--		-	-	-	-	--		-	1	1	-	-	-
20000-29999	-	-	-	-	--		-	-	-	-	--		-	-	1	-	-	-
30000-39999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
40000-49999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
50000-99999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
100000+	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
Number	-	-	-	-	--		1	-	1	-	--		-	2	2	-	-	-
5000-9999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
10000-19999	1	-	-	-	--		-	1	-	-	--		-	-	-	-	-	-
20000-29999	-	-	-	-	--		-	-	-	-	--		-	1	-	-	-	-
30000-39999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
40000-49999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
50000-99999	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
100000+	-	-	-	-	--		-	-	-	-	--		-	-	-	-	-	-
Number	1	-	-	-	--		-	1	-	-	--		-	1	-	-	-	-

\*S=Same position, 1=Up one size class, 2+=Up two or more size class, -1 =Down one size class, A=Newly emerged, D=Disappeared.

Source: Same as are those in Table 8.2

1952/54-61. However, the majority of the urban places in all the regions changed their size categories during the period 1961-71. This change persisted also during the period 1971-81, but this was predominant in the Terai zone where 88.88 per cent of the urban places moved up by at least one size category. The corresponding proportion was only 42.85 per cent in the Hill. The majority of the shift took place from 10,000-19,999 size category into higher ones. The similar changes in size categories of urban places is also noticed in all development regions of the country (see Table 8.10).

The data clearly suggest considerable shift in size groupings by urban places in both the Hill and Terai during the study period (1952/54-81). However, size changes are more marked in the Terai during the last decade.

### Regional Variations of Urban Population by Size of Place

The level of urbanization in all the regions is further examined in this section by looking at the distribution of population among the various size categories of urban places within the region. An examination of the Table 8.11 reveals that more and more people are living in large sized cities over the years, particularly in the region (Terai) where the rate of growth of urban population is very high. Within the Hill, the proportion of people living in cities with more than 100,000 population decreased from 54 per cent in 1952/54 to 48 per cent in 1981. During the same period the population of people living in very large sized urban areas having a population of 40,000-99,999 increased from 21 per cent to 35 per cent. Consequently, the proportion of

**Table 8.11- Percentage distribution of urban population by size of place and region, Nepal, Census years 1952/54-81**

Size of places		1952/54	1961	1971	1981
<b>Hill</b>					
5000-9999		8.1	13.9	4.6	2.0
10000-19999		-	-	5.4	8.2
20000-29999		-	-	6.9	-
30000-39999		16.5	14.5	-	7.0
40000-49999		21.3	20.4	13.4	19.2
50000-99999		-	-	19.7	16.1
100000+		54.1	51.6	50.1	47.5
Total	Number	194,394	234,329	300,101	495,534
	Per cent	100.00	100.00	100.00	100.00
<b>Terai</b>					
5000-9999		49.8	25.5	9.5	2.1
10000-19999		50.2	39.8	35.5	6.6
20000-29999		-	-	27.2	21.3
30000-39999		-	34.7	-	21.7
40000-49999		-	-	27.9	28.1
50000-99999		-	-	-	20.3
100000+		-	-	-	-
Total	Number	41,498	101,893	161,837	461,187
	Per cent	100.00	100.00	100.00	100.00

Source: Same as are those in Table 8.2

those living in the small sized urban areas (i. e. with population less than 10,000) declined from 8 cent in 1952/54 to only 2 per cent in 1981. This decline is also noticed in the moderate sized urban areas. Those who lived in the moderate sized urban areas (i. e. with population 10,000-29,999) accounted for 12 per cent and 8 per cent of urban population in 1971 and 1981 respectively. In the Terai the proportion of people living in large sized urban areas (i. e. with population 30,000 - 99,999) increased considerably from zero per cent in 1952/54 to 70 per cent in 1981. Within the large sized urban areas, those living in the very large sized urban areas (i. e. with population 40,000-99,999), accounted for 48 per cent of urban population in 1981. The corresponding proportion in 1952/54 was zero. This increase has partly contributed to the decline of urban areas with population (10,000-29, 999) from in 50 per cent in 1952/54 to 28 per cent in 1981. The proportion of people living in the small sized urban places (i. e. with population less than 10,000) declined from 50 per cent in 1952/54 to merely 2 per cent in 1981. From the preceding findings, it appears that in the last 28 years there has been an increasing concentration of people in the large sized urban areas, particularly in the Terai with a consequent deconcentration in the medium and small sized urban centres. A similar trend is also observed among the development regions, particularly in the Eastern, Central and Western Development regions.

There was only one city with more than 100,000 population throughout the study period and this was located in the Central region. The Central Development region still maintains its dominance among the large sized urban areas of the country. It had only two urban places with 30,000-99,999 population in 1952/54 and this number had increased to 5 in 1981. Although the Central region further strengthened its position in terms of

containing more urban areas with more than 30,000 population over the period 1952/54-81, the other regions did not lag far behind. Each of the remaining four regions had no large sized (i. e. with population 30,000 - 99,999) urban place in 1952/54 but by 1981 the Eastern, Western, Mid-western and Far western regions increased this number to 2,2,1 and 1 respectively (see Table 8.12).

The number of moderate-sized urban places, i. e. with 10,000-29,999 population remained the same for the Central and Mid-western regions in 1952/54 and 1981. However, this increased in the Eastern and Western Development regions from none in 1952/54 to 3 in 1981. The number of small-sized urban places, i. e. with population less than 10,000 reduced to zero in the Central and Western Development region; while this increased marginally from one to two in the Eastern Development region. There was no small sized urban place in the Mid-western and Far-western regions. From the above findings, it appears that all the development regions experienced a rising level of urbanization over the years if measured by the growing number of large sized urban places among all the regions of the country.

A similar trend is also noticed in the ecological zones (see Table 8.13). Kathmandu, the capital city, is located in the Hill region. This was the only city having a population of 100,000 and above. The Hill has further strengthened its position among the large sized urban areas of the country. It had only two urban places with 30,000-99,999 population in 1952/54 and this number increased to 4 in 1981. The pace of urbanization was not only confined to the Hill, this was also equally spread out to the Terai, as could be measured by the increase of large and medium sized urban places over the years in the latter region. Terai had no large sized (i. e. with population 30,000-99,999) urban.

**Table 8.12-Percentage distribution of urban population by size of place and development region, Nepal, Census years 1952/54-81**

Development region	Census year	Size of Places							Urban population	Total	
		5000-9,999	10,000-19,999	20,000-29,999	30,000-39,999	40,000-49,999	50,000-99,999	100,000+		urban places	per cent
Eastern Development region	1952/54	100.0 (1)	-	-	-	-	-	-	8,060	1.0	100.00
	1961	9.5 (1)	25.6 (1)	-	64.8 (1)	-	-	-	54,585	3.0	100.00
	1971	25.6 (3)	-	23.2 (1)	-	51.1 (1)	-	-	88,233	5.0	100.00
	1981	9.8 (2)	22.1 (3)	-	-	21.1 (1)	46.9 (1)	-	199,279	7.0	100.00
	1952/54	13.0 (4)	4.6 (1)	-	14.8 (1)	19.0 (1)	-	48.5 (1)	217,019	8.0	100.00
Central Development region	1961	16.4 (6)	4.2 (1)	-	13.3 (1)	18.7 (1)	-	47.4 (1)	255,271	10.0	100.00
	1971	-	14.8 (3)	-	-	13.7 (1)	20.1 (1)	51.3 (1)	293,050	6.0	100.00
	1981	-	-	5.5 (1)	13.8 (2)	18.3 (2)	15.8 (1)	46.6 (1)	504,383	7.0	100.00
	1952/54	-	-	-	-	-	-	-	-	-	-
Western Development region	1961	100.0 (2)	-	-	-	-	-	-	10,549	2.0	100.00
	1971	11.3 (1)	52.7 (2)	36.1 (1)	-	-	-	-	57,132	4.0	100.00
	1981	-	9.8 (1)	32.2 (2)	23.2 (1)	34.8 (1)	-	-	134,077	5.0	100.00
	1952/54	-	100.0 (1)	-	-	-	-	-	10,813	1.0	100.00
Mid-western Development region	1961	-	100.0 (1)	-	-	-	-	-	15,817	1.0	100.00
	1971	-	-	100.0 (1)	-	-	-	-	23,523	1.0	100.00
	1981	-	28.9 (1)	-	71.1 (1)	-	-	-	47,874	2.0	100.00
Far-western Development region	1952/54	-	-	-	-	-	-	-	-	-	-
	1961	-	-	-	-	-	-	-	-	-	-
	1971	-	-	-	-	-	-	-	-	-	-
	1981	-	-	38.3 (1)	-	61.6 (1)	-	-	71,108	2.0	100.00

Note: Figure in parenthesis refers to the number of places by size of population.

Source: Same as are those in Table 8.1.

**Table 8.13-Distribution of urban places by size of place for geographical zones, Nepal, Census years 1952/54-81**

Size of place	Hill				Terai			
	1952/54	1961	1971	1981	1952/54	1961	1971	1981
5000-9999	2 (40.0)	5 (62.5)	2 (28.5)	1 (11.1)	3 (60.0)	4 (50.0)	2 (22.2)	1 (7.1)
10000-19999	-	-	1 (14.3)	2 (22.2)	2 (40.0)	3 (37.5)	4 (44.4)	2 (14.2)
20000-29999	-	-	1 (14.3)	1 (11.1)	-	-	2 (22.2)	4 (28.6)
30000-39999	1 (20.0)	1 (12.5)		1 (11.1)	-	1 (12.5)		3 (21.4)
40000-49999	1 (20.0)	1 (12.5)	1 (14.3)	2 (22.2)	-	-	1 (11.1)	3 (21.4)
50000-99999	-	-	1 (14.3)	1 (11.1)	-	-	-	1 (7.1)
100000+	1 (20.0)	1 (12.5)	1 (14.3)	1 (11.1)	-	-	-	-
<b>Number</b>	<b>5 (100)</b>	<b>8 (100)</b>	<b>7 (100)</b>	<b>9 (100)</b>	<b>5 (100)</b>	<b>8 (100)</b>	<b>9 (100)</b>	<b>14 (100)</b>

Note: The figure in parenthesis refers to percentages

Source: Same as are those in Table 8.2

place in 1952/54. By 1981, it had seven such places. The number of moderate sized urban places (i.e. with population 10,000-29,000) increased from zero to 3 in the Hill, while this increased from 2 to 6 in the Terai. The small sized urban places (i. e. with population less 10,000) declined from 2 to 1 in the Hill and 3 to 1 in the Terai during the period from 1952/54 to 1981. The growth of moderate and large sized urban places in the Hill and Terai clearly - indicate a rising level of urbanization in each zone over the years. And this rising level of urbanization is more pronounced in the Terai than in the Hill, as indicated by the higher concentration of large sized urban areas in the latter than in the former.

### **Regional Distribution of Largest Urban Areas of Nepal**

Table 8.14 presents the regional distribution of nine largest urban areas of Nepal.

It can be seen from the Table that the distribution of the largest urban places were highly concentrated in the Central region, particularly in the Central Hill for about two decades (1952/54-1971). Although this concentration of population of largest urban centers in the Central region, particularly in

the Central Hill remains unabated, this was reduced considerably during the last intercensal period, 1971-81. In other words, the distribution of the largest urban centres looked somewhat more even in 1981 than it was in any other preceding census year. In 1952/54, out of the nine largest urban centres of the country, 7 were located in the Central region, with five of these located in the Central Hill alone. In 1981, 5 out of the 9 largest urban centres were located in the Central Development region and three of these were in the Central Hill. The Central Hill, largely because of Kathmandu city, contains the highest proportion of population in these major centres. The share of the Central Hill in the proportion of people resident in the nine largest places declined by 35.5 per cent from 84.4 per cent in 1952/54 to 54.4 per cent in 1981. Consequently, the share of the urban population living in the nine largest urban areas in other regions increased, particularly in the Eastern Terai. The Eastern Development region had increased its position in terms of people living in the largest urban places from 3.5 per cent in 1952/54 to 20.3 per cent in 1981. This increase was mostly due to expansion of the urban centre; Biratnagar

**Table 8.14- Population distribution and location (by region) of the largest urban places of Nepal, Census years 1952/54-81**

<b>Name, Region and Population</b>				
<b>SN</b>	<b>1952/54</b>	<b>1961</b>	<b>1971</b>	<b>1981</b>
1	Kathmandu Central Hill (Capital City) 105,247	Kathmandu Central Hill (Capital City) 121,019	Kathmandu Central Hill (Capital City) 150,402	Kathmandu Central Hill (Capital City) 235,160
2	Lalitpur Central Hill 41,334	Lalitpur Central Hill 47,713	Lalitpur Central Hill 59,049	Biratnagar Eastern Terai 93,544
3	Bhaktapur Central Hill 32,118	Biratnagar Eastern Terai 35,355	Biratnagar Eastern Terai 45,100	Lalitpur Central Hill 79,875
4	Nepalgunj Mid-western Terai 10,813	Bhaktapur Central Hill 33,877	Bhaktapur Central Hill 40,112	Bhaktapur Central Hill 48,472
5	Birgunj Central Terai 10,037	Nepalgunj Mid-western Terai 15,817	Nepalgunj Mid-western Terai 23,523	Pokhara Western Hill 46,642
6	Thimi Central hill 8,657	Dharan Eastern Terai 13,998	Pokhara Western Hill 20,611	Mahendra nagar Far-western Terai 43,834
7	Biratnagar Eastern Terai 8,060	Birgunj Central Terai 10,769	Dharan Eastern Terai 20,503	Birgunj Central Terai 43,642
8	Kirtipur Central Hill 7,038	Thimi Central hill 9,719	Sidharthanagar Western Terai 17,272	Dharan Eastern Terai 42,146
9	Janakpur Central Terai 7,037	Janakpur Central Terai 8,928	Hetauda Central Hill 16,194	Jankpur Central Terai 34,840

in this region. The proportion of people living in the largest urban areas in the Far-western Terai and the Western Hill also increased from zero per cent in 1952/54 to about 7 per cent in 1981. It is to be noted here that in 1952/54 only three out of five development regions had major urban centers. However, in 1981 these urban centers were located in four out of five development regions. Considering the distribution of urban places and population over time among the regions, one would tend to suggest that the urban development in Nepal is

being gradually spread to the different regions of the country, even though the Central development region contains relatively large proportion of the urban population, particularly those living in the largest urban places.

#### **Intra-urban Variation by Socio--economic Characteristics**

An attempt is also made here to examine whether the level/size of urbanization of an area varies by socio-economic characteristics. The socio-economic characteristics used here



are as follows: i) per cent literate, ii) per cent completed primary and higher level education;

iii) per cent engaged in agriculture and non agricultural activities, etc. The size or level of urbanization of an area is determined in terms of population of an urban center divided by

total urban population. The relationship between socio-economic characteristics and the size of urbanization of an area is determined in a regression model. results are presented in Table 8.1 5.

An examination of the table shows that

**Table 8.15- Regression Coefficient of the measures of socio-economic characteristics on size of urban centers, 1981**

Explanatory Variables	Regression Coefficient	t-value	Significance of t value
1. Percent of literates (i.e. who can read and wrote in any language) completed secondary and higher level education (i.e. sixth grade and above	.05434	.749	.4654
2. Percent of literates (i.e. who can read and write in any language) completed primary level (I-V grades) education	.02308	.359	.7245
3. Percent literate (i.e. percentage of people aged five years and above who can read and write in any language )	.16789	1.067	.3029
4. Percent of economically active population engaged in agriculture, forestry and fishing	-.41473	-.575	.5739
5. R <sup>2</sup> =.26137			

the relationship between each of the explanatory variables and the size of an urban area is in the expected direction. For example, the relationship between education variables and size of an urban area is found to be positive. Similarly, the participation in the agricultural sector is negatively associated with the size of urban area. It shows that the level of education increases while the degree of participation in agricultural activities decreases as the size/level of urbanization of an area increases.

These are the findings which one would also expect a priori. However, none of the socio economic variables were found to be significantly associated with the size of an urban area. It implies that although the urban centres of Nepal vary by size they don't necessarily vary by socio-economic characteristics. One important reason for the Failure to find a significant association between

the size of an urban area and its socio-economic characteristics could be due to a lag between the pace of urbanization and changes in socio-economic characteristics. In other words, the level of urbanization of an area is increasing faster than its socio-economic development. As a result, the variation among the urban areas with respect to socio-economic characteristics is too small for their effects to be picked up by a regression model.

### Rural-urban Differences

As the level of urbanization of a country goes up, it is likely to produce a separate life-style in urban areas different from those in rural areas. For a partial test of this hypothesis, we will examine the rural-urban differences with respect to certain aspects of socio-economic-cum-demographic characteristics, such as (i) marital status, (ii) education, (iii) employment, (iv) income, expenditure and consumption, and (v) fertility level, etc.

## **i) Marital Status**

The males and females at every age-group in the urban areas tend to marry later than their rural counterparts. For example, in 1981, 44.46 per cent and 71.45 per cent of males in the age groups 20-24 and 25-29 were married respectively, in urban areas. The corresponding figures in rural areas were 58.99 per cent and 79.38 per cent respectively. A similar picture emerges with respect to *marriage* of females. In 1981, 77.23 per cent and 90.29 per cent of females in the age-groups 20-24 and 25-29 were married respectively, in the urban areas. The comparative figures in the rural areas were 86.57 per cent and 93.41 per cent respectively.

The proportion married for both males and females is higher in rural than in urban areas. And this holds good for all the census years. According to the 1981 census, the age standardized proportions of currently married males in rural and urban areas were 62.5 and 57.2 percentages. The corresponding female figures for rural and urban areas were 71.1 and 65.9 percentages. Conversely, the proportions of singles were higher in urban than in rural areas. According to the 1981 census, the age standardized proportions of never married males in rural and urban areas were 34.7 and 40.7 per cent respectively. The corresponding figures for females in rural and urban areas were 23.0 and 28.4 respectively.

The mean age at marriage estimated from the 1981 census data was found to be higher in urban than in rural area. The singular mean age at marriage for females was estimated to be 16.8 and 18.5 years for rural and urban areas respectively in 1981. The corresponding figures for men were 20.5 and 22.4 for rural and urban areas respectively.

The reasons for higher age at marriage in urban than rural areas, may be attributed to the following factors : i) boys and girls in urban areas tend to remain in schools for

longer period than their counterparts in rural areas; ii) parents support to get married and sustain a family may be less forthcoming in urban than in rural areas. This may lead to postponement of marriage, particularly among the males in urban areas, until they can support themselves. But economic self sufficiency on the part of a boy is not an important consideration for marriage in rural areas where the cost of marriage is borne by the parents and the married son usually stays in his parent's house with his wife until he is self-sufficient to form a separate household.

## **ii) Education**

The literacy rates both among men and women at all ages are higher in urban than in rural areas in each census year. According to the 1981 census 32.92 per cent of males and 9.84 per cent of females aged 10 years and above were reported to be literate in rural areas. The comparable figures in urban areas were 62.0 per cent and 37.45 per cent respectively. The differences in the level of education between rural and urban areas hold good at every age-group for both males and females. The rural-urban difference gets further widened as the level of education increased. For example, according to 1981 census, 15.35 per cent, 6.84 per cent, 1.48 per cent and 0.35 per cent males of 6 years and above were reported to have completed primary (grade 1-5), secondary (grade 6-10), intermediate (grade 11-12) and higher level (graduate/post-graduate) education respectively in rural areas. The corresponding figures in urban areas were 19.84, 17.27, 8.81 and 4.79 respectively. Similar differences between rural and urban areas also exist with respect to female education. In 1981, 6.23 per cent, 1.34 per cent, 0.20 per cent and 0.03 per cent females of age 6 years and above reported to have completed primary, secondary, intermediate and graduate/ post graduate level education in rural areas. The

comparable figures in urban areas were 15.50, 10.72, 4.36 and 1.54 respectively.

Some of the reasons for higher level of education in urban rather than in rural areas may arise from the following: i) greater concentration of learning places such as schools, colleges and universities in urban than in rural areas. Keeping other factors constant, the greater school facilities in urban areas may lead to greater school enrolment in urban rather than in rural areas; ii) differences in the nature of job between rural and urban areas. The nature of job in urban areas, particularly the skilled jobs demand higher formal education. But to carry out agricultural activities, the main preoccupation in rural areas, the need for higher education has not yet been fully appreciated; iii) highly educated parents want their children also to be educated and they can also afford to send their children to schools and colleges. The highly educated parents are disproportionately located in urban areas, and iv) the exodus of educated people from rural to urban areas.

### **iii) Employment/Labour Force Participation**

Differences between rural and urban areas also exist with respect to labour force participation. The labour force participation rate is higher in rural than in urban areas. And this pattern of rural-urban differences in labour force participation rates for males and females was noted in every census. According to 1981 census 83.77 per cent of the males and 47.19 per cent of the females aged 10 years and above were economically active in rural area. The comparable figures in urban areas were 74.86 per cent males and 31.48 per cent females. Of the total civilian labour force in 1981, 90 per cent were in the agricultural sector, the non-agricultural sector accounted for 7 per cent and the remaining 3 per cent were unspecified. The agricultural sector accounted for 92 per cent of the labour force in rural areas, whereas 36 per cent of the labour force in urban areas

were engaged in non-agricultural activities in 1981.

Of the non-agricultural activities in urban areas, the manufacturing industry, electricity, gas and water, construction, commerce, transportation, finance and business, personal and community services, accounted for 10.97, 0.90, 0.62, 29.79, 3.20, 4.38 and 50.14 per cent respectively of the urban labour force.

From the above findings it appears that urbanization in Nepal, unlike in the western world, did not go hand in hand with the growth of secondary (manufacturing) industry. We find that only 11 per cent of the non-agricultural labour force in urban area were engaged in manufacturing industries whereas a large proportion (50%) of them were engaged in tertiary sector, i. e. personal and community services, which are not directly productive and require minimum skill. Moreover, a majority (60 %) of the labour force in urban areas were still engaged in agricultural activity. These findings clearly show no relationship between the growth of urbanization on the one hand and the growth of industrialization and modernization on the other.

The unemployment rate is usually higher in urban than in rural areas. This is because the the out-migrants from rural areas continue to pour into urban areas, which in turn further inflates the existing large pool of labour force in urban areas. According to the 1981 census, only 2.81 per cent of urban and 1.54 per cent of rural male labour force in Nepal were unemployed. That the unemployment situation is slightly better in rural than in urban areas is also confirmed in a recent study conducted by the National Planning Commission in 1977. According to this study unemployment rates in rural and urban areas were 5.6 per cent and 6.0 per cent (see, Chapter IX: Economic Activity of the Population).

### **iv) Income, Expenditure and Consumption**

The per capita Income in urban/non-

agricultural sector is higher than that of the income (per capita) in rural/agricultural sector and this rural-urban disparity in per capita income is further widened over the years. In 1974/75, the per capita income of the urban/

non-agricultural sector was Rs. 6,705/- about 7 times higher than the per capita income of the rural/agricultural sector. In 1981/82, it increased to Rs.8,817/-making it about 10 times higher than that in rural area (see, Table 8.16).

**Table 8.16- Per capita income at constant 1974/75 prices in agricultural and non-agricultural sectors: 1974/75-1981/82**

	Per Capita income in the rural (agricultural) sector (Rs.)	Per Capita income in the urban (non- agricultural) sector (Rs.)	Per Capita urban income as % of rural income
1974/75	985	6705	680.7
1979/80	820	9013	1099.1
1980/81	882	8673	983.3
1981/82	890	8817	990.7

Source: Central Bureau of Statistics, Statistical Pocket Book 1984, Nepal.

Similarly, the extent of rural poverty is higher than urban poverty. According to recent study conducted by the Department of Food and Agricultural Marketing Services, about 32 and 37 per cent of the rural population suffer from inadequate consumption and income. The corresponding proportions in

urban areas were 20 and 11 per cent respectively. The proportion of households having inadequate consumption and income were about 34 and 41 per cent respectively in rural area. The corresponding figures in urban areas were 20 and 22 per cent (see, Table 8.17).

**Table 8.17- Percentage of population and households with per capita income below the poverty line**

Sector	Percentage of			
	Population Below		Household Below	
	Minimum subsistence consumption	Minimum subsistence income	Minimum subsistence consumption	Minimum subsistence income
Rural	32.14	37.23	34.34	41.22
Urban	20.01	10.97	19.86	22.08

Source: Pilot study on Socio-economic Indicators for Monitoring and Evaluation of Agrarian Reform and Rural Development in Nepal. FAO and the Department of Food and Agricultural Marketing Services, HMG, Nepal, May 1983.

#### v) Fertility/Mortality Differentials

Differential fertility studies conducted in Nepal clearly indicate that fertility rates in rural areas are much higher than in urban areas. The estimates of birth rates measured by Crude Birth Rate (CBR), Total Fertility Rate (TFR) and Gross Reproduction

Rate (GRR) for rural areas were found to be about 50 per cent higher than those for urban areas in all three Demographic Sample Surveys, conducted in 1974/75, 1976 and 1977/78. For example, TFR GRR, and CBR of the rural areas were estimated to be 6.31, 3.06 and 46.5 respectively

in 1977/78. The comparable figures in urban areas were 3.84, 1.87 and 29.5 respectively (see, Table 8.18).

Demographic Sample Surveys data also

show higher age-specific fertility rates for rural areas than urban areas in all age-groups (source in Table 8.18).

Utilizing 1981 census data, the level of

**Table 8.18- Estimated Crude Birth Rate (CBR), Total Fertility Rate (TFR) and Gross Reproduction Rate (GRR) by rural- urban residence, 1974/75, 1976 and 1977/78**

Area	1974/75			1976			1977/78		
	CBR	TFR	GRR	CBR	TFR	GRR	CBR	TFR	GRR
Rural	45.2	6.33	1.82	47.2	6.48	3.14	46.5	6.31	3.06
Urban	28.6	3.75	3.07	32.4	4.2	3.04	29.5	3.84	1.87

Source: Central Bureau of Statistics, The Demographic Sample Survey of Nepal, Third Year Survey 1977/78, Kathmandu, July 1978, p. 3.

urbanization was also found to be a significant variable explaining fertility (number of children ever born) differentials among the districts of Nepal. The finding indicates that the higher the level of urbanization of a district, the lower the fertility of the district.

The knowledge and use of contraceptives are also found to be consistently higher in urban than in rural areas. According to the Contraceptive Prevalence Survey of 1981, the proportion of currently married women in the reproductive age-group (15-49) practicing contraception in rural and urban areas was found to be 6.5 and 25.7 percent respectively. The National Fertility and Mortality Survey (NFMS) of 1984 also observed higher use of contraception in urban than in rural areas. According to the above study, 15.1 per cent of rural and 36.5 Per cent of urban currently married women in the reproductive age-groups (15-49) were reported to be currently practicing contraception.\* The Family Planning and Fertility Survey of 1986 also found 28 per cent of urban and 13 per cent of rural currently married women in the reproductive ages (15-49) were practicing contraception in 1986.<sup>3</sup>

As expected, mortality is consistently found to be higher in rural than in urban areas. The Demographic Sample Surveys of 1974/75, 1976 and 1977-78 have shown that the Crude Death Rates and Infant Mortality Rates were considerably higher in rural than in urban areas for each year of the survey (CBS,1978, see Table 13.8). Based on Nepal Fertility Survey (NFS) of 1976, Thapa and Retherford (1982)<sup>4</sup> also found higher infant mortality in rural than in urban areas. According to this study the estimated infant mortality rates in rural and urban areas were 157 and 112 per thousand live births, respectively during 1970-74 Gubhaju (1984)<sup>5</sup> utilizing data of Nepal Fertility Survey, also found higher infant and childhood mortality in rural than in urban areas. The probability of dying between birth and age (i. e. infant mortality) and between ages 1 and 5 (i. e. childhood mortality), according to this study, were estimated to be 158 and 104 in rural area for the cohort of children born between 1967-71. The corresponding figures were 132 and 25 in urban areas. The National

<sup>3</sup> Ministry of Health, Nepal Family Planning and Material Child Health Project (NFP/MCH) 1986. Preliminary report: Findings from Nepal Fertility and Family Planning Survey, 1986 (Mimeo).

<sup>4</sup> Thapa, S. and R. Retherford. 1982, "Infant Mortality based on the 1976 Nepal Fertility Survey, Population Studies, 36 (1): pp. 61-80.

<sup>5</sup> Gubhaju, B.B. (1984). Demographic and Social correlates of Infant and Child Mortality in Nepal. unpublished Ph.D. Thesis. Australian National University.

Fertility and Mortality Survey of 1984 also found that the proportion of children ever born surviving by age of mother was considerably higher in urban than in rural areas. The proportions of children ever born surviving are 85 and 79 in urban and rural areas respectively (New Era, 1986)<sup>6</sup>.

The above findings though based on limited analysis demonstrate that the effect of urbanization has already set in Nepal, at least with respect to certain aspects of life. The level of literacy and income is higher in urban than in rural areas. Mean age at marriage and use of contraception are higher in urban than

in rural areas. Consistent with these findings, we also find fertility and mortality rates in urban areas are considerably lower than those of the rates in rural areas. With respect to income distribution, it is relatively more egalitarian in rural than in urban areas. However, the per capita income and level of consumption is higher in urban than in rural areas. A majority of the labour force is engaged: in agricultural activities in both rural and urban areas, although this was proportionately higher in the former than in the latter areas. Of those who are engaged in nonagricultural activities in urban areas, the majority are still occupied with tertiary or service sectors which are not usually highly productive. This is the result of rapid urbanization in Nepal without a corresponding increase in the secondary and manufacturing industry.

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6. New Era. 1986. "Nepal Fertility and Mortality Survey- A Preliminary Report" Submitted to National Commission on Population Secretariat. Kathmandu.