

MICRO CREDIT SCHEME OF NATIONAL RURAL SUPPORT PROGRAMME AND
POVERTY ALLEVIATION

A case study of village Momin Kale in Mardan



By
MUHAMMAD ISHAQ

DEPARTMENT OF ANTHROPOLOGY
QUAID-I-AZAM UNIVERSITY
ISLAMABAD
2008

Department of Anthropology
Quaid-i-Azam University, Islamabad

Final Approval of Thesis

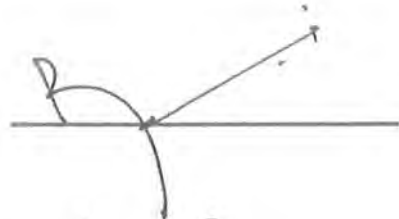
This is to certify that we have read the thesis submitted by Mr. Mohammad Ishaq. It is our judgment that this thesis is of sufficient standard to warrant its acceptance by the Quaid-i-Azam University, Islamabad for the award of the Degree of "M.Sc in Anthropology".

Committee

1. Prof. Dr. Naveed-i-Rahat
Supervisor

Naveed-i-Rahat

2. Dr. Abdul Waheed Rana
External Examiner



3. Prof. Dr. Hafeez-ur-Rehman
Chairman

Hafeez-ur-Rehman

Table of contents

Acknowledgement:	I
List of tables:	II
Maps:	III
 Chapter# 1 Introduction	 01
1.1 The Problem	01
1.2 Statement of the problem	01
1.3 Literature review	04
1.4 Objectives	12
1.5 Hypothesis	12
1.6 Justification of the topic:	12
1.7 Methodology	13
1.7.1 Rapport Building	13
1.7.2 Participant Observation	14
1.7.3 Key Informant	15
1.7.4 Socio-economic Census	16
1.7.5 Sampling	16
1.7.6 Focus group discussion	17
1.7.7 Interviews:	17
 Chapter# 2 Village Profile	 18
2.1 About the province, N W F P:	18
2.2 History of the Village	20
2.3 Surroundings of the locale and places of significance	22
2.4 Village layout	24
2.5 The people	27
2.6 Religion	30
2.7 Grave yards	31
 Chapter # 3: Economic, social and political organization of the village:	 32
3.1 Economy of the region and Momin Kale:	32
3.2 Occupations:	34
3.3. Available resources:	35
3.4 Agriculture:	36
3.5 Forestry and plantation:	43
3.6 Other occupations:	43
3.7 Social structure of the village:	45
3.8 Kinship:	45

3.9 Territorial recognition:	49
3.9.1 Village	49
3.9.2 <i>Muhalla</i> (ward)	50
3.10 Tribal hierarchies in the village:	51
3.11 <i>WADA</i> (Institution of Marriage):	52
3.12 Role and Status of Woman:	54
3.13 Social Gathering:	55
3.14 Political Scene of Momin Kale:	56
3.14.1 Local politics of Momin Kale:	56
3.15.2 Pakhtunwali and politics:	57
3.15.3 Jirga:	58
3.15.4 Mashar or Malak:	59
3.15.5 Hujra and Jumat (mosque):	59
3.15.6 Family (Khanadan or Khel) politics:	60
3.15.7 Mullah and Ustaz (local school teachers):	61
3.16 State level politics:	62
3.16.1 Political parties:	62
3.16.2 Nazims and Councilors:	62
3.16.3 Citizen Community Board and other community organizations:	62
Chapter# 4: National Rural Support Program in Momin Kale:	63
4.1 Economic scene and micro credit	63
4.1 Micro credit in Momin Kale:	63
4.3 Organizational structure of NRSP:	63
4.4 Method of loan creation:	64
4.5 Recovery and interest:	64
4.6 Formation of Community organizations and Women community organizations:	65
4.7 Functions of community organizations and Women community organizations:	65
4.8 Community Organizations of Momin Kale:	67
4.9 Use of the loans:	70
4.10 Case studies:	71
4.11 Other sources of taking loan in the village:	77
4.12 Response of the villagers about NRSP:	79
4.13 What is NRSP? Local perception:	79
4.14 Micro credit and religion:	80
4.15 Impacts on social life and relations:	81
4.16 Interest rate of loans:	81
4.17 Woman and micro credit:	82
4.18 Non- loones of Momin Kale	83
Chapter#5: National Rural Support Program in Sher Garh bazaar:	87
5.1 Micro Credit in Sher Garh bazaar:	87
5.5 Case studies:	88

5.5 Comparison between Momin Kale and Sher Garh bazaar:	93
Chapter # 6: summary and conclusion:	95
Glossary	100
Bibliography	102

Acknowledgment

I would like to extend my humble gratitude to all mighty Allah who endowed me potential and ability to complete this thesis. As a great and real support, I acknowledge the constant motivation and help provided to me by supervisor Dr: Naveed-i-Rahat. I owe to pay my humble prayers for her supervision that enables me to complete this research.

I have no words to say thanks to my parents for their constant prayers and continue concern. I would like to mention here the constant help of Gohar Rehman, Hamid Iqbal, Saad Mushtaq, Sadiq Baloach, Sajjad Ahmed, Sajjad Khattak, Saeed beneri and wajdan asif in thesis wring. Thanks to all of them.

I will acknowledge the help and unforgatable company of my best friends' hamid, Sajjo, Gohar, Saad, Khattak, Chairman, wijdan and javid.

Last but not least I acknowledge the help provided to me by all my class fellows, faculty and staff members of the anthropology department. Sorry and thanks to all others who are not mentioned.

MUHAMMAD ISHAQ

List of tables

Table No:	Title:	Page No.
2.1	Annual rainfall report, Mardan:	19
2.2	Population of the village:	27
2.3	Level of education in the Momin Kale:	28
3.1	Occupational distribution of the people:	34
3.2	Net annual income from cultivation(In Rs thousand):	37
3.3	Monthly income(In Rs thousands) other than cultivation:	37
3.4	Ownership of land (In kanal) in households:	38
3.5	Kinship terminologies:	47
4.1	Use of loans:	70

Maps:

Map No:	Title:	Page No.
1	Mardan District.	18 A
2	Tehsil Takht Bhai	21 A
3	Sketch of the village Momin Kale	24 A

CHAPTER#1

INTRODUCTION

1.1 The problem:

The aim of the present study is to evaluate the role of national rural support program in poverty alleviation through micro credit. The study emphasizes on the loanees in Momin kale of district Mardan.

1.2 Statement of the problem

Poverty is one of the major problems, the world is confronting with.. It is described both as cause and effect of many of the socio-economic evils. This problem is more visible in the continents of Africa, Asia and Latin America, which is challenging to tackle. Let look at the meaning of this very word poverty.

“The state of being poor is called poverty. It is lack, deficiency or smallness of amount. It is also taken as the condition of having little or no wealth or material possession.”

(Oxford English dictionary 2004edition)

Poverty is a relative term and its definition as its definition changes in different societies and cultures in different situations.

In relative term it is measured within a society being the state of wealth or income so low as to be unable to maintain what is considered a minimum standard of living? In absolute term having income or wealth too low to maintain life and health at a substantial level.

(World Bank Annual Report 1999)

An attempt has been also made to categorize the poor.

Poorest or very poor are those which live below poverty line i.e.

1 dollar per day or bottom half of those living below the nation's poverty line. "Poor" are those, living in poverty above 1 dollar per day or in the upper half of those living below their nations poverty line. Ibid

Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not being able to go to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom.

According to Pakistan Household Survey Department:

"Poor are those who's per capita monthly income is less than 909 at 2005 prices"

(Pakistan Household survey report 2005)

Poverty has very bad consequences. For this reason government of third world countries and specialized bodies like UN, World Bank, IMF, and other organizations are struggling to handle this problem and make the life standard of these poor people good.

One such effort is made by Muhammad Yunis of Bangladesh. He founded Grameen Bank (GB) in 1976. The weapon that he introduced to tackle the poverty was micro credit. In his book Shahid Khandaker quoted Muhammad Yunis as:

"One day our grand children will go to museums to see what poverty was like"

(Khandaker; 1999)

This word or term, micro credit, is used for those small loans, which are given by different banks and financial institutions to the poor people to begin small businesses or to use it in different productive activities. The criterion of these loans is different from conventional big loans created by banks. Conventional banking needs collateral or assets only then they create loans for somebody. As poor people almost don't have any type of assets or collateral. That's why, in conventional banking system, these poor people were considering as not bankable. Those institutions, which disburse micro credit, don't need any type of security. These institutions use social collateral as security for the repayment.

This experience i.e. micro credit, for poverty alleviation and rural uplift was so successful that it worked well and in 2006, Nobel Prize was awarded for its success to Dr. Muhammad Yunis. This method, micro credit, for the alleviation of poverty, has been followed by many other Third World countries. Pakistan, where this problem of poverty is a challenge to handle, followed this technique of micro-credit for the alleviation of poverty. Many institutions, both on governmental and non-governmental level followed this technique. As Agha Khan Rural Support Program, Balochistan Rural Support Program, National Rural Support Program, Thardeep Rural Development Programme etc

National Rural Support Program has been established in 1991. NRSP is the largest Rural Support Program in the country in terms of outreach, staff and development activities. IMF, World Bank and Pakistan Poverty Alleviation Fund (PPAF) advance money to this organization at two to five percent the interest rate of and then it advances this money to the people in rural as well as urban areas so that these poor people can raise their income level with the help of this money.

In NWFP, National Rural Support Program started its operation in 1997. Currently it is working in three districts. Mardan, Sawabi and Swat.

My research is to evaluate the work of NRSP in Mardan and to find out the impacts of these small loans given by NRSP to the people.

1.3 Literature Review:

It is very important to know about its root causes of decrease so that it could be treated accordingly. When we talk about poverty, we often look at the impacts of poverty as we measure it in income terms that I think are the impacts of this decrease. If we want to cure this decrease we should identify its causes as pointed out by Noor-Ul-Haq:

“.....What is critical for our analysis is poverty of opportunity not poverty of income. Poverty of income is often the result of; poverty of opportunity is often the cause poverty of opportunity is multidimensional concept, embracing lack of education and health, lack of economic assets, social exclusion and political marginalization. It is only through a full understanding of the poverty of opportunity that we can begin to sense why people remain poor. In fact, I firmly believe that World Bank's measures of one dollar a day for absolute poverty has seriously misled policy makers. It has focused our attention on the symptoms not the causes. To ignore the poor upstream and to count them endlessly downstream is merely an intellectual luxury. Our concepts, our measure, our analysis must deal with poverty of opportunity, not just with poverty of income.....

(Noor-ul-haq: 2005: 13)

Now question arises that why there is a bit gap between world's developed countries and that of less developed countries. When we talk about poverty definition, we often define it in income term this is not a good measure. We should count the causes.

Noor-ul-Haq defines poverty in his article, “Poverty Alleviation in Pakistan”

Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not being able to go to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom.

(Noor-ul-Haq: 2005: 10)

Poverty causes many consequences. Though poverty itself is one of the big evils as it causes and brings other evils. In the economic survey of Pakistan 2004 these are written as:

....poverty is a complex multi dimensional phenomenon which goes beyond the notion of income and encompasses social, economic and political deprivation. Lack of such opportunities limits the abilities of the poor to secure gainful employment and bring about an improvement in their lives. Since poverty is a multidimensional problem, solution to poverty can not be based exclusively on economic policies but a comprehensive set of well coordinated measures....

(Economic Survey of Pakistan 2004.)

According to Pakistan Household Survey Department:

“Poor are those who’s per capita monthly income is less than 909 at 2005 prices”

(Pakistan household survey report: 2005: 5)

Reports on macroeconomics show that poverty in Pakistan has increased over the last decade. Governmental and non- Governmental agencies, both within Pakistan and outside, acknowledge that poverty is a multiplex issue, encompassing as it does economics, health, education, social status, employment and access to opportunities. The task of alleviating poverty is equally complex. People experience poverty both in relative and absolute terms: they also move into and out of poverty at various times and under various conditions. Gender also affects the experience of poverty, with women facing numerous structural impediments to improving their situation

In the last four decades of the previous century, poverty alleviation is one of the main issues from the third and fourth world. Different international organizations like united nation organization (U.N.O), international monitoring fund(I.M.F), world bank(W.B) and lots of other international organization launch different programs to alleviate poverty from the poor countries of the world. Similarly the

governments of third and fourth world countries also made different programs to tackle this challenging problem and to increase the resources of the people in these countries.

The problems of the rural poor in Pakistan are many. These include low production, low prices, low incomes, low wages, meager savings and unemployment due to which the rural populace struggle day by day to fight against the never ending abyss of debt and destitution.

In addition, over-population is leading to pressure on the capacity of natural resources, upon which the livelihood of the rural poor depends. Many millions live in abject poverty, marginalized from the mainstream and often hidden from the public eye. Apparently, the rural poor have no hope to improve their quality of life.

. An objective analysis of the rural poor has indicated that they are not a homogenous group but are differentiated with respect to socio-economic conditions, agro-ecological situations and religio-cultural patterns. They also have certain commonalties such as; landlessness or small subsistence holding, isolation from the main economy, unorganized and leaderless, lack capital and have no access to credit, and lack of marketable skills.

Among the lessons that can be drawn from past efforts and the current situation of the rural poor, we can say that:

1. In order to make use of economies of scale in the production and marketing processes and compete effectively in input, output and capital markets, small farmers and landless agricultural laborers require incentives, opportunities and the organizational capacity to develop cohesion, discipline, human skills, and the capital necessary to plan and implement development activities.

2. Many efforts in rural development have tended to increase dependence on development agencies rather than enhancing local capacity to conceive and undertake development activities in accordance with local priorities and opportunities.

3. The specialized agencies for training, credit, input supply, extension etc. set up by governments are often hampered in their effectiveness and reach by the lack of a strong and broad institutional base at the village level.

4. At the village level, utilization of different resources tends to be integrated systemically. Development agencies, however, tend to be organized on a sectoral or functional basis instead of following an integrated, multi-functional approach. To make optimal use of the village opportunities, it is important that villagers have the management capacity to integrate the assistance available from outside agencies with their own specific needs.

5. Many efforts at promoting group cooperation and activity have been captured by special interests that seek only to maximize their own benefits. To meet this problem requires special procedures and discipline that ensure participation of all possible beneficiaries, and effective supervision of the development process.

(NRSP 11th annual progress report: 2004-2005:

Over the past decades, Pakistani government has taken various initiatives to create anti-poverty program. However, despite the allocation of large sums of capital and organizational effort, little seems to have been achieved on the ground. This failure at poverty alleviation can be attributed to the following major factors:

Following a development paradigm alien to the region, utilitarianism sectoral imbalances, conventional top-down strategies, ad-hocism, inequitable distribution of assets, inaccessibility to technological innovations and finance, lack of rural productive infrastructure, over-exploitation of natural resources, inadequate development of the social sector, the use of development resources as political patronage, and viewing the poor as a liability, therefore, to be shunned, ignored and disregarded.

This obviously led to the exclusion of a large number of rural poor from benefiting out of the government initiated programs, hence increasingly marginalizing them.

One thing is very common in the efforts taken by different agencies and governments to alleviate poverty, to pool up resources and to increase the income of poor in rural areas was that, the approach was not participatory and that's why every time they face failure. Any program can never be successful if it is not design for the people of an area without their participation. The programs for poor can only be effectively

implemented if they are led by the support of local people, according to the structure of the society and with the commitment to create a participatory village level institutional framework. The traditional approach of establishing a large number of specialized agencies (for training, credit, input supplies and extension etc.) for reaching the poor has failed because they were hampered in their effectiveness by the absence of a strong and broad institutional base at the village level. Creation of a village level institutional framework does not fall in the purview of any of these agencies.

The failure of these programs compelled the governments to make such programs which could bring changes in the lives of poor people of rural areas. There were some models in the developed countries of the world that were in operation and which were bringing change in the areas where they were working. Agha Khan Rural Support Program (AKRSP) was one of them under the leadership of Shoaib Sultan Khan. It was working in the northern areas of Pakistan. The idea of this program itself was rented from the Comilla Project of Akhter Hameed Khan that he initiated in 1959 East Pakistan, now called Bangladesh. It was actually the first effort of rural uplift based on the participatory approach. Shoaib Sultan Khan started Agha Khan Rural Support Program in eighties and was funded by Prince Kareem Agha Khan.

The lessons learnt from AKRSP proved that organization of the poor was the best means to alleviate poverty. Here community participation was broad-based and decentralized with homogenous organizations at the village level. Rehman aziz of Bangladesh says about the participatory approach in the development of rural areas in his book, "National Policy and Strategy for Rural Development":

"Decentralized participation meant that decision making

was the responsibility of the local communities while supporting agencies, like government and other development agencies provided technical and financial assistance, but did not infringe upon the sovereignty of the community organization. In other words, community participation ensured development of, for and by the people".

(Azizur Rehman: 1999; 6 :)

So this participatory approach became the norm of all developmental programs in third world countries as it was necessary for any developmental program to engage the people in the developmental programs that is going to be launched in that community. It increases the chances of success of these developmental programs. National rural support program came into being on the same philosophy of participatory approach.

National rural support program was established in 1991 in the government of Nawaz Sharif. The inspiration was there from Agha Khan Rural Support Program. As told earlier, Agha Khan Rural Support Program (AKRSP) was successful in the alleviation of poverty and pooling the resources in northern areas of Pakistan. Basic reason was the involvement of local people in those programs launched for the alleviation of poverty.

National rural support program (NRSP) is a home grown organization, registered as a Company Limited by Guarantee under Section 42 of the Companies Ordinance (1984) under the leadership of Shoaib Sultan Khan, who was already heading Agha Khan Rural Support Organization. When Government of Pakistan observe the success of Agha Khan Rural Support program in northern areas, Nawaz Sharif, who was prime minister of Pakistan at that time, ask Shoaib Sultan Khan to make an organization and implement the same philosophy and techniques in the rural areas of the four provinces for the betterment of the poor people and to alleviate poverty. Government of Pakistan provide seed capital to establish NRSP.

Grameen Bank is one such attempt to help poor at the participatory level. The aim was to help poor by their participation and to increase their income level by giving small loans.

“ Providing the poor with access to financial services is one of many ways to help increase their income and productivity. In many countries, however, traditional financial institutions have failed to provide this service,

(Aquila Ismail; 2005: 2)

Grammen Bank, the pioneer of micro credit program, founded in 1976 as a project and transformed into specialized bank in 1983, is the best known micro credit program.

“Grameen Bank (GB) has reversed conventional banking practice by the need for collateral and created banking system based on mutual trust, accountability, participation and creativity. GB provides credit to the poorest of the poor in rural Bangladesh, without any collateral. At GB, credit is a cost effective weapon to fight poverty and it serves as a catalyst in the over all development of socioeconomic conditions of the poor who have kept out side the banking orbit on the ground that they are poor and not bankable. Professor Muhammad Yunus, the founder of “Grameen Bank” and its Managing Director reasoned that if financial assistance can be made to poor people on terms and conditions that are appropriate and reasonable. These million of small bank people with their millions of small pursuits can add up to create biggest development wonder.

(Khandker: 1998: 16)

Bangladesh is a leader among low income countries offering micro credit. Using a group based approach to lending the country's small-scale micro credit programs provide more credit than do traditional financial institutions in rural areas.

This method, micro credit, for the alleviation of poverty, has been followed by many other Third World countries. Pakistan, where this problem of poverty is a challenge to handle, followed this technique of micro-credit for the alleviation of poverty. Many institutions, both on governmental and non-governmental level follow this technique.

Some of them are Agha Khan Rural Support Program, Balochistan Rural Support Program, National Rural Support Program, Thardeep Rural Development Program etc.

National Rural Support Program has been established in 1991, NRSP is the largest Rural Support Program in the country in terms of outreach, staff and development activities. it is a not for profit organization registered under Section 42 of Companies Ordinance 1984. NRSP's mandate is to alleviate poverty by harnessing people's potential and undertake development activities in Pakistan. It has a presence in 32 Districts in all the four Provinces including Azad Jammu and Kashmir through Regional Offices and Field Offices. NRSP is currently working with more than half a million poor households organized into a network of more than 29,000 Community Organization. World Bank, IMF and Pakistan Poverty Alleviation Fund (PPAF) give money to National Rural Support Program on two to ten percent interest rate for creating micro credit. NRSP is supposing to create small loans for poor people through out Pakistan. Micro credit operation has been started to alleviate poverty and to enhance the living conditions of the poor people. The philosophy of micro credit is to alleviate poverty by giving small loans to poor people. About this one dimensional approach some economic experts have critiques. As mentioned by Naheeda Rehman in his book,

“Social Impacts and Constraints of Micro credit In the Alleviation of Poverty”

Still views differ on the role of micro credit and micro finance program. Detractors view such programs as a social liability: consuming scarce resources without significantly affecting long-term outcomes. The small enterprises supported by micro credit programs have limited growth potential and so have no sustained impact on the poor. Instead, they contended, these programs make the poor economically dependent on the program it self.

(Naheed Rehman: 2003: 12)

In another book it is quoted that:

Micro credit programs also dependent on donors as they are often highly subsidized. Thus even micro credit program are able to reach the poor, they may not be cost effective and hence worth supporting as a resource transfer mechanism. (Adams and von Pichke 1992)

(Shahidur R. khandker: 1998: 2)

1.4 Objectives

1. To study NRSP's micro credit operation.
2. To study its role in poverty alleviation.
3. To study the success rate of NRSP.
4. To study the cultural constrain in the operation of NRSP.
5. To study the causes of failure in achieving its objectives.
6. To study the impact of NRSP's micro credit scheme on the poor people.
7. To study how people use these loans.

1.5 Hypotheses

1. Micro credit is alleviating poverty.
2. Due to lack of skill to use money productively it fails in some cases.
3. Poorest afraid of the risk of generating self-employment.
4. Due to cultural constrains women can't participate fully in this scheme which decreases its effectiveness.
5. Poverty can not be solved only through micro credit.

1.6 Justification of topic:

NRSP is working on alleviation of poverty through micro credit since 1997 in Mardan District but due to some reasons it is so successful. Evaluative studies done by NRSP itself showing that it has been very successful in alleviating poverty in Pakistan. As Pakistan poverty reduction strategy paper asserted that "access to credit is the surest way of empowering the poor and improving their income generating opportunities" international experience also have same indications. Similarly, the Asian Development Banks' World Bank and other international organization of same category have same opinions. There is a need of qualitative research to find out the real situation especially in Mardan district as I think; most of the research carried out in this connection is quantities so I choose this topic.

1.7 Methodology

Methodology is actually the set of different principles and methods used to perform a particular activity. Research methodology in specifically research methodology in the discipline of anthropology, different specialized tools are available to carry out the research in better way, to observe things more objectively. There are many methods, which are available for the researcher, and this is called the principle of multi-instrument research. It is important for a field researcher to have many techniques for acquiring the data because in different situations and due to different circumstances it become almost impossible for researcher to get the required data through hone specific method. That's why an anthropological field worker must have a number of different research tools in his/her hand to squeeze the data of his interest.

These different techniques, which I will define latter on, are actually the result of those earlier anthropologist's and sociologist's field work in the past, which they use in the field to collect data and now these techniques are in use of field researchers.

Field researchers modify these techniques according to the situations and circumstances.

"It is not a complete inventory, however, and every fieldworker should be constantly after to the possibilities of developing new modes of observation to supplement the standard items".

(pelto and Pelto: 1970:)

1.7.1 Rapport Building

Rapport building is the first stage of anthropological fieldwork. It provides manifestation to make good interaction with the local people and to select informants and key informants. Rapport building method is used as to get insight of matters during intervening session. The respondents are helpful in getting necessary information required by the researcher. Being same culture, it was relatively easy for me to built a good rapport in my locale. Though most residents of the village were close relatives and

it was not easy to adjust myself in that society smoothly. Secondly it is a Pakhtoon society and my presence there was a great issue that's why they often ask me that how much time it will take to complete my work there. Especially in initial days after a week they become bored of me. But after that I made friends there and it becomes normal for me to work there.

1.7.2 Participant Observation

It is one of those basic tools which anthropologist use in the field. It is about to live in the field for a long time so that people start to perceive you and behave you as a local resident.

When some body starts living in the field, slowly and gradually he adopts the way of living of the people who live there. It becomes easy for him to observe things. He can observe even those things, which he can't acquire otherwise. As "going native" have its advantages as well as advantages for effective research. He attend festivals collect life history documents, talk to people about sensitive issues. As participant observer one starts acting like the people of that area and establishes rapport in that new community and removing yourself.

Participant observation is consider the key instrument in anthropological research as it helps other techniques like you can get better key informants you can develop suitable questionnaire etc.

The culture where I did my research, is very much same of my own culture, as the language, the religion the occupations of the people, the income level, family structure etc. all these factors are same. This means have the advantage in the sense that I was in a better position to collect data and was easy for me to build a good rapport. Although my first arrival in that area was a bit strange for those people but not that much as my dress and language was same. Further I easily participated in most of the social functions where I was collecting primary data about my topic. Besides this I also participated in two marriage ceremonies. Through this participation in the marriage ceremonies my first privilege was the establishment and strengthening of my rapport and

to get primary data about their social structure, I also used to say my prayers in the village mosque and it made me able to know about their religiosity.

The disadvantages of “be native” were there but I tried my level best to overcome it.

1.7.3 Key Informant

This is another method used by anthropologists while doing their fieldwork. Key informants are those respondents with the help of which we can know much and we can get information about the other respondents, about the culture, about the history etc. of that place.

How to get a key informant? This is very important stage and researcher should always be aware that they must assure to get a good informant. He must not be a “deviant” to that culture. It is advised that, while choosing the key informants researcher should not be too quick. Researcher should check his/her status in community role and other prospects.

Key informants are, in some cases, become indispensable like if you want to know the history of your locale, key respondent is the best choice.

My first key informant was the president I choose community organizations made by NRSP in the village. The members of the village select these persons. But this is not final, as advised by the Barnard, after spending time in the field, I choose two other key informants one was the tailor of the village and other was a young man of the village. The tailor is about thirty years old and living here since he borne. He has good relations with the residence of the village and has information about each and every thing related to this village. His shop is at central place, people come and discuss matters at the end of the day at his shop. Secondly he was willing to give me information of my interest. Young man did his master in sociology and was very much helpful in my field work. There were other people in the village who were willing to answer my questions. So I can say that most of my respondents were my key informants as I ask them questions for cross checking.

I ask about the history of the village from two old men of the village.

1.7.5 Census survey:

I began my field work by conducting a socio-economic census of the total population of the village. It provided me with an opportunity to go to each village household, to meet, to converse and to familiarize myself with all male members of the village. After collecting the census information from each household, it was possible to discover the village heterogeneity according to social groups, local divisions of the village, income levels, land ownership, loanees and non-loanees of the village. All of the above mentioned variables influenced the compilation of the sample. More over I came to know about the total population of the village, education level, occupations of the residents. I used this for the whole village to get a wide range of data which helped me a lot know about the socioeconomic conditions of the people of this village.

1.7.6 Sampling

This is another tool that makes research easier and even possible. It is the systematic method to choose small portion of whole population sample is a small portion of the whole population. "A sample is a small representation of the large whole".

In short the sample is minimum picture of the whole universe and sampling is the processes of choosing that small picture. "Sampling is the method of systematically drawing a sample of the total population we are interested in surveying".

I did stratified random sampling that is a sub-type of probability sampling of my respondents for the interviews. For this I make categories of my respondents on the basis of caste, landholding, income, education, occupation and apply this type of sampling. In this way I was able to get the representation of people in the village. I did 100 percent census of the village and the number of household in the village were seventy one. The sample size was 42.25 percent of total in which 66.66 percent were the loanees of National Rural Support Program. Remaining 33.33 percent were non-loanees.

1.7.7 Focus group discussion:

In this method researcher involve or invite many people at a place where they can talk at ease. Then the researcher starts talking. At first he talks about things of general interest and gradually comes to the main issue.

During my research in Momin Kale most of the times during my interviews people gather around me. In such situations people in the group like to participate in the discussion and I put question about my topic in front of them and then all of them start the discussion. So in this way all these group discussions have been arranged automatically without any effort. More over I did most of my interviews at *Hujras* of this village that is the centre of most of social, formal, and informal gathering for the people of the village. So all these group discussions happened there automatically. This method really helped me a lot in the collection of data about my topic

1.7.8 Interviews:

I held interviews with those respondents that I choose through sampling. I made interview guide and ask these questions directly. I divided my respondents in four categories and used different interview guide for each category.

These categories are:

- 1) Residents of the village Momin Kale who were loanees.
- 2) Non-loanee residents of the village Momin Kale
- 3) Loanees in Sher Garh bazaar
- 4) NRSP officers.

CHAPTER#2

VILLAGE PROFILE

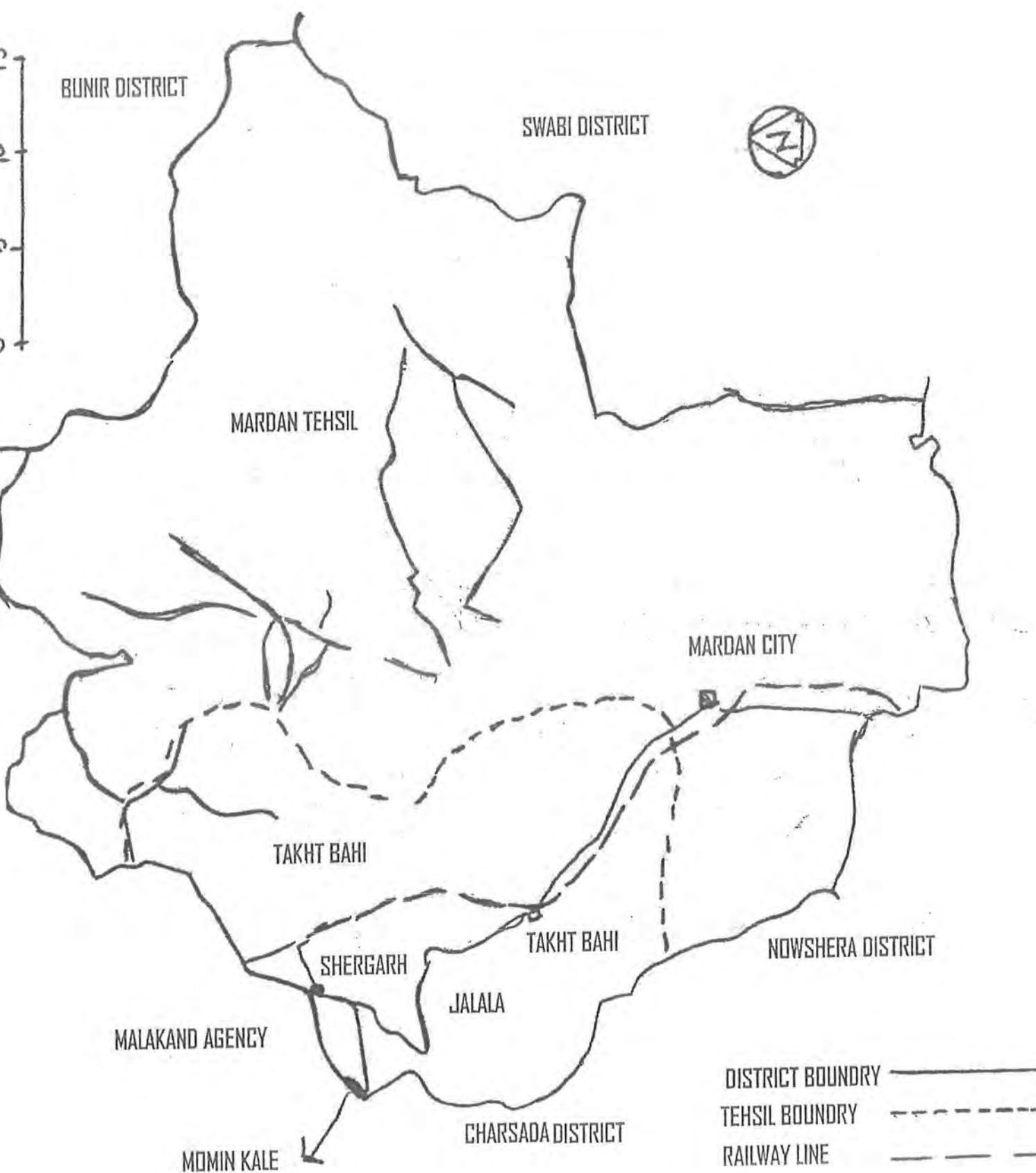
2.1 About the province, N W F P:

North West Frontier Province is a province of the Islamic Republic of Pakistan, located on both banks of the river Indus and stretches from the Himalayas in the north to the deserts in the south where it is bordered by the Baluchistan and Punjab provinces, territory of the state of Jammu and Kashmir in the north.

The capital of the province is the city of Peshawar. It covers an area of 74,521 sq. km. The warlike Pukhtoons, who live in NWFP and the adjoining areas of Afghanistan, making them a race apart, a chosen people, and no one, has ever managed to subdue them. The Mughals, Afghans, Sikhs, British and Russians have suffered defeat at their hands. The Pukhtoons are divided into numerous sub-tribes and clans, each defending its territory and honor.

In the beginning, the name Mardan was given to a small area after the name of Pir Mardan Shah, a prominent religious figure. Gradually, a large surrounding area came to be known as Mardan.. The district lies from 34° 05' to 34° 32' north latitudes and 71° 48' to 72° 25' east longitudes. It is bounded on the north by Buner district and Malakand protected area, on the east by Swabi and Buner districts, on the south by Nowshera district and on the west by Charsadda district and Malakand protected area. The total area of the district is 1632 square kilometers.(see map number 1)

Mardan is known as the best agricultural area in the country. Its land is very suitable for cultivation of sugar cane and tobacco and is therefore, rightly called the land of sugar cane and tobacco. The major crops grown in the district are wheat, sugar cane, tobacco, maize, rice, rape seed and mustard.



The summer season is extremely hot. A steep rise of temperature observed from May to June. Even July, August and September record quite high temperatures. During May and June dust storms are frequent at night. The temperature reaches to its maximum in the month of June i.e. 41.50°C. Climatic data are not available. However, climatic conditions of Mardan district have been interpreted in the light of the data recorded at Risalpur station which is nearest to the Mardan district and have more or less similar topographic condition. Detail data on temperature and precipitation recorded at Risalpur is given below:

Table No. 2.1 **Annual Rainfall Report, Mardan.**

Month	Mean (°C)	Temperature		Precipitation	Relative Humidity
	Maximum	Minimum	(Millimeters)		(%)
January	17.87	2.09	35.38		69.30
February	19.16	5.09	53.20		67.48
March	23.76	9.90	80.17		67.08
April	30.29	15.07	46.59		56.43
May	36.59	19.98	26.24		39.40
June	41.50	24.88	18.35		36.03
July	38.47	26.32	113.40		55.38
August	36.23	25.39	125.85		66.40
September	35.58	22.07	39.89		60.07
October	31.70	14.50	3.77		60.26
November	25.35	7.30	15.75		67.91
December	19.31	2.68	28.92		73.33
Annual	29.65	14.61	597.58		60.14

Source: Data Processing Centre, Pakistan Meteorological department, Karachi.

It is evident from the table that summer season is extremely hot. A steep rise of temperature observed from May to June. Even July, August and September record quite high temperatures. During May and June dust storms are frequent at night. The temperature reaches to its' maximum in the month of June i.e. 41.50°C. Due to intensive cultivation and artificial irrigation the tract is humid and heat is oppressive. However, a rapid fall of temperature has been recorded from October onwards. The coldest months are December and January. The mean minimum temperature recorded for the month of January the coldest month is 2.09° C.

Most of the rainfall occurs in the month of July, August, December and January. Maximum rainfall recorded for the month of August the rainiest month is 125.85mm. Towards the end of cold weather there are occasional thunder storms and hail storms. The relative humidity is quite high throughout the year while maximum humidity has been recorded in December i.e. 73.33 percent.

There are four seasons i.e. summer, winter, autumn and spring. Fifth season is that of rain in summer due to monsoon in the months of July and August. Locally this season is called *pashkual*. These four seasons are summer, May to September, 2) autumn, October to November, 3) winter, December to February, 4) spring, March to April.

2.2 History of the Village:

The present study was conducted in village Momin kale. This village falls under the civil administration of district Mardan of North West Frontier Province (N W F P). Immediate administration authorities of Momin kale is Sher Garh union council (U.C.) of Tehsil Takht Bhai of district Mardan Momin kale is the name of a village. (See in map number 1 and 2). Kale is Pashto language word that means village.

In almost all the villages of Tehsil Takht Bahi you will find people came from Dir, Swat, Mohmand and Bajoor Agency. Though, their composition varies from area to area. They began to migrate in this area in late 1920s in the search food and business as the environment of their local areas was harsh and land was not suitable for

cultivation. Local residents of this area are khattak locally called Malkian. Malkian is Pashtoo language word means local. Momin kale represents the same picture.

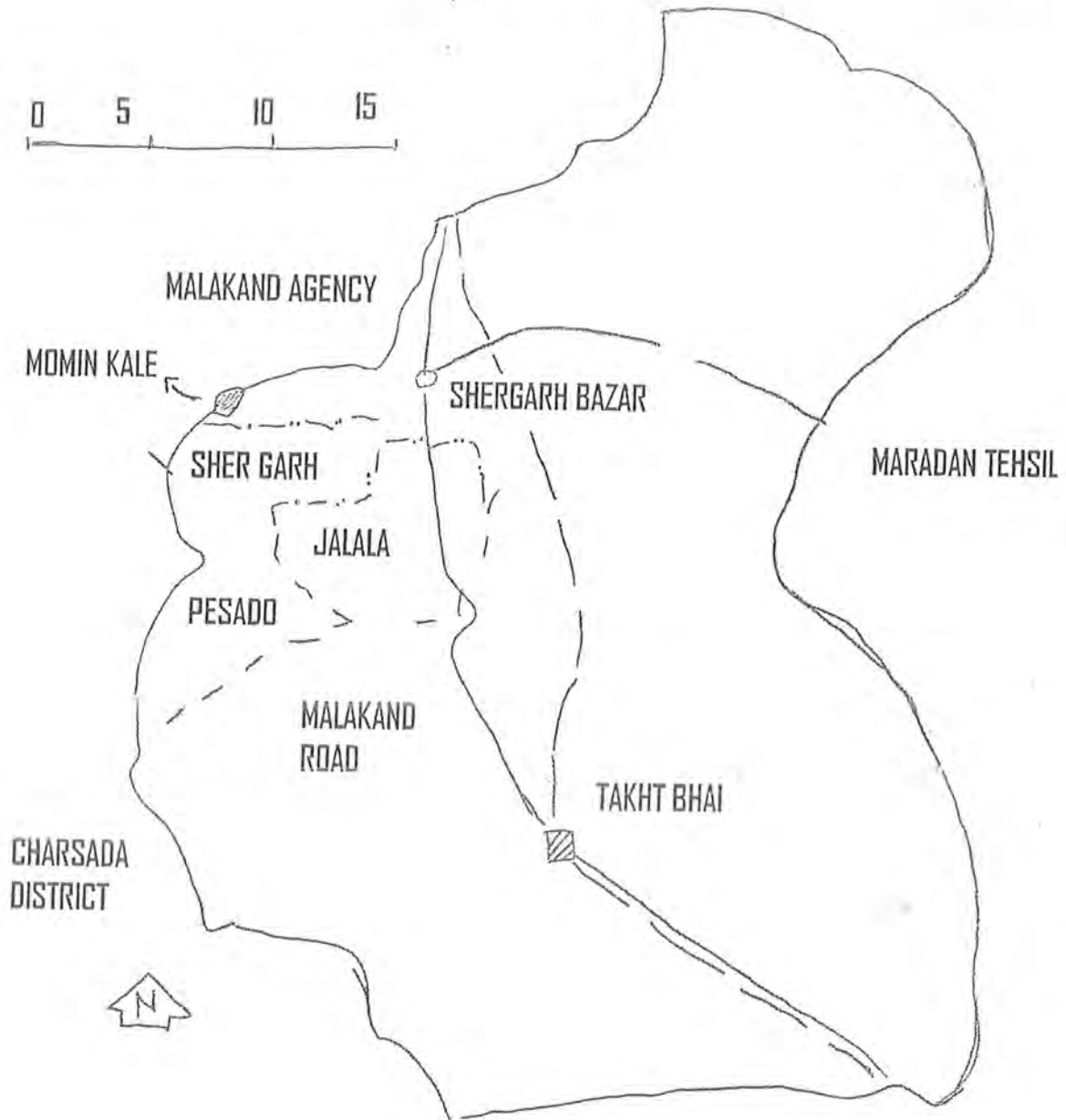
According to locals the village is about ninety years old. The first person who came here to settle was Noor Gul. The time, at which the first house was constructed, no water was available in this village and that very person used to bring these items from a nearby lack. . Five years later the canal was constructed and the area was provided with water. This was the time when the british government made tunnel in malakand mountains and provide water for cultivation to this area for cultivation . before that time this area was not cultivable. The owner of this land was Latif Khan of Lund Khwar. Noor Gul bought a piece of land from him and began to grow crops on this land. After some year Said Qayum, who was the father of Momin khan, came here. He was the relative of Noor Gul and was the husband of Noor Gul's sister. He also bought land from Latif khan of Lund Khwar. Noor Gul hade four sons while Said Qayum has only one son ie Momin Khan. Both, Noor Gul and Said Qayum were migrated from Mohmand agency. In the following years people came here from Swat, Dir and Bajor and began to live here. Fatek Muhammad who has been migrated from Bajor bought the land while other from swat and Dir were not financially strong and was not able to buy land here so they began to live eighter with Noor khan or Said Qayum and worked on their fields.

Momin khan was one of the distinguish persons in the village and surrounding areas and that's why this village were given the name Momin Kale. These days' grand sons of Noor Gul and Said Qayum are living here, having small pieces of lands. All these people has been settled in the south eastern part of the village in the past seventy years. Informant told me that nobody has been migrated for last thirty years in this part and all the settlement took place in the first forty years.

In the south eastern part of the village people are settling from nearby bazaar and surrounding areas for last twenty years. Most of them are Utman khel. People Badraga came here and got land from Masaud Shah Bacha and constructed houses here twenty years ago. In this part of the village there is no Mohmand, Diroje or Bajore family. This migration is still on that is increasing the population of the village.

MAP 2 TAKHT BAHU TEHSIL

21-A



UC BONDRY-----
RAILWAY LINE-----
MALAKAND ROAD-----

I got these information from two persons Zargar Khan who is approximately seventy years old. He is the son of late momin khan. Second person was Umer Said who is about ninty years old.

2.3 Surroundings of the locale and places of significance:

This village is at a distance of thirty three kilometer from Mardan city and is connected to Mardan through Malakand roadMomin Kale is situated in the east of Sher Garh bazaar and Malakand road at a distance of eight kilometer.

I hold some interviews in the Sher garh bazaar that is the aituated in the eastes of Momin kale, as told earlier, at a distance of about eight kilometer. All of my interviewee was the loanees of NRSP who took money for consuming it in their business. Sher Garh bazaar is situated on the Malakand road that leads to Swat, Dir and Chitral valleys. Being the single road to these beautiful valleys, this is a busy road and that's why the bazaar is also growing at high speed. The people of surrounding villages come here and do trade in all sorts of items specially that of agriculture.

In the north of this bazaar or the place where its northern side finishes. a Madrassa known as Darululoom-e-Islamia Arabia Sher Garh. This was founded in early fifties by a man Muhammad Ahmad who has completed his education from Darululoom-e-Dewband of India. This is a big madrassa and has a great influence on the people of this area and people of this area have great respect for that man who has founded this madrassa and running it. In the south of this bazaar, there are five big depose and purchasing centers of two big tobacco companies.

1 Pakistan Tobacco Company.

2 Lakson Tobacco Company:

A village known as Shah Zaman Qilla is also on this side. There are green fields on the eastern side of this village while in the west a stream is flowing. Sher Garh village and Sher Garh grave yard is adjacent to this stream.

Sher Garh bazaar is a fast growing market. People of different casts from the surrounding areas come here for business and the area of this bazaar is increasing with a great force. A main thing that is the specialty of this bazaar is:

- 1) Big markets for *Gurh* (black sugar)
- 2) Big market for the tobacco crop.
- 3) More than five hindered wheat and corn thresher are made here annually.

A small road is connecting these two places. This road passes through different villages like Kochyanoo kale Mashenanoo kale Gul Wale kale etc. this road divides into two at Mashenanoo kale. One leads to Badraga bazaar and other one leads to Momin Kale. There is also a direct road between badraga bazaar and Momin Kale. This distance between Bagraga bazaar and Momin Kale is approximately half kilometer. So this become almost a triangle as the road that runs from Badraga bazaar and that from mashenanoo kale meets in the middle of the village.

The road that leads to Momin Kale directly, divides the village in two divisions. On the north western side of the road, some houses are built that is in Malakand Agency and their union council is Badraga while the name of the village is same i.e. Momin Kale. On the south eastern side the old Momin Kale is present and this in Sher garg (U.C). In the north of the village there are fields, Badraga village and bazaar. This is a small bazaar of approximately forty shops. In the south, there is a water mill and a village known as Swaatoo Kale, a police check post is also present on this side. On the eastern side there are different villages like Gadbanoo Kale, Muhammad Shah Kale, Peeranoo Kale. On the western side there is only one village near to Momin Kale that is Akram kale. On the western side of this village, there is a small stream which is a natural boundary between district Mardan and district Charsadda. There is a canal running along with the road that is running from Badraga bazaar to Momin kale. This canal provides water to the fields of Momin kale. (See map number 3)

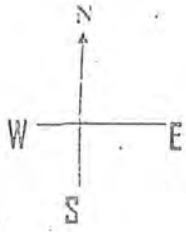
So it is clear from the discussion that the locale of my research i.e. Momin Kale is situated on the junction of two districts and Malakand agency.

2.3 Village layout:

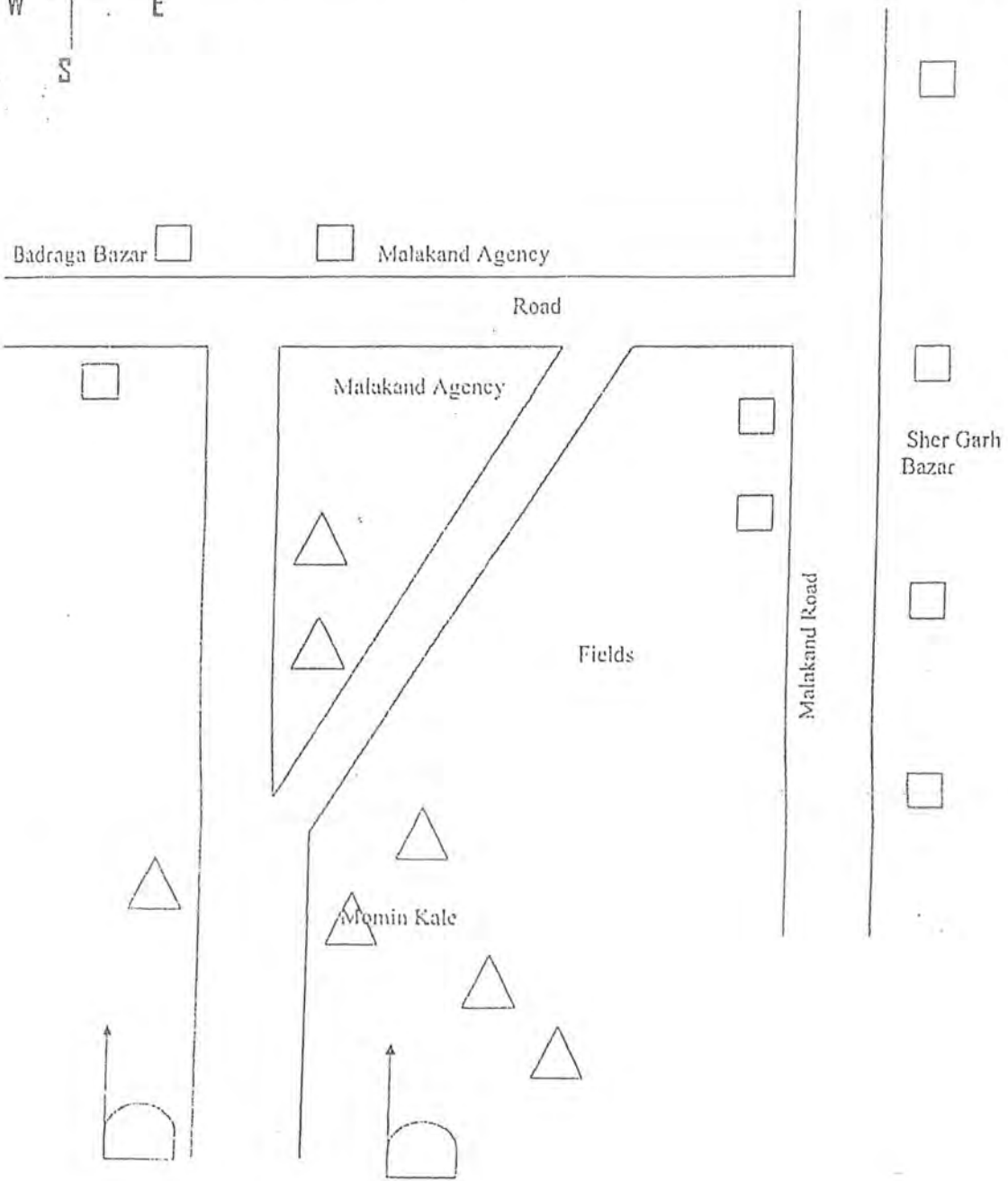
Momin kale has two distinct parts i.e. north western part and south eastern part. There is clear difference between these two parts of the village. The road that enter the village directly from Sher Garh bazaar, have fields on both sides. on left side, there is a small grave yard, at the entrance in the village from Sher garh side. On the right side, houses are built. Passing through the village this road meets at the centre of the village to the road that leads to Badraga bazaar. This road is also connecting Badraga bazaar to Peersadoo kale that lies in the south. There are few houses on right and left side of the road that constitute southern part of the village, situated in the south of the road junction. On the left side there are three small streets entering in the village from this road. Internal layout of the village is given in detail in the following sub headings.

House pattern:

Momin Kale is not different from the other villages of Mardan district as far as the house pattern is concerned. The material used in most of the houses is mud and wood. The walls are made of mud and the ceilings are covered with wood bushes. Plastic sheets are also used in the ceilings so that it may not leak in the rainy days. They add wheat straw in the mud so that it could resist rain water. It becomes harder to wash this mud out when this straw has been used. They use it also in the leveling of floors and walls. Most of the houses are built in this pattern in old Momin Kale. In this part the houses are big. There are houses in the village having more than six rooms. Although there are also small houses of two to three rooms but most of the time the houses are big. Actually the size of the families is big, in the sense that if there are five brothers and who separate from one another; they live in the same house in the form of nuclear families in one or two room of the whole house. So there are many nuclear families living in one big house. This is a common feature of this village. Though there are families living in two or three rooms separate houses. Most of the people in this village have there own wells on



Sketch of the Village (Momin Kale)



MOSQUE

HOUSE

SHOP



which they have fitted electric pumps. Some poor families have wells that don't have electric motors and they drag water with the help of ropes and pulley from it. Most of the houses have ovens made of mud to cook breads. Most of the houses have traditional toilets. They dug the ground in a corner of the house and use it as toilet. Most houses have traditional washrooms in which there are no showers. Most of the male resident in this village bath in nearby canal in summer. Most people of this village keep cattle, and have arranged separate rooms inside or outside of their houses called Ghujjal.

There are four Hujras (building which has two to three rooms and is considered as a communal property of one big family or that of whole village where the male members daily meet, discuss and share views on a variety of local, national and international issues . It is a common place and is also used as a guestroom. The young spend winter season or the occasions of happiness specially marriage in Hujra and arrange music programs or dishes as a pass time activity. It is important part of Pukhtoon culture which is changing with passage of time as people have begun to prefer using personal guest-room) in this village. Two of these three are made of bricks and two are made of wood and mud. All these four Hujras are the property of four big families, three of which are Mohmand and one is that of Bajoree. There are some common features of these Hujras. Guests of the whole village are welcomed here. There Hujras remain opened through out the day and even late at night. Clean water is available all the time. More than five *charpai* (beds) are there in each Hujra so that the guests may take a rest. There are toilets and washrooms in each Hujra. All these Hujras are in the southern side of the Momin Kale.

Streets:

Almost all the streets of the village are leveled with bricks. Streets are wide but not straight. All these streets enter from road side and are inter- connected on the other side.

Sanitation:

Almost all drains of the village are metteled. There are proper channels through which the water of whole village passes, following into a big drain and then into the canal. The drains which are properly mettled, pass the water directly into the canal but those which are not properly metteled so water stand and become marsh places.

In the north western part of the village most of the houses are small and made of bricks. There is only house made of clay and wood. All the houses have modern washrooms and toilets. The drainage system is a little bit hygienic. This village has mettled and wide streets. This part of the village lacks a Hujra so each house has a side room used for the guests; called *Bhattock*. This part has also a flour machine where the people of the village grind their wheat and maize.

Shops:

There are twelve shops in this village; three of them are in north western side of Momion Kale while the remaining eight are in southern side.. The shops situated in north western side of Momin kale are called General Stores, the most common feature of these shops is that of having Hashish for the smokers openly, having no fear of the police or law enforcing agencies. Bullets of short guns, pistol and Kalashnikov are available in these shops. They have neither the licenses nor the permits for this business. Only one tailor shop, this part of the village has and this tailor was my key informant. He lives here since childhood and serves the people by sewing the clothes and was fully aware of the economic and social position of each and every body in the village. In the southern side there is a dispenser shop locally called Babo. A cold drinks shop, a shop of fruit and vegetables, cycle repairing shop, a tailor shop, a general store, a pesticide and germicide shop and a barber shop. Neither of these shopkeepers sells Hashish nor any banned materials. I used to meet them daily, while discussing issues of general interest and today happenings in the village. All of them were eager to tell me all the events that had happened.

2.4 The people

People of six casts or tribes are living in this village. These are Mohmand, Malizee, Bajouri, Swati, Malkee and Utman Khail. All families of Mohmand caste live in old Momin Kalay. Malizi, Bajouri and Malki also live in this very part of the village. In the north western part of the village there are only two casts Swati and Utman Khail.

Table No. 2.1 Population of the Village.

S.no	Tribe/sub tribe	Population			Households	
		Male	Female	Total	No.	%age
1	Mohamand	181	139	320	49	69.10
2	Malezee	49	40	89	10	14.08
3	Bajoree	13	21	34	3	4.22
4	Swati	12	09	21	3	4.22
5	Malkee	18	10	28	3	4.22
6	Utman khel	08	12	20	3	4.22
	Total	281	231	512	71	100

Source: socio-economic census form.

Education:

Due to different agents of change and awareness, people are tending to get their children educated. In the past only those people were sending their children to school who had land but now people of every occupation send their children to schools. Still there are some cultural as well as economic constrains in getting education especially female education. There is one primary school for boys and one for girls in the village. Having no high school in the village for girls, most of the female students are dropped out from the school after completing primary education. High school is at a

distance of eight kilometer and there is no public transport between the school and village. Only those students complete high school education that belong to well off families and can support traveling casts of their children to go to school. Few female students have completed their college education. There is a trend of sending children to the private schools, situated in Sher Garh.

There is only one high school for boys in the village. After completing secondary education, students go to colleges situated in Mardan, Dargai and Takht Bhai for higher degrees. Only a few students go to Peshawar, Gomal or Hazara University.

Table No. 2.3 **Level of education in the village:**

S.No	Tribes	Primary	Middle	Metric	Inter	Graduation	Master	Religious	Tech.	None
1.	Mohmand	66	46	42	13	07	06	88	09	34
2.	Malezi	28	11	09	02	00	00	60	00	02
3.	Bajouri	08	01	03	02	03	00	02	02	04
4.	Malki	10	04	05	01	00	00	02	02	04
5.	Swati	08	05	01	01	00	00	14	00	03
6.	Utman Khail	05	01	04	00	00	00	14	00	03
	Total	125	68	64	19	10	6	180	13	50

As evident from the above table, the educational ratio is comparatively higher in Mohmnds than the other casts. The basic reason behind the higher educational rate in Mohmands is possession of fertile lands and high population.

Dress pattern:

With some exceptions, the dress of the people of the whole province is almost same. Male wear shalwar qameez. Color of Shalwar Qameez changes with the age of the

wearer. Young male wear bright colours while aged people wear white. Old people also wear white cap. This cap is called *Diroje topey* as originated in Dir. Old people also use light white shawl in summer not to wear but just to keep on their shoulders or take it in hand. In winter they use heavy shawl and *pakool* (chitralli cap). All male use Peshawari chappal. there is a great variety in these shoes as for as its color and design is concern.

Female also use shalwar qameez.

Language:

All residents of this village are Pakhtoons and their language is Pashto. The dialects are also same as they are living together for quite long time.

Food pattern:

People mostly eat vegetables as it is cheap in the market. As told earlier, there are few farmers who grow vegetables for domestic use. Whatever there is a clear difference between the high income and low income people in the village as for as their eating habits are concern. People cook spinach for eating and it is available in the fields and grow without sowing. Some farmers in the village use meat extensively for cooking. Meat is considered best food and they serve it to guests. Butter milk, milk curd and butter are the other common things that comprise their food as most of the people have cattle in their houses.

Almost all the farmers sell their crops in Sher Garh bazaar. Sher Garh is a big market for *gurh*. Dealers from different parts of the province especially from Swat and Dir where the consumption of *gurh* is high, come here to buy it. When the prices of *gurh* is not good, farmers sell their sugar canes directly to sugar mills situated in Mardan and Takht Bhai, as the *gurh* making is a labor extensive work.

There are two big companies, which have their purchasing centers in Sher Garh. These companies are:

- 1) Pakistan Tobacco Company.

2) Lakson Tobbaco Company.

Transportation:

As told earlier, there is a small road between Sher Garh and Momin Kale. There is a stop of Toyota *Datson* in Sher Garh where these vehicle come to Badraga .people of the village use this to go to Sher Garh bazaar. .farmers also carry their crops in these vehicles to the market. This vehicle can carry fourteen passengers at a time but the drivers pack it with the passengers more than twenty. I also used it to go to the village which was a challenging task for me. Facility of electricity and lane phone is available.

Health facilities:

There is no health centre in the village. Two medicine shops are there, having two dispensers who give medicines to the patients according to their own knowledge and experience. Patients of cholera, malaria etc consults these dispensers. Some people go to Sher Garh bazaar for treatment where MBBS and specialist doctors are present to treat the patients. In serious cases, patients are taken to district head quarter hospital Mardan.

2.6 Religion:

All residents of this village are Sunni Muslims. An imam who is in a mosque of this village for last thirty years, is follower of Mawdoodes' teachings and an active member of Jumaat-e-Islamee.he has great influence here and that's why almost all the villagers are in this group due to his teachings. He has founded a madrassa known as Mairajul Quraan. This is the situatin in old Momin Kale. As for as new part of the village is concerned, no such affiliation for Mawdoodis' teachings as they are new to this village and migrated not from common place.

Two mosques are there both in old Momin Kale, one in the centre of the village, while other is in the southern part.

2.7 Grave yards:

There are two grave yards in this village both on the northern side. Actually both parts of the village have their own grave yards. The grave yard of new Momin Kale is relatively big and old while that of old part is new is small.

CHAPTER#3

Economic, Social and political organization of Momin Kale:

3.1 Economy of the region and Momin Kale:

Economy has been derived from verb economize, literally means to spend carefully or to manage household. Generally it is aggregate of various sectors that deal with economic prosperity of a particular region in a particular time. The relationship between production trade and supply of money in a particular country or region is called economy¹

“The use of time, money etc that is available in a way that avoids waste”.

Economy economics are two related terms. Over the years the definition of economy has been changed. Initially it was said that economics is the science of wealth. After some time it is said that it is production, distribution and consumption.

Its definition is still varying but there is some sort of consensus on the following definition:

Economics is science which deals human life as relationship
between unlimited ends limited resources while these
resources have alternative uses.

(Loniel Robbins 1900)

Human being is in search of resources for its survival all the time. With the passage of time these resources has been increased but on the other hand the demand also increase. In other words the the proportion of supply and demand for resources remained same. If there is an increase in the resources, there is also an increase in demand for these resources as it is the nature of human beings that there ends has never

been satisfied fully and that is the reason the man is always in struggle to increase its resources.

Mardan is largely an agricultural area with a vast majority of people associated with agriculture. Its economy is basically relying on agriculture. There is a good irrigation system that provides water to the farms. Its land is very fertile and is suitable for a variety of crops. Most of the people living in villages earn through agriculture. Although some people don't have their own land but most of the people have their own lands who work on it, grow crops and earn their living. There are small industries that are also based on agriculture. Handy craft centers are also there on small scale. Mardan city is the centre of trade. Other small centers are takht bhai and Sher .Garh where there are big as well as small business men. If we go few years back, the education level was very low in the district and there were very few people who were in the government jobs but now there are more people who are in government as well as in private jobs. Momin kale is a traditional village, where people of different casts migrated at different times, having their historical backgrounds. Although at large the economy of the village is based on agriculture but different casts have different priorities and profession.

The economy of the village is based on agriculture. Though due to occupational mobility there are other sources of income. If we look at the definition of poor from Pakistan Integrated Household Survey, which says that "*the poor are those whose per capita monthly income falls below Rs 909 at 2005 prices*", there will be a few household in the village who are not poor. People of middle and lower class are living here. Due to lack of skills and land they mostly do manual work either at the farms on daily wages or go to bazaar. Following two tables have been drawn to show the incomes of the people.

3.2 Occupations:

Basically the people of this village are mostly farmers, but in the past fifteen years many other professions have also been adopted, because when the land is distributed among many sons of a farmer, so it becomes difficult for them to cope with the rising expenses because of little land. Most farmers are inclined to get their children educated. They don't want their children to work in the fields and the children also don't like so. Their youngsters want to get paid jobs either in government or in private sector. People having no land are less interested in getting education because they can't support. They either work on the fields or going into the big cities to earn. Those women, belonging to relatively rich family don't come out of their houses but those who are poor work on the fields with the male members of the family. Female also take care of their cattle while some even graze them in the fields.

Table No. 3.1 Occupational distribution

S.#	Tribes/ sub-tribes.	Cultivators.	Waged Labours	Govt Servants	Privat Servants	Business	Overseas Employees	None
1	Mhmand	21	25	14	9	18	7	32
2	Malkee	1	3	1	1	3	0	1
3	Maleze	2	0	4	2	0	0	2
4	Swate	0	0	2	4	0	0	0
5	Bajoree	1	3	2	2	0	0	0
6	Utmankhel	0	2	4	1	1	0	1
	Total	25	33	27	19	22	7	36

Source: socio-economic and census form.

The above table has the details about the occupations of the residents of this village. There are some categories in the table worth discussing. Private servants are those who work as assistants or servants of other people like conductors, drivers, and private school teachers. The last category of "None" indicates those people who are too old to work plus too young to work. Female of the village are not included in none of these categories as they do not take part directly in the economic or income generating activities in the household. They take care of houses and do indoor activities like cooking washing of clothes and dishes etc. This is because of the male dominance of Pakhtoon society. In last ten years some female students have even completed their graduation but they are not utilizing their skills in income generating activities as it is considered bad in the village to send their daughters or wives for income generating activities outside from their houses. Being the big population of the village, Mohmand cast have people in all occupations. Most of the people in Mohmand cast are farmers as they are the owners of cultivable land. In the bottom of the table Utman Khel cast is represented in which there is no farmer because they have no land in the village. Most of them are recruited in police force by Syed Masaud Shah Bacha of Badraga, who is a former D.I.G police. Other casts like Swate, Maleeze and Malke have no land in the village and mostly go outside of the village to earn. There is one farmer in Bajore cast who has land and work on it. His son has gone to Bahrain for job. All the students, women and children are excluded from above table.

3.3 Available resources:

Human beings have material needs which are essential for their survival like food clothes shelter etc. man has always acquired these material needs from its environment. It exploits its natural environment for the acquisition of these needs. First thing which man has always kept on 1st position to acquire the material needs is land so I discuss it first.

3.4 Agriculture:

As told earlier the land of this area is fertile. It is suitable for cultivation and most of the people are engaged with farming in this village. We can say that it is the backbone of the economy of this village as most of the people earn through it. First of all, I mention the percentage income of agriculture out of total income and then I will discuss it.

Annual income (agriculture + other) = 9869550/- Rs

Annual income from the crops = 1635750/- Rs

Percentage income from crops = 16.5%

The percentage that I have shown above is actually the total income from the crops that is grown on the fields. The labour that the people do on the fields which is the income of the people living in the same village is excluded.

It is evident from the percentage income of agriculture that farming in these areas are not enough to meet the need of the people and they have adopted other jobs. They say that the expenses on agriculture have increased five to eight times in last ten to fifteen years while the prices of the crops are not increasing proportionally.

Second reason is that the population has been increased while the land that they have is constant and not enough to meet the needs of this growing population.

Thirdly, the youth especially educated youth don't like to work on field and want to acquire either government jobs or private jobs. These are some reasons that caused a grate flow of people from agriculture to other professions and occupations

Table No.3.2 (Net Annual Income from Cultivation (In Rs thousands).

S. #	cast	5-10	11-15	16-20	21-25	26-30	31-40	41-60	61-90	10,000
1	Mohmand	2	7	4	4	0	0	2	4	6
2	Bajore	0	0	0	0	0	0	1	1	0
3	Maleeze	0	0	0	2	0	0	0	0	0
4	Malke	0	0	0	1	0	0	0	0	0
5	Swate	0	0	0	0	0	0	0	0	0
6	Utman Khel	0	0	0	0	0	0	0	0	0
	Total	2	7	4	7	0	0	3	5	6

Source: socio and economic survey forms

Table No.3.3 Monthly Income (In Thousand Rs), Other Than Cultivation.

S.#	Cast	1-4	5-10	11-15	16-20	21-25	26-30	31-40	40+
1	Mohmand	16	8	4	4	3	2	2	2
2	Bajoore	2	1	0	0	0	0	1	0
3	Utman khel	1	2	0	0	0	0	0	0
4	Maleze	6	1	2	1	0	0	0	0
5	Swate	0	2	1	0	0	0	0	0
6	Malke	1	2	0	0	0	0	0	0
	Total	26	16	7	5	3	2	3	2

Table No. 3.4 **Ownership of land (In kanaals) in households.**

S.No.	Cast.	Constructed (In kanaal)			Cultivated. (In kanaal)					Leased (in kanaal)		
		½-1	2-3	More than 3	1-5	6-10	11-12	21-30	More than 40	5-10	11-20	20+
1	Mohmand	32	3	4	6	10	5	6	4	7	1	1
2	Maleeze	6	0	0	0	0	0	0	0	0	2	0
2	Swatee	3	0	0	0	0	0	0	0	0	0	0
3	Bajoore	4	0	0	2	0	0	0	1	0	0	0
4	Malkee	3	0	0	0	0	0	0	0	0	0	1
5	Utman khel	3	2	0	0	0	0	0	0	0	0	0
	Total	51	5	5	8	10	5	6	5	7	3	2

Now I describe farming in this village. The land of this area is very fertile and suitable to grow all crops.

Due to sufficient water supply, the average per acre production is good. There is proper arrangement of irrigation in this area. This water comes from River Swat through Malakand tunnel, made by British government in 1920s. Water of this tunnel is big source of irrigation in the whole district. One old man in the village told me in the village that before this tunnel the whole area was like a desert as there was no water to grow crops. He told me that life became possible in this area because of this water.

There is no tube well as cannal water is more than sufficient to irrigate crops

Farming:

As told earlier, farming is main source of income in this village. Though, due to multiple reasons, occupational mobility has been observed. 1stly farming is less attractive and less profitable. 2ndly the high growth rate of population while the area of the land is constant..

Before describing the farming in detailed in this village I would like to describe land distribution in here. Mohmand were the first who came here and bought land. Still most of the land in this village is the property of Mohmand families. Bajore is on the second number and have land in this village. Other casts have either no land or very small pieces of land. In new Momin Kale almost all the land is the property of a land lord who is a retired I.G Police N.W.F.P. he is living in Badraga bazaar.

Mohmand cast in this village and in the surrounding villages is famous for farming. I have never seen any Mohmand family in these areas not having there own land. From the time they migrated from Mohmand agency, they bought land and began to cultivate it.

In Momin kale the situation is same. Mohmand were the first who came to this area and built this village. They bought land and began to grow crops in it. People of other casts came here after them. More than ninty percent of the land is the ownership of this cast. This cast is fond of growing crops and earn. Second cast that have little piece of land is Bajore. There is only one big farmer in this cast having sixty kanaal of land.

As for as the part of other casts in the farming is concern, they either provide labor to the above casts or rented the land from the people of Mohmand cast to do the farming.

Crops:

Being fertile the soil can grow a variety of crops. However there are four major crops that farmers grow. These are wheat, maize, tobacco and sugarcane.

Tobaccos crops are grown at the end of February and March .After two weeks the plants are weeded and fertilizers are kept near it and then watered, After two weeks this process is repeated. In the month of June farmers began to pluck the leaves from tobacco plants and dry it in the *bhatte*. The whole process ends up to 10th September. This crop provides labor opportunity to skilled, semi skilled and unskilled people of the village. Even children participate as a labor.

After plucking the leaves these are tied to the sticks with the help of plastic threads and then loaded in the shelves of *bhatte* to dry it. Fire is made in the pipes to produce heat in the *bhatte* that dry the leaves quickly. After drying, these sticks are unloaded and untied to make bundles in order to sell in the market. This whole process needs extensive labor, provided within the village. Maiz crop is grown on the same field after harvesting the tobacco in the month of September and harvested in December.

Wheat crop is grown in the months of November and December and harvested in May. Sugar cane is also grown on the same fields of wheat in February. Sugar cane is harvested in December and January. So they get two crops from same field at the same time.

Gurh (unrefined/ raw suger converted into lumps or balls) making is also a labor extensive job. As mentioned earlier, a room and an open plane ground collectively known as *ganray*, is used for this purpose. Farmers cut sugar cane and bring it to *ganray* where its juice has been extracted with the help of a machine that runs with the help of a diesel generator. This juice is then taken to a big pot known as *karay* in which the juice is heated to make *gurh*. The duration of this process is four months, from December till April. The proportionate land of these crops varies from time to time it depends on the respective prices of the crops. If the rate of *gurh* is high, the acreage of sugar cane will also high and vice versa.

I observe one thing here. No one grow vegetable in this village. when I ask the reason, they told me two reasons. 1st is that they have little pieces of land and want to grow cash crops. Second, eighty percent of the village population is near near relative and

don't ask when one need something from others' field. They told me that if they grow vegetales on their fields for their own use or for sale, their relatives get it pluck it and they can't cook or sell it as they can't stop them. That's why there is no vegetable on the fields.

Other small companies also purchase tobacco on small scale.

The phenomenon of *ganra* is very common in this village. This is a form of land leasing. The owners of the land gave land to the grower on lease and receive money at once which is more than twenty thousand per four kanaal. In this way the rent of the land decreases i.e. two to five thousand per annum. This rent decreases with the increase in amount that owner receive when he lease the land. The owner can't get back its land from the farmer until he pays back the whole money that he received from the grower. There are three casts who are more interested in taking land. Mohmand, Maleeze and Bajoore. The land owner uses this money on different things here in this village i.e. on marriage, on repaying debts, to get visa to go abroad etc.

These three casts also grow crops without giving money. They grow crops bear its expenses and after the sale they divide the income with the owner of the land. There is also lease of land on season basis. The growers get the land for one season or six months most of the time for the tobacco crop and return it after six months. These are the different way common in this village, how land is leased. Big farmers of the village also sell land. New commers in the village buy this land to construct houses. There is no case in the village in recent years that people buy land and use it for cultivation but mostly it has been bought for the construction of houses.

These are different uses of land in this area that how people use land as to meet their ends. In Pakhtoon society the land possession is of great value. In this society it is believed that a man can not be a true Pakhtoon until he is the owner of his land. It is an element of pride and prestige.

Animal Husbandry:

You can't think any village in without cattle. These make an integral part of every village and play an important role in the economic lives of the people. In the case of Momin kale situation is the same. People keep cattles in their house. They have cows, bull, goats and buffaloes.

There are different uses of these cattles. They get milk from it, sell milk from it, use it for farming purposes like plowing, weeding etc.

Another use which is not common is that villagers buy young cows or buffaloes and after a year when it becomes mature, sell it.

They also use its dung as manure.

Mohmand cast is at top in domesticating cattle. As this cast has more land and can provide fodder easily. Secondly it helps them in farming. A farmer is consider incomplete until he don't have a pair of bulls and he buffalo because there is a great need of these two in farming. Few years back, most of the big farmers used to keep these but now the situation has changed. Only two farmers have both of it in this village. The reason is that, it is not easy for these farmers to afford these things. Secondly they do most of work with tractors. Thirdly when they need bulls for hoeing or whatever they take it on rent from the other farmers or those who provide these services and don't have their own land.

Maleeze caste holds second position in keeping cattles. Mostly they keep cows and goats. Other casts are not fond of keeping cattles specially Utman Khail.

Poultry Forms

There are three poultry forms in this village; any how one of them has recently got closed. These poultry forms are run by the formers belonging to Mohmand caste. Because of some losses due to ups and down in the price of chickens in the market



and due fatal disease of chickens, they have now given their forms on rent. Women of the village also keep chickens but not on commercial basis.

3.5 Forestry and plantation:

There is no natural forest in this area. People of this village plant different type of trees in the sides of their fields. Most popular tree that planted in this area is poplar, locally known as *supeedar*. It is planted on the sides of the fields and after five to six years it become full tree and ready for sale. People use it as fuel to cook food, use it to build their houses as fodder for their cattle etc.

3.6 Other occupations:

Most of the labor in this village is unskilled. In the past years these people used to do work on the farms of farmers but now they have changed their preferences. There is a group of young labor, who has been skilled in construction works like metalling of streets, small roads; drains etc recently, do work together. This group emerged when an NGO formed citizen community branch in which the developmental works with the participation of the community. Now the head of this group is taking projects and with the participation of their fellow men they complete the work.

Some people still work at the fields with the farmers. Some unskilled labor has been employed in Sher Garh bazaar where they do the labor of loading and unloading.

Jobs

In the past there were only few people were employed in government and non governmental jobs even after getting some education although the most of the people were illiterate. Now as the trend of getting education is increasing, the trend of getting employed in public and private jobs is also increasing.

As I examined caste wise trend to be employed in these jobs, Mohmand are again on the top. There is one clear reason. Most of the Mohmand families have their

own land from which is the only source of income. These families educate their children especially male children, although the female education is also increasing now, and wish their children to be employed in government jobs. They neither want their children to work on the field nor do they have other skills to do other jobs or start business that's why they invest most of their resources in the education of their children.

The trend of getting education in Bajore caste is also same and they do like to get governmental jobs. Due to lack of resources and lack of interest to get education, other castes are less interested to be employed in such jobs.

Trade:

The trend to trade and business in this village is almost equal nil and the basic reason is that they don't have the resources to start business. A big portion of the population is related to agriculture can't afford to start any business in this village. As for as those people who don't have land they don't have the resources to start the business. There are few shops in the village that I have already mentioned. Two shops are run by members of Mohmand cast, two by Maleeze two by Utman Khel three by Bajoore and one by an outsider who is Mohmand by cast and one by a barber.

Migration:

As mentioned earlier there are many people in the village who are unskilled. These people work in the village or in nearby bazaar, go to other cities of the country or go abroad.

They either migrate go to the big cities of the country like Karachi Lahore and Islamabad or to the Middle East countries where there are more opportunities to get a better job. As for as migration within the country is concern, most of the time it happens that they migrate completely and never come back like few families have been settled in Karachi and Islamabad. In case of overseas migration the settlement is not permanent.

3.7 Social structure of the village:

Formation of social organization is the way of the human being to organize them to achieve certain goals in the society. Social organization is like an organism. individuals and groups form this organism and then become the organ of this organism. These organizations are necessary for their survival. In anthropology, social organizations refer to those processes that bring order in the activities of the individuals and groups, and in the ongoing decision making by the members of the society.

Malinowski has defined the term social organization as: "*Social organization is the process in which humans act upon in order to satisfy their needs*" (Malinowski 1948:261). Social organization comprises the totality of patterned relations among the members of a society, the sub-groups formed in the course of these relations, and the relations among these groups and their component members. Others use the term social organizations as the arrangements of roles associated with the statuses that constituted the social structure. Social organization also refers to the dynamic, situational, decision making and strategic aspect of social relations.

As social organization has its beginning from family so I will start from kinship and family. it will help us to understand the social structures of the society.

3.8 Kinship:

Kinship and family is the basic unit of any society. Without understanding these social organizations, anthropologists are unable to do any anthropological research. By studying kinship organization we would be able to understand political, social and economic ideals of the members of the society. Kinship is defined by the anthropologist "as the connection or relationship between persons by blood or marriage". If the kin are related by blood it is called consanguineal kinship relation for example father son relationship. Similarly when the kin are related by marriage or affinal relationship the kinship is called affinal relationship, for example husband and wife relationship. Kinship is one of the important universals in human society and therefore, plays an important role in the regulation of behavior and the

formation of the social group. The system of kinship and marriage plays an important role in maintaining cohesion and solidarity of the society. Kinship organizational types and their rules are culturally defined.

In the community, where I did my field work, there is patrilineal/agnatic kinship organization. Patrilineal/agnatic kinship is that kinship organization in which the individual traces his/her ancestry through the male member of the family. The right to have power of control and transfer of property lies in the hands of male members of the family. If we compare the ethnographic data about the alliances and unity of the kin, it is clear that there are more strong relations between blood relatives than affinal kin. The consanguinal kin help each other in various social issues like quarrels, Dushmani (enmity) and other problems and events of happiness. It does not mean that all the blood relations are stronger than affinal relations. There are examples of divided blood relatives and united affinal relatives. Blood relative mostly divide on the issues of property division, Tarburwali etc.

Due to the vital role of kinship terminology in structuring the human relationships, anthropologists are always interested in the analysis of kinship terms. Kinship terminology, here in this study helps to understand the factors of Siali and Tarburwali. It helped me to understand who is called Tarbur and up to what extent kin recognition is done. Who helps each other more and who are against each other in family or Khanadan?

Table No. 3.5

Kinship Terminologies

English	Pashto	English	Pashto
Father	Plar/Baba	MotherSister'sdaughter	Tror Lor (tarla)
Mother	Mor/Abay/Bibi	Father Father	Nika/ Baba.
Son	Zoa/Zoi	Father Mother	Niya/Abaye
Daughter	Lor	Mother Father	Nika
Boy	Halak	Mother Mother	Niya/Abaye
Girl	Jeenay	Father Brother	Trah/ Kaka
Mother Brother	Mama	Father Brother's wife	Chachee
Mother Brother's wife	Mami	Father Brother's son	Trah zoa/zoi (tarbur)
Husband	Khawand	FatherBrother'sdaughter	Trah lor
Wife	Khaza	Sister Husband	Aokhay (khor khawand)
Mother Brother's son	Mamazoa	Wife Brother	Aokhhay (kahzay ror)
MotherBrother'sdaughter	Mama lor	Wife Father	Sakhar
Father Sister	Tror	Wife Mother	Khuakhi
Father Sister's husband	Tror Khawand	Son Wife	Ingor
Father Sister's son	Tror zoa/Zoi	Brother Wife	Wrandar
Father Sister's daughter	Tror Lor (tarla)	Brother Son	Wrasah
Mother Sister	Tror/Bibi	Brother Daughter	Khwarye
Sister Son	Khuria	Sister Daughter	Khurza

Source: socio-economic census form

Levels of kinship recognition:

By the level of recognition, I mean how they recognize and identify themselves or what kinds of kin grouping prevail in the area. These levels of recognition

affect the level of unity and cooperation in election and other political and social issues. The village as a unit is recognized as one outside. There are following bonds of kinship recognition. They are *Qaam*(caste), *Khel*, *Khanadan* and *Kor* (family).

***Qaam* (Tribe):**

Qaam is actually refers to the place from where people come and settle in new place for example the different *Qaamoona* (plural) is given usually from where they migrated. We can say that this is a big grouping of people in which the ancestor are considers to be common but not clearly known. There are six known *Qaamoona* in this village. Each *Qaam* has some sort of co-operative tendencies with each other but at the same time there are more rivalries in the same *Qaam* than with other *Qaamoona*. These rivalries are mostly in the form of *Tarhorwalee*. In pakhtoon society this type of rivalry is very common. *Tarhoor* means paternal uncle and his sons. But when these castes have some conflicts with other castes, they joint usually.

***Khel* (clan):**

Each qaam is then divided into different khel. In Khel, all the members trace their lineage to the common ancestor. All the members in a Khel are blood relatives. In the this village there is less importance of khel as far as the recognition is concern because most of the castes don't know about their khel. Only Mohmand cast has this trend.. There are two khels in Mohmand cast e.g. Gwarbaz and Safe. So in this village Qaam is the basis for recognition and identification. When I ask Utman Khel about their Khel they told me that they part of Mohmand cast but Mohmand of this area denied this.

***Khanadan*:**

Khanadan is the practical level of recognition and participation in the village. It comes first than Khel and second to Kor/family. Most the time, it is considered till the third or fourth generations. Khanadan name is given by the name of the eldest (father) in the group. In this group the acts of any member are considered as the action from the whole

group. This group is the actual tied group, and the members of this group stand together in every field of life. Khanadan consists of Kor(ona)/families.

Kor/family:

Kor is the subdivision of Khel. Kor or family is the basic socio-economic unit among the village. Kor may be defined as a joint or extended family living on the one or the same hearth, pooling their economic necessities and spending on their family members. It is the smallest unit of the social organization in the village and consists of all those "individuals" or relatives who are living in a single household. As discussed by Akber S Ahmad. *"Kor (house) lineally related kinfolk occupying a single settlement and jointly subjects to the authority of a living male ancestor"* (Ahmad 1980:25). After marriage the newly married couple lives among or near the parents of the bride. But usually they live with the parents of the bride; they live till the time when there is no big problem with the father or with the brothers of the bride.

Representation and participation in ceremonies is the participation of whole of the Kor members but ceremonies of Mohalla and village is attended by one or more members of the Kor, depending on the intensity of relations of the parties. As Pakhtun society is a patrilineal and patriarchal society so, at all levels of kin grouping (Mohalla, Khel, Khanadan, Kor) the family is represented by the male member.

3.9 Territorial recognition:

Besides the kinship, territorial affiliations always remained an important element in group's formation for various purposes like wars, economic unions, exchanges, and for political grouping also people from various caste, color and creed got together on the basis of territorial unions.

Village:

Village is one unit and in the Union Council, it is considered to be the most important factor both economically, socially and politically. Village usually consists

of various Mohallas (wards) in the area. Momin Kale consists of three main Mohallas or portions. Old Momin Kale, this portion has two sub portions or Mohallas northern and southern, and new Momin Kale. People introduce themselves by the name of their village outside. On the basis of being from the same village, people help each other in various issues both inside and outside the area.

Mohalla (ward):

Mohalla is the unit of identification in the village. It consists of Khels, Khanadan and Kor/ families. It is not necessary that all the people in a Mohalla would be relatives. In most of the time Mohalla is geographically contiguous settled and it could be called a 'ward'. The member of a Mohalla is identified by the name of the Mohalla in the village. People help each other being member of the village, but Mohalladar (member of Mohalla) are the first who come to help.

Marriages are preferred inside Mohalla, and Mohalladars are given importance over people of other Mohallas. Most of the time members of a Mohalla are relatives/kin, if their genealogy is traced back third and fourth generations but not in all cases, if we observe the new Momin Kale there are very few families who are blood relatives and the relationship between them is not so tied as they came recently to this area, secondly marriages are favored within the mohallah if people are from same Qaam. There are instances that there have been marriages between the members of different casts. In this type of marriage the economic status must be same.

The relation of one Mohalla with others Mohallas is very peaceful and there is no conflict between Mohallas. The relationships between the people in old Momin Kale are more tied than that of new Momin Kale. Although there are friendships between the young members of both parts but in elders this tendency has not been found. I observed most of the time during my fieldwork that young men of old Momin Kale, sitting in the shops of new Momin Kale buying charrs and smoke it together. Elders of the old Momin Kale often raise objection on such friendships. I observe only one marriage between them where the bride was from new Mohalla and his spouse was that of old part.

3.10 Tribal hierarchies in the village:

There are six known tribes living in this village that is Mohmand, Bajore, Maleeze, Utman Khel, Swate and Malkian. All these tribes are living together since the village is being made. Though some of these tribes came to the earlier than others like Mohmand tribe came to the village and start living here from the very beginning and other tribes came here after they settled. Apparently all the tribes of the village are considered equal as they are always engaged in day to day activities with one another without any difference but on some occasions difference becomes obvious that compels us to make a hierarchy out of these different tribes. The reasons for which a tribe is considered upper or lower are many. These are as below.

1) Land possession: Those tribes who have more land in the village are considered superior. On the basis of land there is a hierarchy even within the tribe. Those who have more land are considered higher and those having less land are inferior. In this village the people of Mohmand tribe have more land than other tribes and that's why they are considered superior and occupied higher position in the hierarchy. On this basis Bajore comes second and others occupy lower positions in the hierarchy.

2) Income: this is the second indicator that makes some sort of difference between the different tribes. The main source of income in the village is farming and that's why those tribes who have more land are considered superior. For this Mohmand tribe have again occupied the higher place in the hierarchy. Though some members of maleeze and malkee tribe have migrated to the big cities to find good jobs and increased their income and they are succeeded but still the income level of Mohmand caste is higher than all other tribes. Bajore comes second and Utman khel are third as most of utman khel tribe men are government servants.

3) Strength of tribe: the number of members in the tribe is third factor for this hierarchy. As evident from the table no. 2.1 Mohmand tribe population is much higher than other tribes living in the village. This again makes them superior.

4) Education: this is another factor to differentiate the tribe. High rate of education in Mohmand cast make them superior of other castes, Bajoure comes second in education.

These different factors made mohmand tribe superior of all the tribes in the village. This hierarchy affects the relationship between tribes. Like the marriages between different tribes. The members of mohmand tribe always marry within tribe. Some educated females are of Bajoure tribe is married to mohmand tribesmen but there is no instance where a female of Mohmand tribe is married to other tribes of the village.

3.11 *WADA* (Institution of marriage):

In the world no society denies the publicly recognized and culturally sanctioned union between the male and female. Marriage is a universal institution in social organization. Marriage is a social union between man and woman, and is approved by society and religion. The union which promotes economic sharing and procreation is known as marriage.

There is no universal definition of marriage, because the cross-culturally variability in social organization of gender relations and the existence of rare forms of marriages in the specific societies render such definitions invalid. Some of the anthropologists tried to define the marriage keeping in view the core functions of this institution which are usually related to the regulation of sexuality and the reproduction of children.

Leech defines marriage as

“Marriage is a union between a man and a woman such that children to the woman are the recognized, legitimate offspring of both the parents”

(Leech 1962: 180).

Marriage in the village is a well-defined social institution. Marriage both as a relationship and as an event is considered to be the most eye-catching, expensive and elaborate ritual in the village ideally. But due to the less income resources, marriages take place simply.

Endogamy is considered ideal marriage in the village: they prefer to marry the girl of their own caste, Khanadan or Khel or Mohalla. Marriage with the father's brother's son is the ideal marriage in the village. After Khanadan they consider the marriage in Khel and Mohalla good, respectively. But there are marriages outside the caste, Khanadan, Khel and Mohalla. Decision of marriage is done by the parents of the couple going to marry. There is monogamous marriage in the village; only a small number of people do second marriages. It is because they consider it as a life-long bond; it is also that second marriage is socially not considered as a good act if there is no valid reason for it. Woman is considered as the honor of the Khanadan or Khel and not to give the honor to the other Khel. This is why ideal marriage is endogamy, corresponding to a marriage rule in which it is expected to choose someone from their own Khanadan or Khel. The ideal marriage spouse is matrilineal parallel cousins.

There are two types of marriages in the village

Badal (exchange) marriage

Wulver or bride price marriage

Badal Wada (exchange marriage):

“Badal” means exchange, in this type of marriage, the sister of one marries the brother of the other and vice versa. In this type of marriage direct exchange of women takes place. If two persons have daughter and son both will respectively exchange. This type of marriage takes place both inside the Khanadan or Khel and also outside with other people. These marriages, according to the people of the village give security to the girl in the house of the husband. For example, if one treats his wife badly in return there is an equal chance of maltreatment of his sister by his brother-in-law.

Wulver Wada (bride price marriage):

In this marriage, the marriage takes place from one side and the boy's family have to do all the expenditure of marriage. They have to take jewelry for the girl and to do a lot of other things for the girl's family. In this type of marriage, there is a demand from girl family to the boy's family for the things to do for the girl going to marry. An agreement is reached between the parties in the presence of some other members of both the families. This type of marriage is common in the village and it is also preferred over the *Badal* marriage.

3.12 Role and Status of Woman:

As far as the role of women is concerned, they ordinarily take no part in social or public affairs. They are very active in the family life. In the family, women could be said as the strongest pillar. They play a large part in arranging marriages and family alliances, sometime directly through negotiations with female members of the other family and some time through the intermediary of go-between. They do all the household tasks like washing clothes and dishes, preparing food, cleaning the house and the most difficult thing, taking care of the children. Along all these household jobs women is also responsible for taking grass from the fields for the cattle. Women help in most of the agricultural tasks. Women also participate actively than the men in marriages, death and other ceremonies. The women of the village do more work in all the fields than the male in the village.

As far as, the status of women is concerned, it is not equal to men. They are considered low than men. The society is a patriarchal and patrilineal society so the right of decision in all the family affairs lies with the male of the family. Purdah is not observed by the elderly women in the village, young girls who do outdoor tasks like bringing woods, and going to fields also do not observe Purdah, but majority of the young girl do Purdah. All the women whether they observe Purdah or not, are not allowed going outside the village alone. They must accompany a male of their family, no matter of what age he is. They can not go to the village shops for shopping or bringing

some daily use things. Women are not given any shares in the property of the family. Some families don't even send their girls to school, and they think girl education as a bad thing. Over all the status of women is low and is considered inferior to men.

3.13 Social Gatherings:

There are various ceremonies and events of social gathering in every society. In these social gathering the degree of integrity and solidarity of the society could be observed. In the village where I conducted my field work there also were many events of social gathering. These meeting were different in type and the participation of the community members was different in degree. Some of the occasions of social gathering in the village are as follows:

Birth:

In the community due to its patriarchal nature the birth of boy is celebrated and the birth of girl is not considered good. Any how there is gathering on both the birth of boy and girl but there is difference of degree of participation. On the birth of girl all the members of the Khanadan go to the house where baby is born. On the birth of boy, nearly all the members of the Mohalla and friends out side the Mohalla come to the *Hujra* of the man, in whose home boy is born. All the women go to the house and nearly all the visitors give some money to the baby born. This money is considered as a proof of the sharing of happiness with the family where baby is born. It is minded, if any relative does not come for congratulation of the birth.

Marriage:

Marriage is another occasion of social gathering and it is also the occasion of biggest gathering in the village. Nearly all the village participates in the marriage ceremony. More expenses on marriage are considered as a symbol of social status. In the marriage party all the relative, friends and nearly all other people are invited. All the males who come in marriage are given food (*wrjee*) in the *Hujra*, women are served at the home of the bride or groom. The entire relatives and *Mohalladars* help

3.14.2 *Pakhtunwali* and politics:

It is said that “*Pashtun* are not those who speak Pashto, but those who do Pashto”. So *Pashtuns* live under a code of life which is called *Pashtunwali*. *Pashtunwali* is the sum total of all those ideal, meanings and qualities which are require for a *Pashtun*. *Pashtunwali* is unwritten constitution of *Pashtun* society and it exists where ever *Pashtuns* live. There could be the difference of degree in observing this law, but it is one and the same for every *Pashtun* society. It is tried by every *Pashtun* to fulfill all the demands of *Pashtunwali*. *Pashtunwali* provide a guideline for *Pashtun* social actions. *Pashtunwali* comprises many components but we , her will discuss about the main elements of this code like *Ghairat* (honor), *Mailmastia* (hospitality), *Nanawate* (retaliation), *Islam*, *Purdah* (seclusion), *Jirga* and other *Pathan* customs like, *Hujra*, *Badal*, *Tarburwali* and *Siali* etc.

All these things directly effect the political organizations of the *Pathan* society. In, *Ghairat* there come *Siali* and *Tarburwali*, which unit and divide the families in the *Pathan* society. *Ghairat* is a means to conflicts in society and various disputes are justified by the name of *Ghairat*.

Mailmastia is another code of life which directly affects the political status of the individuals. *Parsons*, who uses to do observe more *Mailmastia*, is socially respected and social respect, effect a lot the political status of the people.

Jirga and *Hujra* are compulsory institutions of *Pashtunwali* and those have *Hujra* is socially respected. The people who participate in *Jirgas* as *Masher* or *Malik* is also respected so, they, thus have good social and political position in the community.

Purdah and *Islam* are other codes of life of the *Pashtun* society. The women are kept In *Purdah* (seclusion) and are not allowed to move freely. This is considered as an important part of Islamic law. Due to the observation of *Purdah* system the women are not active in social and political organization in the village. Though the ratio of *Purdah* observation is low but there are strict restrictions on women, to interact with the male

outside the family. Due to all these things and affects *Pakhtunwali* can not be ignored in studying social and political organizations of the *Pashtun* societies.

3.14.3 *Jirga*:

Jirga could be named as the council of the village elders and respectable. A *Jirga* in its simplest form is merely an assembly. Ideally, all community business both public and private is subject to its jurisdiction. *Jirga* is the biggest and strongest political organization of the village in every *Pashtun* society. In the village *Jirga* is very active political organization which helps in resolving all sorts of conflicts and disputes among individuals, groups or villages. *Jirga* is not only called to resolve any disputes, it could be called on any issue of common interest as well. The basic function of the *Jirga* is to maintain law and stability in the village. It is a traditional political organization, so people first try to solve their problem through the help of *Jirga* and if *Jirga* fails to resolve the issue then either big *Jirga* is called or the case is taken to the court or any other judicial system. *Jirga* could be private or public, depending on the nature of the problem brought to *Jirga*.

The parties which have any dispute either themselves select or someone from their household select the *Maliks* (the members of the *Jirga* from his side), the other party also selects their *mashar* and these *masharaan* could be from their own *Mohalla* or from other *Mohallas*. These *masharan* are selected, keeping in mind various consideration. The place of the *Jirga* is usually the *Hujra* of some third party or it is mosque if there is danger of bloodshed in the *Jirga*. The size of the *Jirga* and their composition varies with the particular case. In the *Jirga* there is equality among all the members of *Jirga* and they seat usually in the *Kats* (bed) or on ground, in a circle. There is no ranking in the *Jirga*. *Jirga* hear both the parties. Then decision in *Jirga* is done unanimously, either in the presence of the parties or the decision is reach in separate meetings of the members of *Jirga* and afterwards it is announced to the parties. Once the *Jirga* has arrived at a decision, all the members are obliged to use their power and influence to enforce that decision. Both the parties usually accept the decisions of *Jirga*, but there are no enforcing agency for the decisions of *Jirga*. *Jirga* tries to settle peacefully

an existing situation more than to judge right and wrong, determine guilt, or pass sentence.

3.14.4 *Mashar or Malik:*

Masher or *Malak* is the name given to those elderly people, who are the heads of their Mohalla. They serve as representatives in village Jirga. The word “*Malik*” in Pashto means “chief or headman”. *Malik* is the man of importance in the village, in political context. *Malik* is the representative of his casts and *khanadaan* in village Jirga and speaks for the right of his caste or *khanadaan*. He performs a lot of functions in the *kanadaan* or caste. He is responsible for the collection of funds from his caste or *khanadaan*. *Maliks* of the village get together to resolve the issues of the village like the issue of the village *jangle* and *Shamilat* (communal property). *Malik* of a caste or *khanadaan* first tries to solve the issues, like issues of conflict etc of his caste or *khanadaan* himself, but when the case is not resolved it is then brought to the other big Jirga. *Maliks* also help the members of his Mohalla in the issues of *Tana /Kachari*.

There is no permanent position of *Malik*, to which people can be elected. There are some *Malik*, who claim *Maliki* (malikness) because their father or forefathers were *Malik*. In the tribal area “*Maliki*” always stay within the family. But over all the position is not that which can be inherited. Men become *Malik* over a period of time. If a man demonstrates wisdom and skill at arbitrating disputes and if they use their skills to help others, they will gradually become *Maliks*. They will be respected and followed by others. Land, wealth and numbers of male relatives provide added advantages. *Maliks* are good orators, they speak and clarify the issues and initiate discussions of the ways the problem might be solved.

3.14.5 *Hujra and Jumat (Mosque):*

Hujra, the men-house in the Pathan society is very important social and political institution. *Hujras* serve the community both in the time of happiness and grief. *Hujra* could be said the center of village politics and a field to learn the politics of the village. Social and political socialization is usually done in *Hujra*. In *Hujra* all the people get

together and discuss the happening in the village. Discussion over politics of local, national and international level is usually very hot and informative for the village people. There people get together with the peer group and the elders and learn the ways of village life. In the Hujra, people get an opportunity to know each other closely and to increase their relations in the village.

Mosques, though a religious institution, also have political functions. It is a place for social gathering, so people get together there, and in most of the cases bring their issues in front in the mosque. To resolve the issues of Mohalla, people often consider Jumma prayer as the best time and the mosque as the best place. Some of the Jirga is also done in the mosque. It is also observed during field work that in the election too, mosque is used both by the candidates and voters for the political purposes like publicity and propaganda.

3.14.6 Family (*Khanadan* or *Khel*) politics:

Politics does not take place in vacuum, there are always cultural values and configuration of social organizations forms, that effect politics. Politics is a struggle between two rivals, and rivals could be two brothers or cousins in *Pashtun* society. The head of the family (*kor*) is always the eldest male in the family (*kor*). All the powers lie with him. He is said the “Masher” of the family of the Kor. Masher is responsible to the *Khanadan* and *Khel*, for all the members of his Kor. All the Kor members have to obey his orders. Women of older age also have influential position in the family affairs, especially that of marriages. The visit of the women, to the house of any one, shows the intensity of the relations between them. And is considered to be *Akhplwan* (relatives) if they are from their *Khanadan* / *Khel*, if they are outside the *Khanadan* or *Khel* they are called *Dustan* or *Malgari*. But they never have final authority. Final authority is always in the hands of the Masher of Kor. He can stop from making any sort of relation with any one in the *Khanadan* or outside the *Khanadan* and *Khel*. The post of Masher lies with the father in case of nuclear family and with grand father in case of joint family. He settles disputes in the family and also divides the property and land in brothers and cousins. The authority to the Masher is given by the traditions in the *Pashtun* culture. It is considered legitimate because it always existed. It is fixed and unquestioned authority. This type of

authority could be put in the traditional authority of Max Weber classification of authority. This authority is garentochratic (the rule of aged) authority.

The family bonds are usually strong in the area. Most of the competitions are also in the family. In local term this competition is called "*Siali*", though *Siali* is not considered as a good act but on the ground nearly all the relative do *Siali* nearly in every field of life. *Siali* could be done with every one in the village but this phenomenon of *Siali* is very common in cousins (*Tarbur*) in a Khanadan, and sometimes it takes very violent shape as well. As cousins have common property, but when they divide *Siali* starts. If the division is done with peace and no one has any objection in the family then *Siali* remains at low level, but if there is any sort of objections in the division of property and land. It takes a worse form and usually these cousins forget their unity they become the enemies of each others. And prefer to avoid contact with each other. For this they join opposite parties in all fields. Here *Siali* change into *Tarburwali*. "*Tarburwali*" term usually refers to the relation of enmity between cousins (*Tarbur*). And most of the politics in the family as well as the participation of these *Tarburs* in local or national level politics is affected by their *Tarburwali* relations. In the family leg polling is also due to the factors of *Siali* and *Tarburwali*. But these factors could be also said the factors of will and positive competition in the society. *Tarburwali* does not always mean the dividing factor it could be also said the uniting factor of the family. All this will be explained in next chapter. *Tarburwali* and *Siali* both effect the relation of the members of the family and their relations with other people outside the family.

3.14.7 *Mullah* and *Ustaz* (local school teachers):

Mullahs and *Ustaz* (local school teachers) are the learnt people of the village in their respective fields. One is being considered in religious affairs, the other in formal education. They are consulted in social and political affairs but there is difference of degree in their consultancy. *Mullah's* usual responsibility is the village or *Mohalla* mosque and the primary religious education of the children. *Mullahs* if not local are than retainer of the *Mohalla* in a separate home given by the villagers. There is one local

mullah and one came from a nearby village who is also a teacher in a *Madrassa*(religious institution)of *Jumat-i-Islamee* known as *Minhajul Quraan*.

3.16 State Politics: these include the politics of state level where different parties fight to gain power through voting.

3.16.1 Political parties:

Jumat-i-islami is the single party which is very popular in this village. There is a strong membership of this party and members are very active. In the previous elections the mpa seat was won by the candidate of jumat-e-islamee and mna seat seat was won by the candidate of Jameet-e-Ulimaae Islam.

3.16.2 Nazim and councilors:

Neither Nazim nor any councilor has been selected from this village. In previous local elections one general councilor was selected from the Mohmand cast. In that elections, the whole village were supporting that candidate but in the last election one two candidate were were fighting for the general councilor seat. One from the Mohmand cast and one from maleeze cast. Neigther of these candidates won the election as the voters were divided.

3.16.3 Citizen community board (CCB) and other community organizations (COs)

There are some people in the village who are very active in such organization. These people with the collaboration the members of nearby villagers formed many such organizations and take the benefits of these NGO who work on the village level with the help of local communities. They hold free medical camp most of the time from NRSP and other NGOs.

Chapter # 4

National Rural Support Organization in Momin Kale:

4.1 Economic scene and micro credit:

After analytical discussion of economic scene now I come to the introduction of micro credit in Momin kale in this chapter. In this chapter I will concentrate on the finding of my research treated to NRSP and its micro credit activities in the village Momin Kale. My focus will be on relationship of this village and NRSP. More specifically, NRSP micro credit activities in this village that how they launch their program and what was the response of the people towards these activities and how micro credit program affect these people?

4.2 Micro credit scheme of NRSP in Momin kale:

NRSP introduce its micro credit program in this village in 1999. In the beginning the emphasis was on the developmental projects and mobilization of the community by creating awareness about how can the community people resolve their economic problems collectively on village/ community level. NRSP facilitated the villagers by organizing them into two types of organizations called community organization and women organization. Here I will describe the formation of organizational structure that NRSP do with the help of local community to intervene and interact with the people of a village. They form community organizations (COs) and woman community organizations (WCOs) in every village.

4.3 Organizational structure of NRSP:

As told in the 1st chapter, NRSP is one of the largest MFIs in Pakistan. It has branches in almost all parts of the country. Its head office is in Islamabad. In NWFP, its regional branch is in Mardan city. General Manager is the head of this office. Then

there are District Branches, Field Units and Village Branches. Village branches are at the tips of all these branches where there is direct contact of loanees and NRSP employees. The area where I am working is in the premises of Sher Garh village branch.

4.4 Method of loan creation:

Since 2001, main focus of NRSP is to create micro loans. For this purpose they have formed community organizations locally known as tanzeems in the rural areas. These COs or tanzeems provide social co-lateral for the loans. They disburse loans to those members of the co who want to get loans. The membership of the co is essential for loan taking. If some body wants to get loan from NRSP, he goes to the president of the co and tell him about it. Then the president meets the field assistant of NRSP and after essential paper work, his case has been forwarded. The signature of three persons e.g. president, manager and a member of the co is essential for the loanee if he want to create it. This process takes fifteen to twenty days. After that the loanee goes to the field unit and there he receives cheque.

4.5 Recovery and interest:

NRSP create loans for different time span. These are six months nine months and one year. Most of the time loanees create loan for one year. One thing should be noted here that at the time of doing paper work for loan, loanee had to pay five hundred rupees. This money is not included in the interest. Minimum amount of the loan is ten thousand while maximum is fifteen thousand. If a loanee wants to get the loan for first time, he is given ten thousand. For second and third time the amount increases to twelve and fifteen thousand. After one year the loanee repay the loan with twenty percent interest. Most of the time loanees come to the village branch of NRSP and repay the loan but some time when the loanees don't repay the loan or he is not able to pay the loan, credit officers and field worker come to him to get the loan. They insert social pressure of the community members and especially president of the co. there are some instances where NRSP employees taken some of the loanee assets like gold cattle and even rifles.

But this happens rarely as most of the loanees pay back the loan due to extreme social pressure.

4.6 Formation of COs and WCOs:

A community organization is a group of village men while women community organization is a group of women of the village. NRSP forms these organizations and facilitate them and through these organizations they disburse their loans in the village. Community organization consists of one president one manager and members that vary from ten to thirty. NRSP form such type of organizations in each village where it wants to intervene. On its first arrival to the village NRSP officers the date for the meeting in which the participation of the villagers is ensured by one prominent personality in the village. In the meeting these organizations are formed by the village men with the help of the NRSP officers. All the members are enrolled and each member is given a card that he keeps with him. On the other side women community organization is formed by the women of the village where female employees of NRSP facilitate them. In Momin Kale there were three COs and one WCO. Only two of the COs is existing now and one co and WCO are no more existing. The president of third co is a defaulter of NRSP and he has gone to Saudi Arabia. The women community organization stopped functioning because of cultural constraints.

4.7 Functions of COs and WCOs:

Basically the COs and WCOs are providing social collateral for the loans of NRSP. They are supposed to do multiple functions but the fact is that, they are not functioning any of them. In the beginning, when the NRSP was new to this village, people's participation was more. They were holding two meetings in a month. At that time people did savings. This means, in every meeting each member had to participate in saving according to his position. All these savings were deposited in the joint account of NRSP and co. they used to discuss their internal problems in these meeting. In each meeting one officer of the NRSP used to participate in the meeting. Papers work for the demand of loans used to be done in these meetings. Same kind of activities used to be happened in

WCOs. But now the situation is different. Field assistant of the NRSP come to the village two or three times in a month. He meets either with the president or with the manager of the co or tanzeem. He meets him just for the recovery of loans that he has disbursed in the members of the co. there is no more any meeting of the co. people of the village don't want to hold such meeting because they say it is nothing but waste of time. On the other hand NRSP employees are also not very fond of such meetings. They come to the village frequently in the days of disbursement and recovery and meet with the loanees and president of the co and these meetings are about loans. We can say that the NRSP in this village and in surrounding villages has confined to loan activities.

4.8 COs of Momin Kale:

There are two community organizations in Momin Kale that are working these days. One is Momin Kale 1 and Momin Kale 2. There is no WCO in Momin Kale. There was a WCO in the village not functioning any more. These COs are not so active as there are no meetings and the membership is just confined to the registers that are with presidents of the COs. Here I would like to mention the micro credit record of these COs.

Name of CO.	No. of loanees.	Year.
Momin Kale 1	20	2001
Momin Kale 1	25	2002
Momin Kale 1	30	2003
Momin Kale 1	20	2004
Momin Kale 1	11	2005
Momin Kale 1	05	2006
Momin Kale 1	01	2007
Momin Kale 2	20	2001
Momin Kale 2	23	2002
Momin Kale 2	24	2003
Momin Kale 2	15	2004
Momin Kale 2	15	2005
Momin Kale 2	13	2006
Momin Kale 2	01	2007

This data has been produced by MIS Department Divisional Branch Mardan on 5th April 2007.

Above data shows that there are many people in this village who are engage in the micro credit program of NRSP. there are many loanees who took loan more than one time. So we can say that almost all the people of this village participate in this micro credit activity.

From this data it is evident that number people of this village were taking loan from NRSP and with passage of time there number decreased. It should be kept in mind that the two organizations that were functional between 2001 and 2005 are not mentioned. The point of observation here is that people of this village were taking loans through those COs those are no more existing. Means the number of loanees decreased more what shown in the above tale. What could be the reason for this decrease in the number of loanees? Are they not in need of these loans any more? Are they not benefiting from these loans that are why they are not getting loans anymore?

To answer these questions I spend most of my time asking people about their tendency and approach toward these loans and the way they are using it. Here I will handle it in detail and in sequence to get the actual reason.

Target areas of NRSP micro loans:

There are three target areas for loan consumption.

- 1) Agricultural inputs.
- 2) Live stock.
- 3) Small entrepreneurship.

In this village most of the loans are created for agricultural inputs.

In Pakistan there is always deficiency of credit with the farmers to get the agricultural inputs like good varieties of seed, pesticides fertilizers to avail the advanced mechanical facilities.

Whether people use it in these areas or not? NRSP don't have any mechanism to check it whether people using its money in agriculture or some where else. And this is evident from the fact that they don't have any system for it. They only gave the loans and after one year they take it back. They don't have any concern with its use whether loanees using it in agriculture or some where else.

Now again question arises that what these people do with this money. Are they using it in above mentioned areas or some where else? For this, it is necessary to find out the financial conditions of the farmers and other loanees of this village.

The population of this village increased many fold for last twenty years while the resources and opportunity to increase income are limited. Similarly the needs of the people increased with the passage of time. So there is an increase in the needs while the income of the people is not increasing accordingly. These needs are in the forms of more food, clothes, shelter, education etc.

Most of the people are skilled in agriculture which is also losing its value as people don't have enough land to support their families and their increasing needs with such small pieces of land. Those who don't have land are also facing same problem as they are not skilled enough to meet the demands and have less opportunities to earn money.

For fulfilling these needs, they get loans not in money form but also in material form like they take food or clothes or other things of daily use for which they don't have money gave it to the shopkeepers or from where they took it when they have it. So as a whole the people of this village are facing these problems e.g. deficiency of income or simply money.

This situation has great influence on the thinking of the people. These people think less about making some business or productive work when they get money from some where. 1st of all they repay the previous loans and then they think about something else. Whatever the situation is not always same and we will see that how the loanees are using this money.

4.9 Use of the loans:

Here I wam going to show the use of the loans in Momin Kale. I have made categories or the areas where the loanees in Momin Kale are using the money of NRSP, from this categorization we will get a clear picture that how these people are using these loans and what are their needs.

Table No. 4.1 Use of the loans

S No.	Consumption area.	No of loanees	Percentage.
1	Household expenses and repaying debts.	7	35%
2	Given to manager or president of the community organization.	6	30%
3	Agriculture	4	20%
4	Live stock	2	10%
5	Construction.	1	5%
	Total	20	100%

4.10 Case studies:

Most of the loanees in this village took loan more than once. So I prepare the case studies of those people who took loan more than once so that the impacts of micro credit can be portrayed in a better way. I prepared these case studies with the help of those who gave me data but most of the time I did cross checking that make my research more authentic. In this village almost all people have full information about one another. So most of the time, when I conduct interviews, I also acquired data about other people in the village. This make my work very authentic and it become easy for me to get correct information about each and every body. I did it because in some cases the loanees were not willing to give me full information that how they use the loan or how they repay it or what are the consequences of these loans. One big reason was the intervention of NRSP officers. They told to some members of the COs especially to two presidents and one manager not to give me exact data. Even the president of one co was not welling to give me an interview. To coup with this situation I interviewed his son.

Case study no. 1:

My first case study is that of a farmer, who is one of the big land owners in the village. His age is about sixty years. This man has sixty kanaal of land that he inherited from his father. He is one of the well known personalities in the village. He has his own Hujra. Most of the wedding and funeral ceremonies are here. This man has three daughters and four sons. Two of them are government servants and two are getting education.

This man is a good farmer and an expert tobacco grower of the village. He is Mohmand by caste. The total income from the farming is about two lake and fifty thousand rupees annually.

This man is president of the CO Momin Kale 1 and one of those persons who introduce NRSP in this village. Most of the NRSP and CO meetings are held in the Hujra of this man.

Since 2001 this man is taking loan from NRSP on three ID cards e.g. his own and his two sons. This is what his son says but through cross checking I came to know that each time he got loans on more than seven cards. This frequency changed each time. More than five people in the village told me that they gave their id cards to this man and he get loan from NRSP through these cards.

His son told me that my father consume this money on our education and other expenses of daily use. He said that his father also use it in farming like purchasing fertilizers, seeds etc but this happen rarely.

He told me that my father return this money when he sell tobacco crop. He said that the interest rate of these loans is very high. He added that we took loan from NRSP because it is easy. You fill a paper and after fifteen days you get fifteen thousand rupees. He said that we have also taken loan from Zarai Taraqati Bank Limited but that need great effort and the procedure is very long and tedious though the interest rate is lower than NRSP loans.

In cross checking three of my respondent told me that this man sold six kanaal of land since 2001. They told me that most of the money that he received from the land, he gave it to NRSP because of its great interest and it was difficult for him to repay these loans from the income of farming.

Now this man has two sons on job in government sector and there is little need of getting money from NRSP. His son says that we will not take loan any more and will repay all loans very soon.

Case study 2:

This is about a farmer having twenty kanaal of land. He is an expert farmer and spent some time in Sindh where he did farming. He is Mohmand by caste. He is consider one of the *Musharaan* (elders) who play an important role in the conflict resolutions and other matters in this village as most of the village men accept his nobility and trusts him. His age is round about seventy. He has five daughters and two sons. Daughters are

married. One of his sons is doing his masters in IT while second has gone to Dubai where he is doing manual labor to support his family.

This man is the manager of CO Momin Kale I. He is taking loans from the very beginning not only on his own and his son's ID card but also on the ID cards of other relatives in the village.

He has a poultry form where he invested most of his money that he got from NRSP.

He told me "I m taking loans from NRSP for last six years on more than one card. I spend most of this money in my poultry farm, in farming and on the education of my son. I also used it to meet my daily expenses. I built poultry form with the intention that this will gave me profit but due to market fluctuation in the price of chicken, It ended in loss. I did maximum effort in farming and used good seeds and fertilizers that gave good crop but due to low prices these crops could not gave me proper price of my labor. I m doing farming for last thirty years but all in vain as it didn't change my life and the situation is getting worse from bad".

Talking about the interest rate of these loans he said that it is more than twenty percent. We gave five hundred rupees at the time when we fill the papers for loan. They take hundred rupees for insurance plus traveling casts. It becomes more than thirty percent. We can't earn this much by taking these loans. He said that we are just working for NRSP because they take our profit in the form of interest.

He said that after losses in poultry form and agriculture. I was not able to repay the loans. For this I gave my land on lease and get money to repay it to NRSP. Later on I sold two kanaal of land to take back my land. I also bought visa for my younger son and send him to Dubai for earning money.

This man have leased his poultry form and not taking loans from NRSP any more.

Case study 3:

My third case study is about a man who is Maleeze by caste. He doesn't have any land or any business. He meets his daily expenses by doing labor in the village with farmers or outside from the village. Sometimes he grows crops on the fields and shares the profit after harvesting. He is illiterate and forty two years old. He has nine children, four daughters and five sons. Most of his children are small ranging from four to fourteen years.

He is taking loan from NRSP since 2001. Talking about the use of these loans he said: "when I took loan from NRSP for first time, I bought flour, ghee and other food items for my family because there was no money in my pocket to buy these things. I bought clothes and shoes for my children and gave this money to the shopkeeper from where I get food stuff on loan. For the repayment I lend money from one of my friend and return it to him when I took loan second time from NRSP. This game is still on and I m in debt. I never use this money in any business or agriculture."

About the interest rate of these loans he said that it exceeds almost thirty percent when additional charges are added. He said that no body in the village has benefit from these loans as the people in this village are not in the position to utilize it. He said that one thing should be kept in mind that *spool* (interest) is a great sin and Allah had said that no body can benefit from it. He said that this is the main cause of the failure. Nobody can benefit from it but this is last resort for the poor people.

Case study: 4

My fourth case study is about a young man living in new Momin Kale. He is twenty two years old and Utman Khel by cast. His father is driver in police force. He has two brothers and three sisters. He doesn't have any land but the place where he is living, is his own. His father is in police force for last fifteen years and is the only earner for the household. This young man, after doing his matriculation, discontinued his studies and now he is doing nothing.

He took loan from the Sardar CO. Sardar is his friend and is living in nearby village, he took loan from that CO, he told me that I told my friend that I want to get loan from NRSP to build battak (a room for guests usually at the outer side of the house). He told me that I had no battak and it was very embarrassing for me by having no place where I can sit with my friends and most of the time when my friends came to me, I used to entertain them some where outside. I took ten thousand rupees from NRSP and began to build battak. Here one thing should be noted that the people of new Momin Kale have not good relations with the people of old Momin Kale. And that's why these people don't like to entertain their guests in the *hujras* of new Momin Kale. This part don't have any hujra at all and most of the people have their own *bettak* while people living in old Momin Kale having no personal *bettak* use to entertain their guests in the *hujtas*.

He told that I took loan from NRSP without informing my father as he is against these loans because he thinks that it is a big sin.

At the time of repayment when I told my father for money he scold me that why I did it. Then he arranged the money from his GP fund.

He said that the interest rate is very high and it is almost impossible for anybody to get benefit from these loans. I was in great need that's why I took loan from NRSP as it is almost impossible to live without a place where I can entertain my friends. I know that I earn big sin that's why I tell other people of the village not to take these loans. This may decrees the intensity of the sin that I have committed.

Case study No. 5

My fifth case study is about a man from Bajore cast. This is an old man of about sixty having seven daughters and two sons. Four daughters are married. One of his sons is civil engineer and has gone to Qatar recently where he is working as an engineer in an oil company. This is one of the big farmers of the village, he has sixty kanaal of fertile land where he is growing wheat, tobacco and sugarcane. He has a big and well furnished *Hujra* and a big house both are made of bricks.

He is one of those big loaners who is taking money from NRSP since 2001. He has used the id cards of other people and took loan on more than five cards each time. He said that I used this money in farming. I bought good seeds, fertilizers, pesticides and got good yield from my land. He said that he benefit from these loans and will get it in the future as well.

Second time when I went to him, I met his son who is employed in Qatar oil refinery. He told me that NRSP is exploiting poor people by giving those loans having interest rate more than thirty percent. He told that my father took loan from NRSP when I was studying. He used this money on my education and other daily expenses of the household. He returned this money after selling the crop. I repaid fifty thousand rupees and cleared all the loans when went to Qatar and start working there. We will not take loan from NRSP anymore.

“If NRSP really want to improve the conditions of poor people, they should reduce the interest rates and increase the time of repayment”

Case study no. 6

This is about an old man from Mohmand cast. He has four sons and four daughters, two are married. He has four kanaal of land and grows tobacco on it. His sons are helping him in forming and discontinued their education after matriculation.

He told that he got loan from NRSP on four cards and bought two buffaloes. After a year both of these buffaloes died because of a fatal disease. He said that NRSP did not compensate and he repaid the loan with full interest. he said that I have bought cow on this loan once and that benefit me but the loss in the shape of buffaloes is more than the benefit. I took loan from one of my relative to repay NRSP loan as I had invested all my money in those buffaloes. Now I am in debt.



Case study no. 7

This is about a man from Mohmand cast who is forty five years old. He has four sons and one daughter. All of them are getting education. He has thirty two kanaal of cultivated land.

He said that I was a permanent loanee of NRSP since 2001. Most of the time I used this money on the education of my children and fulfilling other needs like clothes, food stuff etc. I used to return this money to after selling my crops. One day in 2005 my father became very serious as he was patient of hepatitis C. I took him to the hospital situated in Peshawar. I spend money on his medication in the hospital. On fifth night when I came back to my house, employees and officers of NRSP were standing in front of my house. They told me to repay the loan. I told them the situation but in vain. Then I took money from one of my neighbour and gave it to them. After that I decided not to take loan from them anymore.

He said that NRSP gave me loans when I was in need and it really helped in such situation to decrease my tensions regarding cash money-but due to this bad experience, I stopped to take loan from them.

4.11 Other sources of taking loan in the village:

The financial conditions of people in this village are not good. This is because of the lack of skill and opportunity. In the past, the people of this village were totally relying on the cultivated land. They were using land for taking food stuff and used to grow cash crops which were enough to support them. With the passage of time the population increased and the land has divided in to the members of family. In this way the pressure on the land increased. It also needs more labour to take good crops from the land as the pressure increased. This resulted in increased yield and per acre production in these areas increased. Whatever it is still not able to support the farmers as the expenses increased due to the changes taken place in the outer environment. Market based economy is one of the aspect in increasing the expenses as this type of

economy human beings need more utility things than that of subsistence economy and you must have to go to market to buy things and for this you must have more money to purchase these things. These changes in the external environment affect the people of this village and surrounding villages. One thing is obvious due to these changes and that is the demand for cash money. One old man in the village told me that when he was young, there used to be no money in his pocket for months as the expenses were limited but now the situation is different. One needs cash to fulfill one's needs.

In such a situation, where the expenses exceeded income and cash is required, people began to take loans from different sources. Those people, who have land, used it as collateral and got loans from different banks. Most of the land holders in the village have taken loans from different commercial banks ie National Bank, Habib Bank and Agricultural Development Bank of Pakistan. Some of them have taken loans from their relatives.

One thing is worth noting here that people having land are more inclined to take loans. Actually they consider themselves superior from the people having no land. Similarly those having more land are considered the superior than those having little land. They want to participate and show themselves superior and for this their expenses are also increased. They participate in different social activities like marriage ceremonies, death ceremonies, and spend more on the education of their children. All these things need cash money while farmers don't have these. Istly the money from the crops is available on seasonal basis and secondly the due to bad market prices, they can't get sufficient amount of money to coup with the increasing expenses. So they tend to get loans.

Another way to get loan is from renting the land. This has been discussed in detail in the 3rd chapter. This trend of getting money on land has been increased after 2000 as one of my responded told me who gets the land on lease from the farmers and give cash.

Farmers of the village told me that they get loan from different commercial banks when NRSP's operations were not started. Creating loans from commercial banks is a time and energy consuming process. The procedure is very lengthy and sometime it takes many months to get loans. When NRSP stated its micro credit scheme, people participate

in it generously as the process of getting loan was very easy and they need only national identity card for the creation of loan.

4.12 Response of the villagers about NRSP:

As evident from the list of loanees, most of the people in this village are engaged in the micro credit scheme of NRSP. We can say that the relationship of the people in this village and that of NRSP is deep rooted. Most of the loanees have taken the loan more than five times and they are in good position to evaluate the performance of NRSP in micro credit and other developmental activities. They are in better position to interpret the success or failure of the different projects and programs initiated and completed by NRSP in this village. Here I m pointing out different aspects of NRSP about which I ask from the people of this village.

4.13 What is NRSP? Local perception:

There is a great consensus about NRSP that it is a developmental program. NRSP has done different developmental projects in the village like pavement of streets, metalling of road and pavement of drains. Time and again they arranged free medical camps in this village and in the surrounding villages. More over the big contribution is the community development in the sense it gave a sense of togetherness integrate the people so that they may be able to solve their problems by their mutual consensus and efforts without the interruption of outer agencies. One of my respondents who is also the manager of CO Momin Kale I that NRSP gave us awareness about solving our problems by ourselves.]

This is very because I have seen different NGO to whom these people are engaged and those NGOs are launching projects in this village. One instance is the Citizen Community Board (CCB). The president of the second CO with the help of some friends in the village took a project of forty lake rupees for the pavement of the streets in this village and in surrounding villages.

This is one aspect or one side of the NRSP that the people of this village like very much. Second aspect is that of micro credit scheme launched by NRSP in the village. Most of the people in the village are against this project. There are multiple reasons for their hatred but first and foremost are their religious sentiments. Secondly in six year experience there are very few people who benefit from these loans and in most cases they ceased these activities when they bear losses. Here I would like to quote the words of an old man who's son after taking the loan run away to the city and did not return the loan. That old man repaid the loan from his limited resources. When I ask him about NRSP he replied: "this is not NRSP but *naar spee* means hungry dogs.

4.14 Micro credit and religion:

Loanees and non loanees of this village think that it is a great sin to take loan that has interest. The entire respondents are agreed upon it. One of my respondents told me that it is a big sin and is equal to rape one mother in kaaba. They say that NRSP is corrupting our religious beliefs by introducing such activities. Taking of these loans is nothing but to prepare oneself to fight with Allah. There is a great failure of this project because Allah has clearly said that nobody can benefit from these activities. Loanees argued that we are in huge economic crisis that's why we take these loans otherwise we know that it is against their religion and can not be beneficial. One respondent told me that these people take these loans because of social pressure. If they don't have money and didn't participate in different activities like marriage and other social activities, they can't afford it. This makes them to take loan and don't bother about their religious beliefs. This is because of their *ghairat* (pride).

One non loanee in the village told that these people exceed their expenditure while they earn little. They don't cut their coat according to their cloth. If they do so, nobody in the village will need these loans and will prevent themselves from the disaster. They want to hide their poverty and use these loans in non productive activities due to social pressure. In such situations they don't think about their religion and results in disaster.

One said that I took loan because the shopkeeper often asked me for the money for which I bought floor from his shop. It was embarrassing for me. There was no other mean as I am a laborer and there was nothing to do from where I could earn money so I took loan and gave it to the shopkeeper in spite knowing about its is a big sin.

4.15 Impacts on social life and relations:

As I told in the previous section of the chapter that some loanees especially the president and the managers of the COs take NIC from the other members of the organization and use it to get loan from NRSP. NID is essential for taking loan from NRSP. One thing is worth noting that membership of the CO is not required these days as most of the time elders of COs take NIC from any body in the village and utilize it to get loan. Those people, who take the loan on multiple cards for getting loans, take it from near relatives. Some time it happens that these relatives don't want to give their cards for the loan. I observe some cases where people did this. They said that we are not benefiting from these and by giving them the NIC we become partner in the sin that incurred through these loans. This resulted in the conflicts between near relatives. So there is an impact on the relationship of near relatives as well as friends.

4.16 Interest rate of loans:

When I met the regional manager of NRSP in the start of my research and asked about the interest rate of these loans, he told me that it is twenty percent. When I went to my locale and ask people about the interest rate, they told me that it is more than thirty percent. Actually different people have different views about the interest rate of these loans. Some respondent were not even know that what is the interest rate of these loans. Whatever most of the loanees were well aware of this. They told that we gave twenty percent interest at the time of recovery. But we give extra money at the time when we prepare our papers to get loan. They give five hundred rupees for paper work and one hundred rupees for insurance. Each time they get photographs and photocopies of required documents. This costs hundred rupees extra. Field unit where we receive our cheques is fifteen kilometer away from Sher Garh bazaar and most of the time we visit

that office twice to receive our cheques. This traveling costs is not added in interest rate. Moreover we don't work at that day when we go to receive cheques. Adding up all these costs it raises up to thirty percent.

Some loanees said that they take five hundred rupees and said that these are your savings. They complained that we don't get this money back. When I ask from the manager of CO he said that it is controversial and NRSP neither deduce this at the time of recovery nor give this money back to the loanees and loanees can't claim about it. When I ask from the credit officer of NRSP, he replied that this money is not to return and is the fee of preparing the case.

4.17 Woman and micro credit:

Grameen bank, which is the pioneer of micro credit, started its operations by targeting the poor woman of the rural areas. This is because they constitute about eighty percent of the population that is living below poverty line. They targeted the poor women because they think that if we increase the income level of the poor women in the villages it will automatically decrease the poverty because their income directly affects the household income and can use the small loans in productive activities. One thing in the Bangladeshi society is prominent that the mobility of women in that society is relatively more than our society. The women of Bangladesh can start small businesses relatively more easily than in our society. We can say that micro credit was more culturally appropriate in that society.

In Pakhtoon society the situation is very different. Here the male are more dominated than female and the mobility of female is very little. Female are confined to their houses especially in the rural areas of Frontier. Here the role of women is very little in the decision making. They contribute little in the economy of household because of cultural constraints.

In Momin Kale half of the population is composed of women. Due to Pakhtoon culture, there is little chance for them to contribute in the economy of household because here the mobility of the women is little and dominant males don't permit them to contribute.

In 2001 when NRSP increased its micro credit activities, they hired female employees to make women community organizations (WCOs) in the rural areas so that they could advance loans to women. In Momin Kale NRSP female workers made a WCO and started to advance loans to women so that they could start some productive activity and invest these loans in those activities. They also arranged training programs in these areas to train women in different areas ie in poultry, in squash making etc. in first two years they do all these activities and women start taking interest in these activities. NRSP disburse loans in the women but they did not check them that how they using these loans. Actually these women were not able enough to invest these loans by themselves. In most cases it was the elder male of the household who used it. So the role of women did not change. One of my respondent said that it was an easy way to get more loans on the NICs of women. All this happen for two years and used this money in different ways as told in the first section. The situation changed when female employs of NRSP with male employs came to the village for the recovery of loans. It gave rise to a conflict between the nrsp and residents of the village. After that it was decided by the people of the village that women of the village will no more participate in this program.

Another reason for not participating of women in this program was that, male residents of the village in general and Mullahs of the mosques in particular said repeatedly that these were the people of America and making our women like them i.e. western women. So they banned it. Actually the name NGO is very much controversial in these areas. As they think NRSP an NGO so they have same kind of feelings for them. Now there are only few women community organizations in the whole Tehsil and there is no women community organization in this union council

4.18 Non- loanees of Momin Kale:

This case study is that of a tailor who is working as tailor for last ten years in the village. He is Mohmand by cast and thirty years old. He has seven members in his house. He is married. He has done his graduation and also his computer course. His brother has four Kanals of land. He and his brother do work of tailoring and run their house. One of

his brother, who is married no longer lives with him. His two younger brothers are getting education.

He is one of the few persons in the village who has not got any loan from NRSP. He said that there were many reasons for not taking the loan. The basic reason for that was Sood "interest" He said that it is clearly said in Quran and also by Mohammad peace be upon him that you people should not indulge in the activities of sood.

Secondly, my expenses normally does not exceed my income; there was a time when I was in great need of money I asked many people in the village to give me but nobody gave it. After that I realized that I should decrease my expenses and should cut my coat according to clothe. (Da Khapal sadaer sara Khape ghuzawa). So that I may not be in such a position to repay it.

Thirdly, I get afraid of taking these loans as I may not be able to return it in due course, which is against my pride and can cause embarrassment in front of villagers and relatives. He said that nobody in the village benefit from these loans . These people have not set businesses to invest this money and benefit from it. They usually use it in returnig their loans, as most of the villagers are always in debts from top to toe. Basic reason is that there expanses exceed their income.

He said, "Farming is also not a good sector, where these loans could give enough profit as I have seen many big farmers in the village who either sell gold jewellery or take money from other people at the time of returning these loans. Some people have even sold their lands for returning the huge amount of loans."

He said, "I will prefer to take loans from NRSP if it is without interest or benefit and lost policy. Secondly the loan must be more then fifty thousand, as ten or fifteen thousand mean nothing to start a business.

Case study no. 2

This case study is that of a retired field inspector in agriculture. His son gave the interview who twenty five years old and has done his master in Urdu literature. There are eight members in this family, two female and six male. His father is the head of house hold and is meeting the household expenses. One of his brothers is also working in

government sector and is a police constable. So he is also helping his father in household expenses. They are Mohmand by caste, having twenty four Kanal lands.

He said, "We don't take loans from NRSP as it is a great sin to take money on interest. It is forbidden by Islam and is equal to rape one's own mother seventy times in Haram Sharif. And has bad moral consequences.

Secondly my father is able to meet our needs and can run the household smoothly. We don't need to take loans as my father is a retired field inspector and has got funds and pensions.

Thirdly this money is very little and I don't think that any one can benefit or start business to use it productively. Ten or fifteen thousand is too little to start a business. Similarly the use of this money in agriculture is not profitable as the interest rate is very high. Moreover there are instances in the village where no farmer has benefits from these loans. All of this is just due to its prohibition in Islam.

These people take loan from NRSP and spend it either in buying a household stuff, like food, medicines etc or to repay loans. Most of the loanees in this village are my near relatives and I know that nobody has used these loans in any productive activity. Its use in agriculture is less than other non profitable activities.

He added that if NRSP really wants to improve the condition of these people in rural areas, it should stop micro credit program. They should start business for poor people and invest money in it so that they may be able to start a good life.

Secondly it should increase its developmental projects like providing clean water by installing hand pumps, sanitation, pavement of roads and streets etc.

Case study No. 3

My third case study is about a non- loanee who is dealing in fertilizers in the village he is Maleeze by cast. He is head of house hold and heading his house hold. His family is composed of six members, a wife, two sons and two daughters. He has completed his inter level and all of his children are getting education. He also knows the work of a carpenter but work scarcely as carpenter.

He has sixteen kanaal of cultivated land and has got forty kannal of land on lease from other farmers in the village that he cultivates it with the help of labor.

He said that he is not in need of this money that's why he doesn't want to get loan from NRSP. He said that I don't bother about the sin of its interest *sood* if I need these loans.

"I took loan only once from one of my relative in my whole life. After that I did not take loan from any body as I don't need to take loans and able to meet my expenses".

About the use of NRSP loans by the villagers he said that the people of this village use this money in non-productive activities like on marriage ceremonies, engagement ceremonies, buying household stuff and very few people use it in buying agricultural inputs. They neither use nor able to use these loans on the areas prescribed by NRSP. NRSP's employees say that start business with this money and will not affect after one year when they recover loan. This is not possible. Less than one percent people are utilizing this money prescribed by NRSP.

He said that people have sentimentalities for their religion but it depends on the situation. If a person is in need of money and there is no other sources to get it from, he will definitely take it in spite of *sood* (interest.) NRSP is providing it with great ease. He will not bother its sin. NRSP is working as last resort for poor people by providing these loans but at the same time they are exploiting them by having interest rates.

"There is no body in the village who started profitable business and have used this money in paying loans".

NRSP should increase the amount per case. This will make it easy for the poor people to start a profitable business or utilize it in other productive activity plus it should give loans to those people who are able to use it properly.

Secondly the recovery must be in installments and the time span of recovery should not be less than five years. In this way they would be able to establish a business, which would not be affected by the recovery of loans.

Thirdly interest rate should be less than the present.

Chapter # 5

5.1 Micro Credit in Sher Garh bazaar:

In this chapter I will describe the activities of NRSP in Sher Garh bazaar, mechanism of loan disbursement, effects on the shopkeepers etc.

Urban poverty alleviation program, which is a project of NRSP specially designed for the urban and peri-urban areas of the country. This program is especially designed for the micro credit activities in said areas. Initially it was a project but now it got the shape of a program but still it is called a project. Urban poverty alleviation project began its operations in June 1996 in the urban areas of Rawalpindi and Islamabad. Since then it is testing different strategies in different parts of the country. Having successfully established UPAF as micro credit delivery model, NRSP decided to expand this project in some of the major cities of the country. The first expansions were in Faisalabad and Karachi in 2002. the program has since expanded in almost all big cities towns and bazaars of the country.

UPAF established low cost settlement offices and disbursement centers. The target group of this project was initially the poor women of the cities. They disbursed micro loans in the women using solidarity group method. Three or more women can form a group. The credit was used for family enterprises.

It is a key factor in the success of NRSP that it moulds its projects and programs according to the situation and cultural needs and make it culturally appropriate. Same is true for this project when they launch in other parts of the country.

In NWFP they launch this program in 2004 and since then it is expanding tremendously. In these areas i.e. Mardan, Swabe, Charsadda and Sawat the target group is only men who have their own business or shop in the cities, towns or bazaars.

They form a group of three or more shopkeepers and disburse loan in this group. The name of the group is also changed. Here it is called credit group (CG).

Three or more than three shop keeper form a group in the presence of credit officer or field assistant and then each member receives loan from NRSP. The philosophy of forming the group is same that is to provide social collateral. Each member of the group is the guaranter of one another. This creates social pressure for each person that compels him to repay the loan. These members know one another and most of the time they are neighbor shopkeepers. There is no saving in these groups and no permanent meetings.

NRSP started its operations in Sher Garh bazaar in 2004, as compared to the rural areas ie Momin Kale, the number lonees is increasing at a high speed and the concentration of NRSP is more on these CGs.

The criterion of loan disbursement is slightly different from that of COs. After the formation of the credit group, members submit five hundred rupees at the time when NRSP men prepare their case or do paper work for the loan. Additionally they give two hundred rupees for insurance. After this their papers are sent to the field unit of NRSP. After fifteen or sixteen days, field worker of NRSP informs the group to receive the cheque from field unit.

The repayment criterion is different. In CGs the repayment is done in equal installments on monthly basis. The time span for the repayment is one year.

5.3 Case studies:

These case studies are of those lonees who are engaged with NRSP micro credit programme from very beginning when it started its operation. The purpose of selecting these cases are to see the impacts of these micro loans on them.

Case study No. 1

My first case study is that of a shop keeper who is dealing in mobile whole sale and mobile accessories. He has four members in his family, he himself his wife and his two sons who are very young as he has been married five years ago.

He is the only member to run the house hold expenses. he is 30 years old and has completed his graduation. He has shares in the business plaza in which he has occupied his shop. He has also a weighting bridge at one side of the bazaar.

He said that he has started this business by his own effort and he was used his own money to start this business as this is a business having a growing scope. Before this shop he has been working in internet café but due to bad returns, he ceased that and started this business. He said that he is satisfied from this business.

He said that I came to know through my friend that NRSP advances loans and take it on monthly basis. I was in need of money at that time so I made a CG in my market of five shopkeepers and got the loan.

He said that every time I bought mobile accessories by this money. He said that when I give fifteen thousand rupees to the mobile dealer he give me stuff of twenty five thousand rupees. I borrow stuff of five thousand rupees extra and give this money to the dealer after three or four months. It is a common rule when we take goods on cash payment, these big dealers do this. Actually this cash payment creates a relationship of trust so the dealer don't feel reluctant to give us these this without cash. He said that I have a built a good reputations with these dealors that's why they give me stuff without paying. This all is because of timely cash payment for buying these goods. He said that in business cash payment is preffered so I get it from NRSP to buy things for my shop on cash.

He said that the procedure of NRSP loans was easy and less time consuming that those of commercial banks. Although its interest rate is high than other commercial banks but due to time factor I prefer it. We business men need money that we get quickly so NRSP is best choice. All business men know that they earn more than its interest that's why they take loans from NRSP otherwise they are not idiot.

About interest he said that I know this is a sin but our whole economy is running on this system then how we can escape from it. Moreover this organization spends this money on developmental projects in rural areas so we are convinced by this.

He says that I will get this money from NRSP even I am not in need because it helps me to expand my business and I earn by using this money in my business so I will always get such type of loans to use it in my business.

He said that NRSP take two hindered rupees as insurance. He said that we can't benefit from this. He mentioned that one of my friends, who were a loanee of NRSP, died one year ago. He said that NRSP made no compensation for him so this money should be excluded from the process.

Case study No.2

This case study is about a young man of twenty four who has started his business recently. He has a small cabin like shop in the front of a garment market made of steel sheets about two square yards. He deals in artificial jewelry, toys, children garments, hosiery, soap, shampoo etc.

He is elder of three brother and four sisters and supporting his whole family. He did not go to school due to bad financial conditions as he said. He told that the financial conditions were very bad when I started this business. My father became ill who was the only member to support the family and there was no source to support the family. He said one of my friend told me to start this business as he was already dealing in it in another bazaar. I got fifteen thousand rupees from my father that was the total assets of my family and start this business. Due to little investment, there was a shortage of stuff in my cabin and most of my customers used to go without buying anything as I was not able to meet their demands.

One day my neighbor shopkeeper told me that NRSP give money on NIC. We went to field unit of NRSP and the credit officer facilitated us to form a Credit Group (CG). After completing the procedure, each member got ten thousand rupees. I went to Mardan and got stuff for my shop on cash. I got stuff of worth fifteen thousand as it is the rule in the market when you do cash payment, you can purchase more if you need. Now I have more stuff and can meet the demands of my customers that couldn't be otherwise. In this way due to the loan of NRSP, my business has been expanded and this is my second time that I am taking loan from NRSP and utilizing it in my business.

About the repayment of loan he said that I pay it in equal monthly installments. I keep it separate from the income daily and at the end of the month, field assistant come and get it. I give one thousand rupees each month.

About interest rate he said that I don't know it but one thing is obvious that I really benefit from these loans and I earn twice than this rate. He said that when I started my business a came to me as told me that I will gave you fifteen thousand rupces, You will give me five hundred rupees every month and at the end of the year you will gave me the principal amount i.e. fifteen thousand. So I thing this interest rate of NRSP is less that.

About the sood (interest) he said "I know this is a bad thing to do and is a sin but my bad economic conditions enforced me to commit this. I was having no option than to take this loan otherwise I don't want to indulge myself in such activities. More over our whole system is based on these loans so it is inevitable and one cant escape if one really want to survive in this system".

I want to expand my business and for this I want to take a shop in the newly built market but the owner of the market is demanding fifty thousand rupees as security. If NRSP give me this amount, I will be able to expand my business, he added. NRSP should increase the amount of loan so that we can benefit more from this scheme.

Case study No. 3

This case study is about a young man of twenty five who is working as tailor in Sher Garh bazaar for last fourteen years. He has seven members in his family, father mother, three brothers and two married sisters. His two brothers are taxi drivers while his father doesn't do anything.

He was working in the shop of another tailor in bazaar and started working in this shop for last three years. He said that I got this shop by the money that I had earn as tailor. Now he is working independently in his own shop and has two workers working under his supervision.

He said that when I start my own shop, I spend all of money in building and decorating this shop. At that time I had only one sewing machine and I was working

alone. Once I was discussing this matter with my neighbor shopkeeper who is working in computer hardware, that I am in need of money and how will I get it. He told me that NRSP is giving money on interest and needs no collateral. After that I went to the village branch of NRSP and field assistant enrolled me in a credit group. Then after necessary paper work I got ten thousand rupees. I bought two sewing machines and a ceiling fan for my shop on this money. I also bought accessories needed in sewing the clothes. Thus it helped me to expand my business as I have two workers now and have more customers.

For second and third time, I got loan in the month of Ramadan. In this month we have more customers and more clothes to sew than other months as people here like to wear new clothes at Eid. So this month is usually a hot season for us. We need more stuff for sewing and for this we need cash money to get this stuff on fair price. I take loan from NRSP and utilize it in this month to buy these things.

He told that paying loan in installment is very soft way to return loan as it affects my business little. I keep fifty rupees separate from my income daily and at the end of the week I pay it.

About interest rate he said I don't know about the interest rate. I know that I will have to pay one thousand rupees after each month for an year for ten thousand rupees loan. What ever I know that I m taking benefit and it helped me a lot in expanding and maintaining my business.

"I know this is a sin but I was in need of it as I want to expand my business. If I have other sources from where I could get money, I would have never used it"

Case study No. 4

This case study is that of an old man of sixty who is a horse shoe maker, hair cutting of horses and donkeys. He is also do the business of buying and selling the horses and tangas. More over, he sells the fodder and wheat straw to the tanga owners.

There are ten members in his family and he is heading it. One wife three sons and five daughters, one married. Elder son helps him in the work while youngsters go to school.

He said that I m working this for the last forty years as this was the profession of my father and grand father. In those days the business was good as there were more horses and tangas because most of the people used to travel in tangas. Now these tangas are replaced by other automobiles rakshas and chingchi.

In 2005 my friend who has a shop in the bazaar and was a member of Credit Group told me that you can took loan from this scheme. Then I became member of their (CG) and am getting loan every year. He said that I don't know the name of this scheme or whatever but I go there gave them five hundered rupees and get a cheque of ten thousand. I don't know its name that this is NRSP.

He said, "I bought wheat straw of ten thousand rupees that I have got from NRSP, and sold it to the tanga owners. I earn three thousand rupees in three months from it. Second time I bought a horse for my tanga but unfortunately it died. So there was a complete loss that time. This time I am getting loans on two cards, one my own and one that of my friend, to buy two horses from Chitral and sell it here.

He said;" I lend money from other people like my cousins, friends and brother but I feel a burden by taking this money from these sources. They can demand it any time. In NRSP the basic difference is that we pay the loan in equal, easy monthly installments.

He said that there is no sin in this. They have employees to whom they pay we get money from them and earn through it. In this way both the parties get benefit from it and all this happen with mutual consensus. They don't force us to take this money. We know that we can earn even by deducting this interest so I don't think that it is sin to take these loans.

About interest rate he said that I don't know the actual rate of interest but I know that I earn more than the money that they take as interest. When I got loan for first time I bought wheat straw and sold it within three months and earn three thousand rupees. It means I can earn more than that of its interest.

5.5 Comparison between Momin Kale and Sher Garh bazaar:

There is a great contrast between Sher Garh bazaar and Momin Kale lonees as for as its impact of loans is concern. In simple words the shopkeepers and small

businessmen benefit from the loans of NRSP while that of Momin Kale are not able to take benefit of these loans.

Actually the micro credit schemes are formulated to support small entrepreneurs and businessmen in urban areas where there is always a ready made setup developed by them. They have the skill to utilize these loans to improve their business and enlarge it. They can consume these small loans in their business and can earn profit in spite large interest rates. These are the reason that's why this scheme is successful in urban areas. As for as farmers are concern, they can't utilize these loans productively due to the absence of skill. Moreover the economic conditions in rural areas are not well and they are not economically sound so when they take these loans, they use it to buy their lively hood. Huge interest rates make them more miserable. In this way a circle of vicious circle starts which they cant break. So as for as poverty alleviation is concern, NRSP is totally failed to do so rather they elevate poverty in rural areas.

- 1) Momin kale
- 2) Sher Garh bazaar

These two places are situated at a distance of eight kilometer from one another. Momin kale is a traditional village where people of different castes are living. And primary source of income is farming. But due to lower capacity of agriculture to meet the growing expenses, mobility of profession has been occurred. People of this village have shifted their professions and now they are not depending only on crops. But due to having no skill to coup with the changing environment, a gape has been created in their expenses and income. To overcome these gaps between their expenses and income they began to take loans from different sources.

NRSP started its micro credit program here in 2001. They made community organizations here for men and women so that to crate a social collateral for their loans and distribute the loans in a systematic way. In the starting years people were more inclined to take the loans and their frequency has been increased tremendously in first four years. After that the number of loanees began to decrease.

The loanees can broadly be classified in two classes. These are as under:

- 1) Those big farmers in the village who has relatively big cultivated lands. Some of them are also the presidents and managers of the two community organizations.
- 2) Relatively small land holders and those having no land.

The loanees of first category took loans on multiple national identity cards, as this is necessary for taking loans. These loanees took loans from NRSP on six to ten cards each time.

The second category of loanees is those who took loans on one or at most two cards. They have limited assets and were aware that they would not be able to repay the big loans.

As for as the consumption of these loans are concern, it varied in the two categories of loanees. The loanees in first category spend this money on the education of their children, household expenses, on agriculture but very little amount on this area.

Second category of loanees spends all this money on repayment of their loans that they had lended from different people and shopkeepers.

One thing is obvious from my research in this area that nobody has used this money in any area from where they could get benefit. They benefit in short term as most of the people fulfill their timely needs but in the long term these loans created great problems for them. Those loanees who took more loans from NRSP were in great trouble and those who took little were relatively in little trouble.

Most of the big land owners sold their lands to repay these loans. Those who had no land increased their debts. They took loans from other people like their relatives or friends to repay these loans of NRSP so that they could be freed from the loans of NRSP.

About the participation of women in this program I will simply say that there is no involvement of women in this program. Initially NRSP started its efforts to make the participation of women possible in this program but in vain due to strong values of pakhtoon culture in which the women part in the economy of household is almost zero especially when an outer element comes in their community to persuade them for their participation.

Now I would like to match my findings with the hypothesis and objectives that I have made in the beginning about the micro credit program. My first hypothesis was”

“Micro credit alleviate poverty”

This hypothesis has been nullified by the results of my findings that I discovered during my research. These loans neither provide an opportunity for their sustainable development nor increase their income who took these loans. But the situation is very much reverse because they increased the troubles of the people as it increased the debts of the loanees, it make the people to sell their lands which were the only source of their income etc.

My second hypothesis was:

“Due to lack of skill to use this money productively, it failed in some cases”

This hypothesis is some how supported by my research findings but partially. People in Momin kale are not able to consume this money in increasing their income. Most of the time they use this money to meet their household expense. Only a small portion of these

loans were used in agriculture and other businesses like live stock or poultry, but due to bade market structure or other reasons it did not proved to be productive

Most of the people in the village also argued that this money is not enough to start any business. You can only buy things for your household with this money because it is very little to start or consume in any income increasing activity. So we can mould this hypothesis in the light of my findings that “people failed to use this money productively.

Third hypothesis was:

“Poorest afraid of generating self employment”

This is very true and as I find it during my research that poorest don't want to start a business of their own and like to do labor work with other people and the tendency to use these small loans in creating an independent self created employment is very less. So they don't take these loans.

My third hypothesis was:

“Due to cultural constrains, women can't participate fully in this scheme which decrease its effectiveness”

Micro credit scheme was generated for the people of Bangladesh where the mobility of women is relatively more than Pakhtoon society and there the share of women in the economy of household is greater than in Pakhtoon society.

In Pakhtoon society, due to the strong hold of dominant men of the economy do not appreciate or accept the role of women in producing income for the household and they consider it against their pride.

NRSP did efforts to engage rural women in this scheme by providing loans to them and by employing female workers to facilitate them but in vain. So this hypothesis is very true and in the light of my findings it is correct.

My final hypothesis was:

“Poverty can not be alleviated only through micro credit”

When I met one if the officer of NRSP and ask him that why they have started this scheme of micro credit. He told me that the poverty in Pakistan and other third world countries is increasing due to the lack of cash money. As the world economy is market based economy in which you must have cash money to enter in the competition and start business or other activities. He said that we are with the intention to circulate money in

the rural areas amongst the poor so that they could utilize it and become able to break the vicious circle of poverty.

During my research I found that this is very wrong policy. Actually there are multiple reasons due to which poor can't break the vicious circle of poverty. By providing cash to these people can help them to do so. Most of the people in the village are in dept due to the gap between their income and consumption. So when they got loans from NRSP they it to get red of those debts. One of my responded said that these loans are just NAWHEY ZARA means just the renewal of debts.

If we take the example of agriculture people use this money in agriculture but due to bad and uneven market rates of crop the output of agriculture is very poor. Moreover there is no proper skill with the people to utilize it.

For all these reasons micro credit can not alleviate poverty if other necessary measures are not taken which are essential.

I mentioned the entire hypothesis for the Momin Kale. As for as the Sher Garh bazaar is concern, results and findings are more or less opposite to these findings. NRSP is disbursing micro loans in Sher Garh bazaar since 2004. The number of loanees in this region is increasing every year and they have positive response for these loans as they are utilizing it in their business. Loanees in Sher Garh bazaar told that they have the skill to utilize these loans productively and are benefiting from it. The entire respondent in Sher Garh market told that these loans are helpful in expanding their business. They are earning lots more than the interest rate of these loans.

GLOSSARY

Alo	Potato
Baggar	The work without wages
Badal	Exchanged marriage
Batai	A room to dry tobacco leaves
Burqa	Traditional Veil
Chars	Hashish
Chath	Roof
Chopal	Hut
Daroloom	Religious School
Ganarai	Place to make raw sugar
Ganra	Lease
Ghujjal	Istabal
Ghanam	Wheat
Gurh	Raw sugar converted into balls
Ghairat	Honor
Hujra	Male meeting place
Jang	Quarrel
Jwar	Maize
Kacha	Made of Mud
Kale	Village
Koor	Home
Kutt	Bed
Kamees	Shirt
Keeker	A type of tree
Khan	Chief
Koidan	Betrothal
Kwach	Butter
Malkian	Indigenous
Maqbara	Graveyard
Mastha	Curd

Melmasthya	Hospitality
Mola	Religious teacher
Pakha	Made of Bricks
Pakool	Woolen Cap
Parda	Veil
Paronay	Modern Veil
Pashakal	Hot raining season
Qabar	Grave
Qoolba	Bull Pair
Rambay	Hoe
Rera	Curt
Saag	Spinach
Sopidar	Tree
Sood	Interest
Shamilath	Communal property
Sheen Chai	Green tea
Tanoor	Oven
Tanzeem	Organization
Topak	Gun
Topai	Cap
Tarboor	Paternal Cousin
Tanra	Police station
Wada	Marriage
Wrije	Rice
Waskat	Waist coat

Bibliography

- 1) Alam, Anwar, "Research Methods in Social Sciences", Peshawar University.
- 2) Ismail, Aquila, 'The Micro Credit Program of OPP Orangi Charitable Trust"
Karachi, 2005
- 3) Khanker.Shahidur R, "Fighting Poverty with micro credit" Oxford University
Press, 1998.
- 4) Kabir, M.K,"Sustanible Local Community Development and Role of Micro Credit"
BARD, Comilla, Bangladesh, 1999.
- 5) Malinowski, B. 1948. The Sexual life of savages, in north-western Malanesia.
London: Lowe and Brydone Printers Ltd.
- 6) Pelto and Pelto, " Anthropological research", Second Edition, Cambridge University
Press, London.
- 7) Rehman, Naheed," Social Impacts and Constrains Of Micro Credit in the
Alleviation of Poverty" City Press Karachi, October 2003
- 8) Robbins, Lionel, "Nature and Significance of Economics." Oxford University Press,
1924.
- 9) Ahmad, S.Akber. 1980. Resettlements of Afghan Refuges and the Social scientists.
Journal of South Asian and Middle Eastern Studies: Vol: IV NO.I.
- 10) Bajwa, Rasheed,"NRSP 11th annual progress report" NRSP Islamabad, 2004-2005
- 11) Board of Directors "NRSP Program Update October 2006" Program And Project
Monitoring Section Islamabad.
- 12) Credit Administration Manual for Rural Support Programe.

- 13) Haq, Noor ul, "Poverty Alleviation In Pakistan" Islamabad Policy Research Institute, Vol. 7, No.5, pp 1-13, May 2005.
- 14) Pakistan house hold survey report 2005
- 15) "Pakistan Microfinance Network", Performance Indicators Report, January-December 2002, Report No. 6, Second Floor, Block-14, Civic Centre, Islamabad
- 16) 3rd Report of Micro Credit Summit. 19th April 2003
- 17) Encyclopedia Britannica
- 18) www.answer.com
- 19) [http:// www.NRSP.pk](http://www.NRSP.pk)
- 20) [http:// www.worldbank.com](http://www.worldbank.com)