Market Power: Traders, Farmers, and the Politics of Accumulation in Pakistani Punjab

Thesis Submitted in Partial Fulfilment of the Requirements for the Degree of Doctor of Philosophy in Development Studies

by

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TT 2017

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Abstract

This thesis examines traders' strategies of accumulation in agricultural commodity markets in Pakistani Punjab. It contributes to the literature on markets as social and political institutions as well as to broader debates on patronage, informality, urbanization, and class formation in South Asia. The principal aim of the thesis is to identify the institutions and ideologies facilitating exchange and study how they function in the market. It also aims to account for the increased political importance of traders, understood as members of Pakistan's intermediate classes, and reflect on the nature of their political participation. Non-programmatic, functional alignments are shown to be the norm and compatible with both military and democratic regimes.

Through a close look at activities in one agricultural commodity market – or mandi, as it is known in Punjab – the present work explores the practices and linkages traders cultivate to bolster their economic and political power. Plunging into everyday mandi life in small-town Punjab, it illustrates how customary institutions articulate with the state and capital to co-regulate economic activity and create conditions for durable domination. Enmeshment in patron-client relations, links with the local state, associational activity, ownership and control of capital, and thick social ties are demonstrated to be key means by which wealth and power are accumulated. Class is shown to articulate closely with caste and kinship while being

irreducible to them, and the role of dominant social institutions is demonstrated to be highly variable across the many processes ongoing in the market.

Acknowledgments

This has been a thesis long in the making, replete with twists and turns, moments of inspiration and excitement, and – less enjoyably – longer periods requiring emotional resilience and discipline. A whole host of people have kept me going through the latter and danced with me in the former – I am grateful to all of them even if it is impossible to list everyone's names below.

My first debt of gratitude is to Aasim. Had he not pushed me out the door, I would never have seriously considered attempting a DPhil. He believed in me through and through even when I didn't and elected to care for our very small son while I went off to Oxford and then on fieldwork. My family comes next: Amma, Abba, Alia, and Zia. You and I know what each of you has done to get me over the finish line, and I am grateful to each of you. My supervisor – Barbara Harriss-White – has been incredibly generous, supportive, and also iron-fisted when she has seen fit. I cringe thinking of all the horrendous drafts, missed deadlines, and disappointments that I have put her through! Friends next in no particular order: Abby, Alex, Elise, Cam, Kathi, Ali James, Nadiya, Narae, Khamba, Lynn. Thank you all for being who you are. It has meant the world to me that I have had your love and support through it all.

In Okara itself, I owe a huge debt of gratitude to the Chairman, Buggy, Haji, Feroz and Zamir. Also to Sohail, Binish ji, Nazo khala, and countless others. It is to Chairman that I owe thanks for providing a safe base from which to explore the

unknown and at times hostile environment of the mandi. He remains unanonymized as per his wishes because he was not worried about what I wrote; according to him, no one in Pakistan would ever read a book as long and boring as that which I was writing! Arshad sahib imperiled his respectability and braved the tongues of more than a few by befriending me and allowing me to tag along with him. Zamir is not his real name, but I have not changed or hidden his biographical information. I hope that he would see himself in what I have written, even though it is highly critical and I have certainly not done justice to the stories he told me and the wealth of information I gleaned from him. His memory is razor sharp, his energy for a man of his age astonishing, and despite our very different views about class and caste, the role of women in society, and Islam, he eventually adopted me, in his own words, 'as his daughter'. And lastly, Haji is one of many Hajis in the mandi but an extraordinarily sincere character who is also one of the most cynical I have ever encountered. Of my closest interlocutors, his trust came last and I was grateful for it because under that crusty exterior lives a real gem.

Finally, it is for Rumi and Neil that I reserve the deepest thanks. Rumi tests me every day, much as this thesis has done, and ensures I never stop asking important questions; Neil is my best friend and most constructive critic. Both light up my life enormously and I am grateful to them for having persevered through this journey with me.

Glossary

aarath: agricultural trader's shop premises

aarthi: trader dealing in agricultural produce

abadkar: initial settler

Arain: a biraderi group

biraderi: lineage group

boli: auction of agricultural commodities in the mandi

boliwalla: man conducting the auction

burqa: full veil used by women

chador: cloth used to veil by women

dera: separate room or building for receiving visitors

dharra: faction

dheri: large pile of grain

do-numbri: malfeasance

gur: raw sugar

haji: someone who has performed the pilgrimage to Mecca

kammi: traditionally non-landowning artisanal and menial occupation groups

katcha aarthis: trader putting up farmers produce for sale at the auction in an agricultural market

lakh: 100,000

langar: free food distributed to the poor

maki: maize

Malik: a biraderi group

mandi: physical marketplace in which agricultural commodities are traded

Muslim sheikh: lowest ranked group in the region's caste/biraderi hierarchy, along with Mussalli

Mussalli: lowest ranked group in the region's caste/biraderi hierarchy, along with Muslim sheikh

nazim: elected local government representative

pakka aarthi: trader buying agricultural commodities at the auction in an agricultural market

panchayat: council set up to resolve disputes

patwari: revenue officer responsible for keeping land records

pir: spiritual guide or saint

qaum: tribe, sometime used as a synonym for biraderi

Rehmani: a biraderi group

Sheikh: traditionally non-agricultural, trading lineage group

soodiya: derogatory term for money-lenders

Syed: high-status biraderi group claiming descent from Muhammad

tehsil: administrative district larger than union council and smaller than district

ulema: scholars in the Islamic tradition

zamindar: landowner

Note on the use of Urdu and Punjabi words

Biraderi names are not italicized. The first instance of all other Urdu and Punjabi words is italicized and for those that appear repeatedly – mandi, aarthi, aarath, katcha, and pakka – italics are thereafter dropped.

Chapter One

Introduction

'Traders are now on the rise. Every alley, every bazaar is now organised in the shape of some association or the other. These traders have 'shutter power'. If a 2000-worker factory is closed by workers in a rural area, it has no effect. But say the shopkeepers of Anarkali close their shutters for two hours, all of Lahore will come to a standstill'.

Andrew Wilder, The Pakistani Voter, 1999

There is little doubt now that traders are a force to be reckoned with in Pakistan. Cross them, and you will likely be sorry for having picked a fight no matter whether you are an indignant consumer or the mighty state. In the most recent enactment of what has become a well-rehearsed national routine, September 2015 saw traders across the length and breadth of the country slam down their shutters and take to the streets. The state had 'wronged' them, again, by asking them to pay taxes. Cities and towns ground to a halt as they burnt tyres and shouted slogans against the government, demanding the repeal of a new withholding tax to be levied on all bank transactions over Rs. 50,000[2]. Those filing income taxes would have the amount reimbursed at the end of the fiscal year, but for the rest, it would be a 0.3% deduction on turnover. Watching the ferment from their perches up above, large manufacturers and foreign investors were unruffled – although they engage in all manners of creative accounting, their location in the less populated and more visible

[2] Rs. 100 is approximately equivalent to US $1.

apexes of the economy requires nominal compliance with tax laws. But to the multitude unused to paying anything at all, even a small deduction was unacceptable. Market association leaders branded the measure cruel and unjust and some went as far as to ask the military chief to intervene in their favour[3].

Strong, organized, and dramatic, this was not an unexpected response. A similarly widespread 6-month long protest took place in 2012 when traders successfully forced the state to back down from conducting a consumption audit, the purpose of which was to identify unreported income. Two years before that in 2010, protests across the country blocked the levy of a value-added taxed which would have forced many into the tax net. 'This trading class is like a rampaging elephant' (*tajir tabqa badmast haathi ban gaya hey*) remarked a local state official wryly. And indeed, estimated at 2.8 million firms and generating 18% of GDP (Economic Survey 2014-15) traders have emerged as an active economic and civil society force in Pakistan. Committed principally to defending the interests of small capital from the long arm of the state, they are quick to mobilize collectively and do not shrink from confrontation. Their posture towards labour and small producers is equally antagonistic but takes less dramatic form because of the poor state of organization of these groups: less than 0.7% of the Pakistani labour force is unionized (Candland 2007:163) and small and medium sized farmers and petty commodity producers enjoy even less collective representation. It is not all confrontation between traders and the state however – on issues such as perceived affronts to Islam and national

[3] 'Traders to Go on Strike Against Witholding Tax Today', Dawn, September 09, 2015.

sovereignty, this same force comes out in strong support of state-sanctioned ideologies, allying itself with the military, Islamic forces, and political elites. Be it protests against the state's purported intention to repeal blasphemy laws[4] or against 'Indian aggression' and in explicit support of the Pakistan Army[5], for four decades now traders have been on the 'right' side of history and gaining organizational strength. Yet, no study has explicitly sought to analyse their political engagement – conflictual, cooperative, and accommodative as it may be – with the groups and classes their fortunes are intertwined with.

The purpose of this thesis is to analyse the nature of social and political alignments forged by a group of 'rurban'[6] traders outside the big metropolitan centres. Focusing on the business practices of grain traders in a small Punjabi town, it has two related objectives. Firstly, to map the exercise of power in the market itself, tracing how market position is produced by the larger structural context and in turn, how the strategies and tactics adopted by market actors act back on this context. Markets in which goods and services are exchanged for money are ubiquitous in Pakistan now but they are not always thought of in power-political terms. Max Weber famously held that all market exchange was the 'resolution of a previously open or latent conflict of interests by means of a compromise'[7]. What determines the terms of this compromise? What forms of social power do traders exercise in the market? Which

[4] See for example 'Traders Keep Shutters Down Across Punjab', Dawn, January 01, 2011 and 'Traders to Observe Strike in Punjab Today: Blasphemous Sketches', Dawn, February 14, 2006.
[5] See for example 'All Charged Up: Traders Stage Protest Against Indian Hostilities', Tribune, October 9, 2016.
[6] Straddling rural and urban
[7] Max Weber quoted in Wright (2002: 845).

institutions and ideologies regulate exchange in the vast non-corporate economy? Others have asked these questions in different places and contributed to understanding processes of class formation (Clough 2014, Crow 2001, Harriss-White 2008), state-society relations (Keshavarzian 2007), and shifts in the function and strength of non-class identities (Basile 2011, Harriss-White 2003). I ask what the ingredients of power in this social space are and how they come together to produce success in the form of increased wealth and status for traders. The market appears to us as a component of the economy and microcosm of society, suffused with social power originating outside the market. It also appears to us as a space where identity-blind and identity-sensitive processes intersect to create unequal power and differential outcomes. Through a disaggregated analysis of state regulation, collective action, local politics, and the mobilization of particular social identities, the institutions regulating economic and social life in this part of Punjab appear to us *in action,* i.e. in the dynamic interactions that they have with each other and as they are experienced by people in their everyday lives.

Secondly, I seek to understand traders' role in the local structure of power. The composition of the dominant coalition in Pakistan has changed over time, both in terms of the relative positions of groups and classes vis-à-vis each other and as manifest in the entry of new faces to political office, commerce, and industry. Whereas previously the military and bureaucracy in concert with landed elites and large capital held exclusive sway over the state, much has recently been written about the political and economic impact of what are loosely called the intermediate

classes (eg: Ahmad 1985, Akhtar 2008, Cheema 2003, Khan 2005)[8]. Mushtaq Khan (2000) partially attributes the 1958 military takeover to the middle/intermediate classes, arguing that a distributive crisis had emerged in the late 1950's with too many demands being made on a state that did not have sufficient resources at its disposal to accommodate them. When combined with weak political organizations unable to negotiate a settlement between competing groups, the military stepped in to ward off these demands. Akbar Zaidi (2005, 2013, 2015) has been arguing for over a decade now that the Pakistani state today is more inclusive than ever before, catering to the interests of the middle classes to the extent that 'Pakistan is now dominated by urban middle class factions and social groups' (2015:797). Ali Cheema (2003) also notes their growing economic and political power, observing that small capitalists and educated professional groups have demonstrated 'significant upward mobility' (158) since the late 1960's and been politically integrated into the existing system through links with the state, control of the Chambers of Commerce, and participation in local and provincial government.

This new body of scholarship departs from the dominant understanding of state and state-society relations put forth by Hamza Alavi 40 years ago and has contributed to a much-needed rethinking of both. Alavi's (1972a, 1983) principal contribution was

[8] The concept of the intermediate classes is discussed at length in Chapter 2. While the middle classes are usually distinguished by income and lifestyle (eg: Nayab 2011), the intermediate classes are defined by their relationship to the means of production: owning some capital and employing some labour while also working themselves. There is little consensus amongst scholars in the literature on Pakistan on the boundaries of this category however, and adding to the confusion, 'middle classes' and 'intermediate classes' are often used interchangeably in this literature.

to emphasize the coercive power of the post-colonial state and its relative autonomy from dominant social classes. The theorization was appealing because the military-bureaucratic oligarchy in Pakistan that he identified was – and remains today, albeit not as emphatically – the country's dominant political force. However, as Aasim Sajjad Akhtar (2008) argues, it was an overly static explanation that did not account for the emergence of new social forces and the process of legitimation necessarily involved in the construction of a stable hierarchical social order. Using a Gramscian framework that emphasizes the role of culture and civil society in stabilizing the capitalist social order, Akhtar theorizes the changing structure of power and process of legitimation at a relatively high level of abstraction. His core argument is that the inclusion of the intermediate classes and the religious right into the ruling coalition in the post-Bhutto period successfully stifled the re-emergence of popular politics and allowed the dominant classes to maintain control through a revised political settlement based on patronage, or what he calls, after Gramsci, 'the politics of common sense'. The politics of common sense stands in stark contrast to 'the politics of resistance' in his account: the former springs from a deep and pervasive cynicism that denies the possibility of meaningful change whereas the latter is identified with collective mobilization and the meaningful expansion of political choice for the subordinate classes. The intermediate classes contribute to the stabilization of the social order through their sociological links with the labouring poor, allowing them limited access to resources. It is their *bridging* function then, that is key: '[T]he intermediate classes… played the indispensable role of giving the oligarchy and propertied classes a link to the subordinate classes, and a means of

imposing the politics of common sense on top of and eventually displacing, the politics of resistance that had vied for hegemony in the preceding period. The intermediate classes were able to play this role because they emerged from within the subordinate classes, and because the informal economy – which is where most of the subordinate classes are located – is characterized by highly personalized links' (ibid: 166).

To my knowledge however, there are only a few micro-level studies seeking to understand the political and economic practices of these recently-inducted intermediate groups and classes. While many field studies chart the changing nature of rural politics and patronage (eg: Javid 2012, Lyon 2002, Martin 2009, Mohmand 2011, Nelson 2011), little in-depth work exists on the urban intermediate classes or those straddling rural and urban. Nadvi (1999) and Weiss's (1991) sectoral studies stand out as interested in the economic roles of kinship, locality, and family amongst businessmen in industrial clusters. Both find these institutions to be critical in regulating competition and cooperation, innovation, and determining the particular form that production relations take. More recently, Umair Javed (2015) has studied the politics of traders and Pakistan's emergent middle classes, and Muhamad Jan's (2017) recent work on Punjabi agricultural marketing systems traces the economic and political operations of a rural commercial class that has emerged out of agriculture. However, apart from these studies there is scant else in the form of field evidence that can tell us how business, politics, and culture intersect in contemporary Pakistan. Akhtar's reworking of Alavi was undertaken without

recourse to much evidence of the micro-operations of class and non-class dynamics. Consequently his analysis, while a valuable addition, is overly schematic at times and unable to capture the complexity it seeks to explain.

In the rest of this introductory chapter, I identify the main contributions of this thesis and justify my decision to study rurban traders located in small-town Punjab. The chapter then goes on to introduce the region and the grain market it focuses on, and market actors are analytically ordered by function so as to schematize and make legible the credit and distribution system in operation here.

Contributions of the Thesis

The present doctoral research project investigates how agricultural commodity traders articulate politically in a Punjabi town of half a million people, using 'political' in the broad sense as having to do with relations, contests, and structures of power and domination. To this end, I present a snapshot of a large and busy grain market, one of Pakistan's 325 licensed markets for agricultural produce – known as *mandis* – in Okara, central Punjab. Hundreds of thousands of tonnes of maize move through it every year, brought in for sale by farmers, passed on to traders, and trucked out to mills, factories, and occasionally exporters. Most traders also function as moneylenders, catering to small and medium sized farmers in need of credit. My primary goal is identifying the accumulation strategies of these grain traders,

known as *aarthis* in Punjab. Hasan (2009:43), Zaidi (2015: 796), and Akhtar (2008:171-176) have variously identified aarthis as key members of the Pakistani intermediate classes that have gained ground in recent decades. The present work takes us deep into the everyday business practices of small-town aarthis. It shows how an upwardly-mobile rural-commercial fraction advances itself inside and outside the market by mapping sources of power and authority old and new, state and non-state, and capitalist and what we have long thought of as 'non-capitalist' or customary. It unearths the institutional architecture of a point at which rural and urban on the one hand and economic, social, and political on the other meet in an interpenetration that is poorly understood in the literature[9]. The contribution of this work therefore lies in the following:

First, by studying the economic and political practices of members of a fraction of the intermediate classes, the thesis sheds light on a key agent in Pakistani politics today. Paying close attention to conflicts between traders, farmers, politicians, labourers, and the state as well as the moments and modes of cooperation within and between these groups, it adds to the growing body of literature engaged in 'rethinking Pakistan's political economy' (Zaidi 2014). The empirical evidence presented here shows the state to be a thoroughly partial arbiter of interests and a centrally important institution regulating economic and social life. We encounter enormous heterogeneity within classes and occupational groups and productively complicate the concept of class. Market associations are demonstrated to be key

[9] See Mustafa and Sawas (2013) for a review of the existing literature on urbanization and political change in Pakistan.

corporatist institutions, speaking for the largest and most powerful market actors on behalf of all. The structuring powers of caste, biraderi, and family are shown to wax and wane from one process to the next but appear strong, and class articulates closely with these institutions but is not reducible to them. Taken together, these observations raise questions about what types of political action could most effectively include currently excluded interests and make them part of the political calculations of those with privileged access to the state and its various capacities and resources. An emancipatory politics that seeks to emphasize the 'sameness' of all persons must contend with particularism that is deeply entrenched, frequently divisive, and forms the basis for very different organizational capacities.

Secondly, in identifying the strategies that aarthis pursue to grow in wealth and status, I empirically identify their interests and motivations rather than assume them. In this, I seek to counter the absurd but pervasive neoclassical reduction of economic action to rational self-interest and maximization and add to the growing body of evidence presented by economic anthropology and sociology which demonstrates economic action in capitalist societies to be motivated by a variety of values, norms, and needs (eg: Clough 2014, Rankin 2004, Zelizer 2010). Rankin's (2004) work on Nepal demonstrates that honour matters to Newari merchants a great deal, so much so that it means large amounts are spent on charity, socially redistributive activities, and increasingly, consumption. Similarly, Clough's (2014) work on rural northern Nigeria shows what he calls a 'non-capitalist' trajectory of accumulation to be at work in which the acquisition of capital is subordinated to the

provision for multiple wives as well as the cultivation of multiple clients amongst the extended kin network and locality. These accounts demonstrate that values and norms are not merely rational, cost-minimizing adaptations to given environments and that they undergo substantive changes based on reflexive evaluation by actors as well as larger system-effects. What emerges therefore is a rich and complex picture of what matters to people, the institutions enabling and constraining their behavior, and the specific forms assumed by capitalism locally. It is my hope that the present account of Pakistani Punjab yields similar insight while remaining critical of its object of study.

Finally, adding to the literature on markets as politics (Harriss 1996, 1999, Harriss-White 2008, Olsen 1993, White 1993), this thesis show markets to be sites of unequal power, resource extraction, and surplus accumulation, not just sites of price-formation and resource allocation. Harriss-White (1999) observes that agricultural traders – and the intermediate classes more generally – confront the mass of the Indian peasantry and landless labour as 'masters of the countryside'. She views agricultural commodity markets as part of a wider system of surplus appropriation in which resources are transferred from producers to non-producers through adverse terms of trade, taxation, interest, etc. By studying processes of contract enforcement, associational activity, and other mechanisms of interest advancement, I identify the means by which farmers' surplus – understood as production in excess of a culturally defined minimum necessary for survival – is appropriated in the mandi and show markets to be a site of class formation where

some can accumulate, others cannot, and yet others leave with less than they came with.

In sum therefore, this work contributes to the enterprise of understanding local capitalism and the bases of durable domination in Pakistan by picking out the most significant influences on accumulation in a single locality and analysing their operation and the products of their interaction. The patterns that emerge are of course not expected to be widely representative or generalizable – both capitalism and Pakistani society and economy are made up of a network of localities, and Andrew Sayer puts it well when he notes that the view from one local part will differ a great deal from that at another – but the goal ultimately is to see how interdependent parts of a larger whole are linked to one another (Sayer 2000:75) and contribute to a fresh analysis of power in Pakistan.

Picking a Peephole: Confessions of a Situated Self

I came to this thesis more a political activist than a scholar. For eight years, I had been working with landless tenants, slum dwellers, and workers as a member of a small political group that has since merged into what is now Pakistan's largest left party. At the time, a recurring question within left political circles in Pakistan was why – two decades after the dark years of the Zia regime were over– we had failed to build a working class movement. In my organization we began to discuss the

informalization of the economy and its effects on political and social organization. The proliferation of self-employment and petty production fueled by family labour had thrown the neat capital-labour division that we had held to for so long into disarray. Most peasant households in Punjab and Khyber Pakhtunkhwa seemed to have a foot in the non-farm economy, thus collapsing the rural-urban and peasant-worker dichotomies. Production was increasingly geographically dispersed, making it difficult for workers to organize or indeed know who to actually bargain with. Relatedly, intermediaries – brokers for accessing public services and navigating bureaucracy of all kinds, real estate agents, labour contractors, touts, etc. – were everywhere, tapped into communal networks based on locality, *biraderi*[10], and ethnicity. Looking at how most people navigated their lives, it was clear that ideologies of caste/biraderi, religion, gender, and nation remained hugely important in Pakistan. Crucially, patronage flowed through the channels hewed by these ideologies, shoring them up and encouraging accommodation with status quo.

Taken together, these processes thwarted construction of the stable and central class identity that Marxists sought to build. Both theory and practice required rethinking, and this rethinking had to be anchored in the actually-existing reality of Pakistan. My research thus began as a focused attempt at understanding 'how things worked' in a small slice of the rurban informal economy, the goal being twofold: first to productively complicate established theories of class and capitalist markets by bringing thick description to bear on these institutions. And secondly to add to the

[10] Kinship group.

sparse literature on Pakistan's rapidly growing small towns and rurban spaces and shed light on economic and political processes therein.

The core body of evidence I draw on is based on field research in a single grain mandi in Okara, a town of 500,000 in central Punjab, and a wide range of relevant literature on Pakistan's political and economic development. My approach is cross-disciplinary as befits a thesis gestated and written in a development studies department. Combining close field research with insights drawn from political sociology, political economy, and anthropology it weaves what I believe is a richer story than would be possible otherwise. Markets and power have been studied in many disciplines and it made little intellectual sense to restrict myself to one literature and its methods.

Studying Aarthis and Small Towns

'But why choose aarthis?' a reader may ask. For a study concerned with how traders articulate politically inside and outside markets, why not big city retailers or wholesalers whose location in big urban centres reflects – and confers – undoubtedly greater economic and political clout? As is always the case, contingency has a role to play in this. In my work and travels as an activist in Pakistan, I was struck by the significance of the 'unplanned revolution' that Arif Hasan (2002) wrote about almost 15 years ago. Hasan was referring to the

unanticipated, large-scale, and rapid urbanization unfolding across the country. The rural, particularly in Punjab, was changing so that it no longer conformed to its image as static, feudal, and steeped in traditions of ritual authority. He noted the emergence of new groups and the spread of what he characterized as a 'fiercely upwardly mobile go-getting culture' (Hasan 2009:13) in Pakistan's towns and cities. I noticed this on my travels: TV's, motorcycles, washing machines, and mobile phones had penetrated the villages, Urdu and English were coveted languages, and young people in particular were eager to move out of the villages and into towns. Every family had some close members in one of the big cities and upward social mobility through education was a common aspiration.

Scholars have pointed out that urbanization in Pakistan has been severely underestimated by official statistics and its social, economic, and political effects neither anticipated nor understood (Ali 2002, Qadeer 2006, Zaidi 2015). In both the official and popular imagination, Pakistan was – and remains – a largely rural country, leading commentators like Lieven to the conclusion that '[r]ather than a new urban population emerging, what we have seen so far is a huge number of peasants going to live in the cities while remaining culturally peasants.' (Lieven 2011:18). Perhaps someday I will meet a 'cultural peasant' in the cities of Pakistan, but to wit, all the migrants I have come across are those whose ideas and styles of life have been transformed by extensive commodification, massively enhanced transport and communications, education, and exposure to different ways of life. If culture is shorthand for people's values and normative orientations, their

expectations of the state, the aspirations they have for their children, their material practices, etc., then culture in most of the country – including the rural – is changing very rapidly. Some writers have described it as a kind of 'cultural hemorrhage' (Pasha 1992: 122) in which structural change outpaces the coherence of the moral order, generating contradictions that are not easily reconcilable (see also Qadeer 2006). A significant aspect of this structural change is the rise to prominence of a new indigenous capitalist class distinct from that which dominated Pakistani business in the first half of the country's existence. The commercialization of agriculture, in particular the 1960's Green Revolution, created a class of capitalist agriculturalists distinct from the traditional landed elite (Burki 1976). Off-farm diversification followed, and combined with the political foothold afforded by local government structures initiated in the 1960's and reintroduced by every military government since, a new class of rurally-rooted capitalists rose to political and economic prominence.

The literature on *mofussil* or small town India delves into this transformation, focusing on the development of 'provincial capital' with agrarian roots (eg:, Chari 2004, Harriss-White 2016, Rutten 1986, Upadhya 1997). The development of small towns has also been studied in this literature, making possible knowledge of caste dynamics, state power and its regulation of various aspects of social and economic life, and relations of antagonism and mutual dependence between rural and urban areas[11]. However, rural-urban linkages and small and intermediate towns have been

[11] A comprehensive review of this literature is found in Raman et. al. (2015).

almost completely neglected in studies of Pakistan. Not only does this elide a large stage on which the unplanned revolution is playing out, it constitutes a major oversight because processes unfolding here have persistently escaped their spatial confines and become constitutive elements of regional and national politics and affected the pace and magnitude of capitalist development. Class relations have changed as sharecropping has declined and the rural poor have become more mobile (Shami 2012). The nature of patronage has also changed, becoming more explicitly transactional and calculated in a competitive environment such that even *pirs* – usually large landlords in addition to being revered spiritual leaders – must now provide goods and services to their followers and build up their secular power more than their customary religious authority (Wilder 1999: 175). And small towns have played an important part in the country's political history. Students of the late-1960's political movement show that these spaces were critical sites of the ferment against General Ayub as well as the ideological battle between Bhutto's quasi-socialism and the conservative alliance arraigned against it (Burki 1971, Jones 2003, K. Sayeed 1980).

So who are the aarthis at the centre of this study? Reviled by everyone including farmers, state officials, and journalists, they have long been considered unproductive, parasitic middlemen leaching resources from poor farmers. From colonial times, as manifest in the 1901 Land Alienation Act and later Unionist Party legislation seeking to protect agriculturalists from moneylenders (Chowdhry 1984),

to ministers and the media today, aarthis are frequently passionately denounced[12]. As I discovered – and as literature from elsewhere in South Asia has shown to be true (eg: Gupta 1997, Harriss-White 2008, Vidal 2000) – the truth is more complicated than that. In fact, aarthis are indispensable and at the very centre not just of markets, but also of agricultural production. Without the credit they make available, millions of farmers would be unable to cultivate their lands, and without the crucial links they provide between masses of anonymous buyers and sellers much less would be exchanged. This is important, for agriculture casts a long shadow in Pakistan. Its contribution to GDP has been dwindling over the last four decades, but it still stands at a hefty 21% and employs 43.5% of the workforce, i.e. more than any other sector. And every day, 200 million Pakistanis depend on food that is grown in and transported from fields, orchards, and livestock farms. Khadija Ansari Gupta (1997:1) underlines the ubiquity of the figure of the aarthi in South Asia and his centrality to the system, observing that '[t]he word *ardhat* occurs in varying forms in practically every Indian language: ardhta in Hindi and Maithili; arat in Bengali and Sindhi; and adat in Gujarati and Marathi. Hence the derivatives: ardhatiya (Hindi), aratdar (Bengali), adatiya (Gujarati, Marathi), adathi (Tamil), arti (Punjabi), etc.'.

Aarthis' functional necessity to the system itself makes them important subjects of study; however, what is equally interesting from a sociological perspective is their

[12] See for example 'Markets for Farmers to be Set up in Rural Areas Says Minister', Dawn November 23, 2015; 'Farmer's Woes: Call for Eliminating Middleman's Role', Express Tribune, December 18 2013; and 'Neglect of Agriculture', Dawn, May 10 2014.

social positioning. The nature of the aarthi's business is such that it brings him into repeated interaction with farmers, other traders, labourers, state officials, transporters, banks, mills and factories, and politicians. He is therefore a highly *connected* individual sustaining a large number of personalized vertical and horizontal linkages across town and village. The largest aarthis extend even further into big cities and provincial capitals, leveraging their networks and diversified investments and looking for ways to expand their businesses. While most prefer to cultivate constituency politicians, a few have entered politics directly. The imbrication of the rural and the urban in Pakistan's economic and political spheres is real.

The Mandi Town of Okara

Punjab, as most readers will know, is Pakistan's most populous province. Despite significant internal regional differences and a large number of poor and landless[13], it enjoys a higher level of economic development than the rest and consumes the lion's share of irrigation water and electricity. Agriculture has been the lifeblood of the province for over a century and continues as such: 76% of the country's annual food grain production takes place here and vegetable, fruit, dairy, and livestock production are similarly strong. Punjabis also dominate the upper echelons of the

[13] 74% of households in rural Punjab are landless (Anwar et al. 2004: 865), while 64% of farms are smaller than 5 acres, together accounting for 22% of the province's farm area (Agricultural Census 2010). The southern and western parts of Punjab are much poorer than the centre and the north.

military and bureaucracy, and since the late 1970's, industry too (Rahman 1998: 72). Taken together, it is hardly controversial to argue that the central plains and northern ranges of the province are the most obvious beneficiaries of recent political settlements. This is the area of the canal colonies and colonial military recruitment, of the Green Revolution and industrial and infrastructural development, and nowhere is support for the nationalist project of 'Pakistan' stronger than here.

Figure 1: Map of Pakistan, Showing Okara



The 500,000-strong town of Okara is located in the central Punjabi plains, 127 kilometres southwest of Lahore[14]. It is a central hub for its rural hinterland, bustling with all types of retail and wholesale activity, horrendous traffic, and a slew of schools, private health clinics, English language and IT learning centres, and mosques. As the administrative capital of the district it houses the all-important District Commissioner's Office, district courts, and a large military cantonment[15]. It is also a transport hub, located on the busy Lahore-Multan highway and with a large number of passenger and freight services going in every direction. The agricultural cycle of the district is structured principally by the rotation of four crops – maize, potato, wheat, and paddy – and each of the district's three *tehsils*[16] has its own ecological and political-economic specificities of production. As you enter Dipalpur tehsil on the road from Okara, a road sign greets you: 'Well Come [sic] to the Land of Maize and Potato'. Okara *tehsil*, which hosts Okara town, is also a major maize and potato producing area, but with a more mixed cropping pattern incorporating the cultivation of wheat, paddy, sugarcane and vegetables. Renala produces some maize but is primarily a sugarcane and paddy area, also home to mango, guava, and citrus orchards.

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[14] According to the 1998 census, Okara was the 20th largest city in Pakistan with 201,000 people, making it the smallest of 13 intermediate cities with populations of 200,000-500,000, all but three of which were in Punjab. There has been no census since 1998, but many smaller cities have swollen and spilled over to join the ranks of the intermediate, and Okara itself is – according to the Punjab Urban Unit– now at the half million mark (Okara City Profile, pp. 6).

[15] During the British period Okara was part of Montgomery district (present day Sahiwal) and became a district in 1982 with Okara city as the district capital.

[16] Administrative unit. In Pakistan the hierarchy of administrative units in descending order from largest to smallest is: division-district-tehsil-union council.

In its incarnation as an urban centre, Okara is no more than 100 years old and owes its existence to the arrival of the Lower Bari Doab Canal in 1915 and the massive increase in agricultural commodity production that took place subsequently. The 1908 Imperial Gazetteer mentions Okara only as a small village of no note – Montgomery (present-day town of Sahiwal), Kamalia, and Pakpattan were the only three towns in the district at the time. But when the opening of the Suez Canal and the establishment of the railroads in the 1870's pushed Punjab into the world economy, Okara was one of the colonial market towns created to channel surplus from the irrigated agricultural hinterland straight into the open maws of the North Western Railway's freight cars.

Until 1947, the town was dominated by prosperous Hindu trading castes – Aroras, Khatris, and Banias – while the majority Muslim population cultivated the land around it. At Partition, the town exchanged its Hindu and Sikh population for East Punjabi Muslim cultivators fleeing the other way. Most Partition migrants in Okara are of the Arain biraderi (agricultural caste), although Sheikhs (trading caste), Maliks (*kammi* caste[17]), and Rajputs (agricultural caste) are a significant presence. 'Pick up a brick and you'll find an Arain under three corners' they say in Okara, and it often felt like 'they' were right. The largest proportion of the new population is from Jallander followed by Ferozepur and Hoshiarpur, districts the colonial authorities deemed 'overcrowded' and encouraged emigration from during canal colonization in the late 19th and early 20th century. In 1947, geographical contiguity

[17] *Kammis* are non-landowning artisan castes.

and networks in place from this first wave of migration played a significant role in directing patterns of settlement.

Today the city remains intimately connected to agriculture, but not only as a producer and conduit of produce. Even at Partition, Okara had a small industrial base that included a textile mill (one of the two that Pakistan inherited in 1947), a flour mill, a glass factory, and a handful of ginning factories. Of these, the textile mill was by far the largest: Sutlej Textile Mills – owned by G.D. Birla, patriarch of one of India's largest business empires – started operations in 1940 with an installed capacity of 22,800 spindles and 925 looms. Ginning, spinning, processing, and weaving combined under one large roof spread over more than 100 acres. The mill employed between 3000-4000 Muslim labourers per shift working under Marwari management. Older locals recalled shift changes filling up the surrounding streets and the workers' wages enlivening bazaar and mandi as they purchased wheat flour in the latter and household needs in the former. The flour mill was also the property of Birla as was a school and a hospital inside the factory premises. An aarthi recalls that

> This was Birla's town, he put Okara on the map. My father remembers seeing him once in his car when he came to visit [in the 1940's] – there were two cars in Okara then, one his and one Mian Rafi's who had a Chevy… Sutlej was the biggest mill in Asia. There was never enough cotton to feed it, and cotton ginning factories were the best business for those with money to invest then. And of course, farmers all around here grew cotton.

He remembers three ginning factories along Jinnah Road in the 1960's, and another six or seven dotted around the area; others recall up to 18 ginning units in Okara in

this period. Whatever the actual number, the fact that Okara had a small agro-industrial base in an overwhelmingly agrarian province set it slightly apart from its neighbouring districts[18]. Politically, it transformed Okara into a stronghold of Bhutto's Pakistan People's Party (PPP) in the late 1960's and early 1970's. Indeed, the PPP's organizational strength here was such that it came to be known as 'Larkana II'[19]. Socio-economically, it meant that a large population straddled the class categories of labour and peasantry because most workers at the mill also had access to small amounts of land[20].

Agro-industrial and commercial activity has continued to play an important role in the district's development. A recent survey ranks Okara the 13th most developed district in Punjab out of 36 (IPP 2012), reflecting the explosion of agro-industry and agro-commerce across central Punjab over the last three decades. Today, the road from Okara city to Dipalpur is lined with petrol pumps, rice mills, flour mills, cold stores, agricultural equipment and repair shops, general stores, auto works, electricians, iron works, etc. Just thirty years ago, I was told, all this was open fields growing cotton, wheat, and tobacco. The Okara-Lahore and Okara-Faisalabad roads have seen similarly great change. Here, in addition to mills and shops, the fields have

[18] The most industrialized areas in Punjab were Faisalabad (then Lyallpur) and the greater Lahore area and they remain as such today.
[19] Larkana, in Sindh, is the ancestral place of the Bhutto family and synonymous with the PPP.
[20] Interview with veteran PPP organizer Rana Azhar. Occupying multiple class positions has of course became increasingly widespread across Punjab after the Green Revolution rendered small farms less competitive and pushed small and marginal cultivators onto the labour market. In Okara, its significance lay in encouraging labour militancy during the 1960's because workers felt more secure for having alternative means of subsistence.

given way to private housing colonies for the middle classes and commercial and industrial elites. Landowners pushed on by the city's expanding peripheries have sold their agricultural land to property developers, common land has been privately appropriated, and villages have been progressively engulfed by the chaos of the city. In 2012 I counted more than 30 private housing colonies scattered all around the city's old commercial and residential nucleus – more than half of these had come up in the last 15 years. Mushrooming houses, roads, mills, factories, shops, schools, etc. led the construction sector to employ more people than any other sector in the district for a period, greater even than agriculture[21]. Unsurprisingly however, this growth sits awkwardly alongside high levels of poverty and deprivation. Okara and its two adjacent districts of Kasur and Pakpattan have been described as 'a high poverty enclave within central Punjab' both in terms of incidence and severity. Between 45% and 51% of the rural population in these three districts is poor, and urban poverty is only marginally lower (Cheema et al 2008: 185). However, more interesting than the actual quantum of growth and poverty is its distribution across caste, biraderi, gender, and religion. In my select but relatively wide-ranging encounters with members of the economically and politically powerful stratum of Okara city, I came across no women, no Christians, no Shias, and no Muslim

[21] According to the 1998 census, 36.3% of the district's workforce was employed in the construction sector. This high rate was mirrored in some other central Punjabi districts. Martin (2009: 27-28) has explained it as resulting from the casual and seasonal nature of construction work taken up by Musallis as they move between agricultural labour, construction, and unskilled industrial work (ibid: 160). Understood in this way, 36.3% is less remarkable although it still denotes a high level of activity.

sheikhs[22] or Mussallis[23]. Only two proprietors of middling size firms – an aarthi and a small pesticide dealer – had fathers who had worked as labourers. Amongst the larger commercial and industrial families, pre-partition locals were conspicuous by their lower numbers relative to 1947 migrants from East Punjab. And of course, to those familiar with Pakistan it will be unsurprising that I met no women at all except when invited into homes.

To some extent, this (non-exhaustive) distribution reflects demographic realities: Christians are a tiny fraction of the district's population – maybe around 3% - and no more than 15% of the population are Shia. However, other demographic minorities such as the Sheikh biraderi and those who come from wealthy landowning or agro-industrial/ commercial families are heavily over-represented in the top crust. Similarly, Partition migrants from India are disproportionately dominant over locals. As Chapter 4 demonstrates, the origins of this distribution of power and wealth lie in the intersecting dynamics of caste/biraderi, state, and technological change over time in central Punjab.

In the remainder of this introduction, we alternate between hovering above and diving into the grain mandi located in the city centre. Like the rest of Okara, it is home to many contrasts: great wealth exists alongside great poverty, seeming chaos

[22] Muslim sheikhs are not to be confused with Sheikhs. The latter are one of the most economically powerful biraderis in the region and concentrated in trade while Muslim sheikhs, like Mussallis, are Dalit converts to Islam and amongst the poorest, clustered in seasonal agricultural labour and poorly-paid casual employment in town.

[23] See previous footnote.

layers over and disguises order, and cold hard money calculations intertwine with strong ascriptive solidarities and 'noble' moral-ethical values. Family, biraderi, locality, friendship, and patronage relations structure competition and cooperation as much as the relative economic positions of actors and the strategies and tactics they afford. The following section sketches the main activities and actors in the market – I hope that it will also impart to the reader a little of the 'feel' of the place that we will get to know more intimately in the chapters to come.

The Mandi

If you were to believe the farmers and traders of Okara, the grain mandi here is either the largest mandi in Asia, or – according to those who take a slightly more humble view – the largest mandi in Pakistan. The six wide gates set into the enclosing walls are considered evidence of the exalted status accorded to it by its colonial makers. 'Have you ever seen a mandi with six *phattaks*?' I was asked innumerable times. Older traders told me how cotton and paddy prices from Okara's grain market used to be notified every evening on Radio Pakistan up until the mid 1970's and how it used to bustle with produce even when average yields were less than a third of what they are today. I was often told, usually with great emphasis, in my early weeks: '*maki iss mandi ki bunyaad hey*', i.e. maize is this mandi's foundation. And indeed, maize – Pakistan's third largest crop by acres cultivated – is now the single most important commodity traded here by a huge margin. While

other commodities such as chillies, *jawaar*, *gur*, and cotton can also be seen on the auction platform in the off-season, the volumes are insignificant compared to the yellow gold.

Picture 1: Mandi Gates



Picture 2: A View of the Mandi's Auction Platform



My own more modest assessment of the relative size of Okara's grain mandi is that it is one of the ten largest in Punjab in terms of value traded. Between 2004 and 2011, this ranged between US$ 60 and 72 million per annum here[24]. It is easy however, to be overwhelmed by the feeling that it is the very centre of the maize trade. To the researcher as much as those who do business here, it appears a world unto itself: a rectangular space with a nine acre auction yard in its midst, an unpaved dirt road forming the immediate perimeter around the yard, and rows of

[24] Figures based on data collected from the Okara mandi association.

chaotic, double-storied shops forming the last enclosing ring, the mandi looks in on itself at all times. As Krishnamurthy (2011) writes about Harda mandi in Madhya Pradesh, it is a bewilderingly complex social space crisscrossed with relationships of mutual dependence and collaboration, intense competition, and a huge variety of differentiated functions and overlapping identities. The senses too, are confronted with a tumult that seems to defy reduction to the 'deep calm of social theory' (Geertz 1979: 197). Krishnamurthy notes the 'frenetic activity' (Krishnamurthy 2011: 31) ever-present in Harda, Geertz describes the Moroccan bazaar as 'a tumbling chaos… sensory confusion brought to a majestic pitch' (1979: 197), and Vidal speaks feelingly of the 'most indescribable chaos' (Vidal 2000: 125) prevailing in Delhi's largest grain mandi.

Okara's grain mandi is similarly overwhelming. In season, it heaves with the effort of thousands of men as the work of loading, unloading, weighing and bagging is performed without the aid of machinery, all manner of vehicles jam into the courtyard and clog the roads around it, and maize – bagged and unbagged – covers every available surface. Dust mixes with flying chaff and the exhaust fumes of 22-wheeler freight vehicles, and in season the only way to get across the courtyard is to hop along bags, sink shin-deep into piles of maize, and flatten oneself against giant, smoke-emitting trucks in the narrow passages between them.

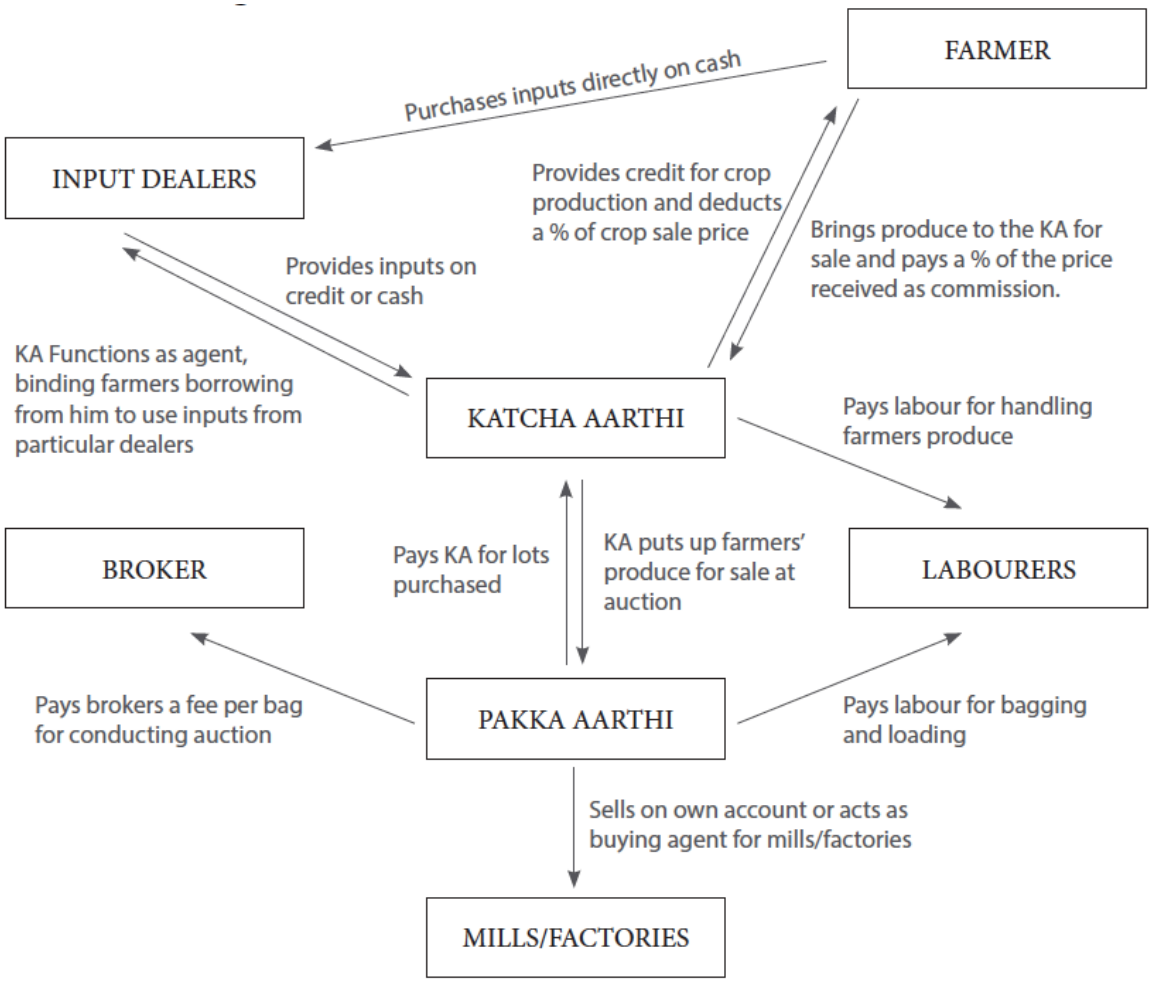
Picture 3: Mandi Activities



Okara's is a primary wholesale market, meaning that it is the first point of sale for agricultural produce. Farmers bring their crops to sell at the daily auction, but do not transact directly with buyers themselves. Instead, over 300 aarthis working as commission agents put the produce up for sale at the auction where it is bought by another set of aarthis working as wholesalers. These buyers then move it on to mills, factories, other wholesalers, and on occasion, to exporters. A huge number of functionally differentiated activities take place in the mandi, but it is near

impossible to assign an actor exclusively to any one functional category. While the state officially recognizes 'growers' (those selling produce), 'dealers' (aarthis purchasing produce) and 'labourers' (those who physically handle the produce), these neat categories bear no resemblance to actually-existing actors and their activities. What we have instead is a marketplace in which economic, social, and political interests are pursued by people whose roles within the market are multiple and shifting, who have hugely unequal access to resources and differing abilities to impose their wills, and who have multiple allegiances that come to bear on their conduct. The main roles are those of farmers, *katcha* aarthis (commission agents), *pakka* aarthis (buyers), labourers, *beoparis* (village level buyers), input dealers, brokers, the mandi committee, and the local state regulatory authority. A brief description of each follows so that reader may understand a little of the architecture of this marketplace.

Figure 2: Linkages within the Mandi



i) Farmers

The mandi caters almost exclusively to small and medium farmers, both as a source of credit (explored in the following section on aarthis) and as a marketing avenue for produce. Throughout this thesis, I refer to farmers as marginal (<5 acres), small

(5-12.5 acres), medium (12.5-50 acres), large (50-100 acres), and very large (> 100). This classification roughly denotes the relative economic power and status that a farming household may command and approximates the metric used by aarthis themselves when assessing the creditworthiness of their clients. It is definitively not a proxy for agrarian class or status, both of which are irreducible to land ownership[25] (Bernstein 2010, Patnaik 1976). Further, like trade, agricultural production in this region is witness to a huge variety of capital-labour combinations even on a single farm and class categorization is therefore complicated. For example, a farmer with 12 acres of his own may rent in land to supplement his own, use both family and hired labour, purchase inputs on credit, and rent out his tractor but rent in a thresher. In this one figure, conflicting interests combine in ways that have important implications for political and social solidarities. Others have noted that the process of class formation in a commodified system of production and exchange cannot be understood without accounting for how production interacts with the wider marketing system and other markets (Harriss-White 2008). Notwithstanding the 'messiness' however, the structure of landholding remains important to understanding social, political, and economic dynamics.

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[25] Bernstein usefully differentiates agrarian classes on the basis of whether they reproduce themselves at the same scale (of capital and labour both), expand, or struggle to subsist (as both capital and/or labour). Land is *one* of the factors combining with tools, inputs, labour, and other resources to determine which of these three outcomes is realized. Patnaik also factors land ownership in as one criteria, arguing that the ability to exploit the labour of others is a key indicator of the relative economic strength of households.

Table 1: Land Area and Distribution in Okara District

Farm Size (Acres)	No. of Farms Total	%	Farm Area Total	%	Average Farm Size (Acres)
<5	66,425	54	150,147	17	2.2
5<12.5	36,935	30	271,210	30	7.3
12.5<50	17,264	14	326,509	36	18.9
50<100	869	*	55,485	6	64
>100	396	*	92,440	10	233

(Source: Agricultural Census 2010)

As can be seen, land distribution in the district is highly unequal and the vast majority of cultivators are marginal and small. It is the small and medium farmers farming about 66% of the area who frequent the mandi, while marginal farmers with only a few acres usually produce no marketable surplus or sell in the village. Larger farmers – particularly those with 100 acres and more – have direct relationships with mills and factories and their maize does not come to the mandi either. The vast majority of farmland is fully irrigated – less than 1% of farms in the district are not fully irrigated and no farm reported as unirrigated in 2010.

ii) *Katcha* aarthis/commission agents

The crucial link between farmers and the greater economy, *katcha* aarthis licensed with the state arrange for the auction of farmer's crops and deduct a percentage (3.5-6%) of the sale value as their 'commission'. They also function as creditors, loaning to farmers inputs that they may or may not themselves own; mostly they do not own the inputs and so operate as intermediaries between farmers and input

dealers. A farmer who has purchased inputs on credit through an aarthi is expected to sell his crop through him, and the aarthi's commission is then commission plus interest on the loan. When the aarthi himself owns the inputs he has loaned, he pockets the interest; if not, the sum is passed back to the input dealer. Almost all katcha aarthis have put some money aside for purchasing inputs in order to be able to exploit farmers on the credit market. This amount varies a great deal from season to season and aarthi to aarthi.

More than 90% of the 300 or so traders in the mandi do katchi work, and there is huge variation in the levels of capital invested in the business. Petty traders cannot survive here; however, a katchi business can start with as little as Rs 12-15 lakh (US$ 12-15,000) in this market that turns over $ 72 million a year for the reason that a key asset in this business is the aarthi's network of contacts with farmers and other traders. The strength of these networks determine an aarthi's ability to secure supplies, recover loans, and sell on favourable terms. The katcha aarthis in the mandi who do not loan inputs and only do commission work in the actual sense of the word are all large, operating with a minimum of Rs 1-1.2 crore ($100,000-120,000) in their 'circle'[26]. They ensure maize supplies by offering immediate cash payments to those selling through them, while capital-constrained katcha aarthis can only settle accounts a month or more later.

[26] 'In the mandi, 'circle' is a wonderfully literal-sounding referent to money in hand or to be collected minus that which is owed. It does not include money locked in real estate, agricultural land, storage facilities, etc. Aarthis are cagey about revealing how much they have in their circle, although speculating about competitors and the big fish of the mandi is common practice.

iii) *Pakka* aarthis/'traders'

These are buyers, of which there are 20-25 in the mandi. At the daily auction held in season, *pakka* aarthis buy the lots put up for sale by katcha aarthis. Capital requirements for buying are generally much higher than those for katchi work because buyers usually buy on their own account and then sell on. A small number of pakka aarthis are appointed agents of factories, mills, or exporters and receive commissions or a per bag fee, but even they must have sufficient capital to be able to absorb delays in payments from above while maintaining goodwill and trust with the katcha aarthis from whom they are buying.

Pakka aarthis are considered 'traders' in local parlance while katcha aarthis are referred to as commission agents. The distinction bases on whether they act as brokers and receive a commission on sales or if they attempt to stretch the margins between the price they buy and then sell at. Some katcha aarthis will also do pakka work if and when they have the opportunity but pakka aarthis do not shift 'down' to katchi work. Large aarthis of both types engage in storage and speculative activity, and even small ones will sometimes rent a little space on someone's land or make some on their own to store paddy or maize. The range of activities performed by aarthis is wide and there are a great many overlapping functions between those who occupy different and sometimes opposing positions in the trade.

iv) Labourers

How many labourers are present in the mandi corresponds to the crop cycle. It is difficult to say with certainty, but I estimated about 2000-2500 labourers to be working into the night in the courtyard in the busy months of May, June, and July. Aarthis hire between one and three permanent labourers, and no aarthi in the mandi has more than three on his payroll. One of these is the *theykedar* (contractor), responsible for hiring in gangs of seasonal labour during high season when the need for men increases exponentially. The contractor arranges for men and then deducts for himself a portion of the wages paid to them by the aarthi. Laws governing mandi trade state that labour be paid 0.1% of the day's trade, but seasonal labour always receives piece rates, and permanent labourers too are also now increasingly being paid by the bag.

Permanent labourers are frequently indebted to the aarthis they work for and therefore are not free to move between employers. There may also be debt relations between the theykedar and the seasonal labour he hires. The labour market here is sharply segmented by caste/biraderi and religion: there are no Christian permanent labourers in the mandi[27], while seasonal labour is almost completely low-caste mussalli, changar, and Christian.

[27] This is an instance of the notion of ritual pollution in action, and the argument for the continued operation of caste in Pakistan cannot be dismissed while such practices continue. Temporary labour never enters *aarath* (aarthi's shop) premises and stays in the courtyard but permanent labourers are constantly back and forth

v) Beoparis/village traders

Beoparis are unlicensed traders acting as intermediaries between farmers and commission agents, or – less frequently – between farmers and mills or factories. In Okara, beoparis generally do not have fixed premises and tend to operate at the lower end of the scale, purchasing maize from small and marginal farmers at prices lower than going rates in the mandi and transporting it to the mandi. Occasionally, they make these purchases on behalf of aarthis who advance a portion of the price in cash to the beopari. In return however, they are tied to selling the maize through the aarthi and thus foregoing more profitable opportunities should they surface. Some beoparis have transitioned into the fixed-premise, licensed katchi trade. In southern Punjab and Sindh, the term is often used for long-distance traders who move large quantities of goods up and down the country but Okara has no such beoparis.

vi) Input Dealers

Trading in fertilizer, seed, and pesticides or some combination of the three, input dealers sell to farmers and katcha aarthis on both cash and credit. Credit in the form of inputs is rarely extended to farmers, instead the prevailing practice is to route it through katcha aarthis who then assume liability for the debt. Input trading is the

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between the shop and the outside. Physical contact between the latter and farmers and aarthis is much greater, hence aarthis do not hire Christians for this job.

least risky mandi business and very profitable as interest rates range from 30-65% per annum. It is definitely the preserve of larger capital than the katchi business, because booking deliveries from fertilizer distributors requires an advance of at least Rs. 1 crore ($100,000)[28]. Capital barriers to the seed business are smaller, but still beyond the reach of most katcha aarthis and seed and fertilizer agencies are frequently integrated.

Input dealers in Okara have enjoyed a meteoric rise since trade barriers were lifted and multinationals entered the maize seed market in the early 1990's. The majority of dealers are either from the Sheikh biraderi or well-off agricultural backgrounds; in the case of the latter, they have rapidly (in one generation) sold most of their land or rented it out and now act as absentee landlords. It is common practice for aarthis with ample available cash ($20,000-30,000 or more) to invest the sum with an input dealer, who will pool it together with his own to book orders. Aarthis then reap a clean 20-25% annual profit by pocketing the interest that farmers pay in order to access inputs on credit.

vii) Brokers

The auction is conducted by a broker, of which there are 7 in the mandi. Brokers assess the quality of a lot, set a starting price, and proceed to conduct a rapid

[28] Although sub-dealerships located outside the mandi are a common phenomenon in which someone will advance a sum significantly smaller than that needed to book a full truck to the official dealer. The latter then makes available a certain number of fertilizer bags at a per unit price higher than what he has himself paid.

bidding process and submit a record of the day's transactions to the mandi committee for the daily tally. Credit slips are sent out at the end of each day based on this record. Because this is a primary market where all grain traded is physically present and unbagged and farmers and katcha aarthis also have a representative at the auction, the broker's role is less important than it is in secondary markets like Delhi's Naya Bazaar (see Vidal 2003) or Faisalabad's grain mandi. There, it is the broker's networks that make trade possible and connect anonymous buyers and sellers. In Faisalabad, I heard that brokers were *badshahs* (kings) and drove four-wheel drive vehicles; by contrast, in Okara their role is much different and they are unambiguously subordinate to the mandi committee, which is the most powerful institution in the mandi.

Picture 3: Buyers Bidding on a Lot at the *Boli*



viii) Mandi Committee

The collective association of the mandi's aarthis – called the mandi committee in local parlance – represents both the katchi and pakki trade. The mandi committee appoints brokers, regulates matters of collective concern such as the use of space and entry of buyers, and represents the mandi in spaces of civic and political engagement. It is a powerful organization that can significantly impact a trader's business and all large aarthis know the importance of having their interests represented on or through it. By contrast, smaller traders are often unconcerned with its activities and feel incapable of influencing its decisions.

ix) District Market Committee (DMC)

The DMC is the official regulatory authority charged with establishing, maintaining, and regulating mandis and periodic markets in its jurisdiction. There are 135 DMC's in Punjab; Okara's is a 'Class A' type, meaning that it is one of the 27 in Punjab with an annual income greater than Rs. 16 lakh ($16,000). Although it is housed within the Punjab Department of Agriculture, it receives no funds from the department's budget for its staffing and everyday operations and is reliant on fee collection for its continued existence. The legislation from which DMC's derive their mandate is the Punjab Agricultural Produce Markets Ordinance 1978 (PAPMO). The primary purpose of PAPMO is to regulate the first point of sale between farmers and traders

in ways that benefit farmers. As we will see later, DMC's in Punjab have failed to discharge their mandate and function instead as a secretariat of intermediate class power, pushing through the interests of large cultivators and landlords, traders, constituency politicians, and state officials.

This thesis explores the interactions and relationships between the above-mentioned actors and focuses on the tensions that inhere within dyads: aarthis and farmers, katchi and pakki traders, state and aarthis, and to a more limited extent, aarthis and labourers. These interactions – structured as they are by various interests, norms, and expectations – shape the market and combine with system forces to produce a marketplace in which differentially situated actors fare differently from each other. If capitalism is a system characterized by the separation of producers from the means of production, the widespread commodification of labour in a wide variety of employment relationships, and the growing cultural normalization of profit-seeking and short-term transactional logic, then capitalism is well-established and expanding in Okara. What I am interested in is twofold: firstly, what are the most important determinants of market position here today? And secondly, what does this tell us about the sources and nature of power in Punjab?

Overview of Chapters

Chapter Two sets out the framework in which I approach these questions and makes a case for studying power by combining analysis of observable behavior with analysis of the wider structures it is embedded in. The distinction between the economic, social, and political spheres is heuristic, a distinction we make in order to render the social world intelligible, but it may be that a useful heuristic takes on quasi-ontological character and thus obscures that which it seeks to explain. I argue that dominant socio-economic conceptions of embeddedness are guilty of this and that the fluid mixing of elements in production and exchange is better understood as a balance of 'system' and 'lifeworld' processes rather than social and economic. The chapter goes on to describe the institutions and ideologies belonging to these asymmetrically-related realms that constitute the total social space in Punjab. State, capital, class, association, caste/biraderi, faction, and patronage are introduced as critically important in town and mandi, together producing actors' objective social position and regulating exchange.

Having laid out the building blocks of the analysis, Chapter Three delves into how and why I collected the evidence I draw on in this thesis. Justifying my decision to study the local while also making clear the need to inform general theories, I argue that zooming in and studying the concrete, contingent nature of power in a specific locality is a means by which to work up a richer, more representative theory of power and markets. For this to happen empirics must always be in conversation

with existing theory and the local has to be viewed against other locals. The chapter goes on to discuss the methods employed in data production with an eye on both their benefits and limitations. I identify how my data is shaped by attributes I brought to my research and make a case for the truth value of my evaluations.

Chapter Four is a historical excursus of rural-commercial class formation in Punjab and of the other centrally important institutions we encountered in Chapter Two. It shows the origins of the intermediate class fraction that this thesis is concerned with to lie in the specific form assumed by colonial capitalism in Punjab. Canal colonization, agricultural commercialization, the need to engineer a durable social order compatible with extraction, and legislation designed to protect the interests of large agriculturalists all radically transformed class relations in the late 19th and early 20th century. The chapter traces the operation of patronage, factions, and caste and biraderi, focusing on how they articulate with class in this period, and then during Partition and into the post-colonial era. We see how the Green Revolution and the introduction of local government in the 1960's boosted rurban capital's economic and political power and these classes came of political age in the 1967-68 mass protests against Bhutto. The chapter demonstrates that, with the exception of the Bhutto period, they have sustained a comfortable alliance with both military and democratic regimes and enjoyed an illustrious career.

Chapter Five lays out important contextual aspects within which to understand the aarthi-farmer relationship, and closes in on the farmer half of the dyad. After

reviewing changes to the production and marketing landscape and their effects on aarthis and farmers over the last two decades, I explore the risks that aarthis assume by looking at why farmers might default on their debt or otherwise renege on their obligations to aarthis. Farmers rely heavily on credit for funding maize production and small and medium farmers have limited marketing channels beyond the mandi. However, farmers frequently resent aarthis and their moral compulsion to abide by the terms of the exchange is weakened when they feel 'forced' into borrowing for production, unfairly treated, or inadequately valued. It is also the case that competitive conditions in the mandi have made it easier to default, and farmers are able to use this to their advantage.

Chapter Six details how aarthis circumvent these risks and shows that the capacity of the aarthi to directly coerce farmers or exact a degree of submission based on authority is of prime importance in recovering debts. Personalisation is extensive, sometimes complicating appropriation but not necessarily impeding it. Indeed, the thickness of social relations – by which I mean the extent to which people are imbricated in each other's lives – is the primary weapon aarthis wield in the battle over surplus. Biraderi, family, friendship, and locality work as channels facilitating appropriation and arthis successfully use the norms of reciprocity embedded in these institutions to coerce farmers into returning debts. As cross-class institutions in which all participate 'voluntarily', these institutions ensure that the interests of the dominant are, to varying degrees, accepted by those less powerful. Trust and

what the socio-economic literature terms embeddedness have deep roots in coercion, shaming, and social sanction.

Moving into the party-political dimension of power of Okara and the workings of the local state, Chapter Seven shows a fragmented and factionalized state and political elite stratum increasingly dependent on the support of mobile, well-heeled, and locally strong individuals. I explore the role of patronage in business and politics, showing functional alignments to be the norm and ideological contestation to be almost completely absent in the political realm. Instead, businessmen, state officials, and politicians cultivate highly personalized relationships of mutual benefit with the consequence that individual strategies of accumulation become all the more important. The state is far from a fully autonomous actor I argue, but this is unsurprising given that it is always part of the society it seeks to govern. The chapter also explores the role patronage relations play in masking exploitation and domination by examining the experiences of two politically active aarthis. The analysis corroborates David Gilmartin's (2014) argument about the paradox confronting patrons: they must appear selfless while simultaneously engaging in self-seeking behavior that positions them at the centre of resource flows. We see this contradiction is most exposed and the uneasy equilibrium between giving and taking breaks down quickly when political and business client bases overlap but continues unencumbered when these bases are distinct. This has important implications for how we think about the role of patronage in sustaining accumulation.

Finally, Chapter 8 considers the important role of collective politics as aarthis come up against the state, farmers, labour, and divisions within themselves. Through a study of the mandi's aarthi association and the Punjab-wide aarthi federation, we see how these bodies attempt to regulate and shape an environment conducive to both particular and general aarthi interests. The mandi association functions as an oligarchy in which the wealthiest and most powerful aarthis exercise control, effectively dominate labour and petty traders, and substitute their own regulative order in lieu of the state's. Biraderi, class, and faction play an important role in the construction of this order, and we see that there are certain strategic niches in the market, occupation of which enhances opportunities for accumulation. Conflict between aarthis is frequently resolved in favour of those who occupy high offices in the mandi association, pointing to its corporatist and undemocratic role.

The thesis concludes with a summary of the main arguments made in the body of the work and a brief exploration of the implications of this research for understanding power in contemporary Pakistan.

Chapter Two

Theoretical and Historical Departures

This thesis employs a dynamic understanding of social structure and action and draws insights from anthropological and sociological writings on power, patronage and the state, as well as the political and sociological literature on markets. Rejecting the reification of institutions, the best scholarship in these literatures sees them in a fundamentally interdependent relationship with each other while seeking to establish the concrete mechanisms of their interdependence as well as their effects. My work is similar is in its aim, concerned with the multiple ingredients of social power in a rapidly-changing and highly stratified society. This chapter lays out a framework for studying power in the mandi and situates aarthis and the mandi itself within recent debates on the relationship between power and markets. Carving the mandi up into analytically distinct dimensions, I argue that 'the terrain of the market is coterminous with the groundwork of society itself' (Krippner 2001: 801), seething with contestations and compromises that go well beyond the obvious act of commodity exchange. The intersection of different types of power emanating from distinct sources then leads us to revisit the concept of embeddedness and recast it as the regulation of economic life by 'identity-blind' mechanisms on the one hand and 'identity-specific' mechanisms on the other. Ultimately, I argue, the explanatory value of this recasting lies in the extent to which it can inform political

strategies to redistribute power. The chapter concludes with a theoretical overview of the ideologies and institutions critical to producing social position in Punjab.

Domination, Accumulation, and Capital: Some Definitions

At its core, this thesis is about the various types of power available to aarthis and how, when, and to what effect they manipulate them. My hope is that understanding this will yield important principles organizing Pakistani society today. However as Steven Lukes writes, there are probably as many different ways of conceptualizing power as there are ideas about what constitutes justice (Lukes 2005:29-38). Power matters because it has *effects* that we evaluate as good or bad, and these evaluations are always normative. Therefore I do not aim to provide an absolute definition of power, nor am I concerned with all types of power. My interest is in domination, understood as 'the ability to constrain the choices of others, coerce them, or secure their compliance by impeding them from living as their own nature and judgment dictate' (ibid: 85). Dominated and dominating frequently share at least minimal ideological moorings[29] such that the dominated are complicit in their own

[29] I think it is useful to distinguish ideology from the broader concept of language or discourse as Terry Eagleton does by understanding the ideological as 'the points at which our cultural practices are woven with political power' (1991: 11). Descriptive and prescriptive, forged and maintained through the operation of power both discursive and non-discursive, ideologies legitimate certain social interests at the expense of others. They are grand intellectual theories as well as the ideational dimension of social institutions and everyday practices, products of reasoned deliberation as well as unreflexive, embodied practical consciousness. The primary function of ideology – as opposed to discourse or language which also do other

domination through a degree of acceptance of and conformity with the social conditions of their existence. The analysis in this thesis shows that this shared identification with practices, values, objects, and figures plays a critical role in ensuring the stability and reproduction of what is – in Pakistan as much as everywhere – a fundamentally contingent and hierarchical social structure.

Following Lukes, I see domination manifested and realized in four ways. These are (i) physical coercion or threats of violence; (ii) realizing individual will against resistance in observable conflicts; (iii) suppressing challenges through agenda-setting, i.e. defining what constitutes a contestable issue; and (iv) thought control or what Lukes calls internal constraints, Bourdieu (1977) calls symbolic power, and Eagleton calls ideology. Domination is at its weakest in (i) and (ii), for here the contingency of the social structure is most revealed and power is denaturalized. Indeed, Bourdieu would not consider (i) domination: if the powerful must overtly exercise or threaten their subordinates with physical violence, then the symbolic order is too weak to sustain domination. Yet the first three are more amenable to empirical research while the last clearly presents serious epistemological and methodological problems. Which of these four types does a study of aarthi's strategies of accumulation need to focus on? The answer is 'all of them, but not in one thesis'! And so I limit myself empirically to (i), (ii), and (iii) while

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things – is to legitimate certain power relations while de-legitimating others. Legitimacy here, as throughout the thesis, is thought to have a normative aspect to it, and something may be considered legitimate if it justifiable on moral grounds.

acknowledging theoretically the work done by (iv) in securing the stability of the social structure.

Both domination and accumulation involve the actualization of the interests of some classes and groups at the expense of others and occur regardless of whether the actors involved perceive this to be happening or not. The farmers, aarthis, state officials, and labourers encountered in this thesis generally have some stable sets of common interests that flow from their class and non-class identities. What specifically these interests are is both a normative and an empirical question – in a given moment individuals sharing an identity may have different interests and those with the same interests may have different identities. However, conflicts of interest are clearly observable in processes of capital accumulation, capital understood in the Marxian sense as reinvested surplus value as well as what Bourdieu calls economic, social, cultural, and symbolic capital.

The two capitals refer to very different things[30]. In Bourdieu's schema, the value of social and cultural capital derives from association with already-dominant groups. The self-interested and self-legitimating practices of the dominant are successfully projected as disinterested pursuits and misrecognized as valuable for their own sake (Bourdieu 1977). What makes something capital in this understanding is the quality of being desired, and while Bourdieu asserts that 'economic capital is at the

[30] Indeed, the extent of the difference is such that Bourdieu's deliberate decentering of the word seems suspiciously like 'a kind of epistemological provocation' aimed at Marxism (Desan 2013: 329).

root of other types of capital' (1986: 54), many have noted that where economic capital comes from does not interest him much. Capital appears to be simply any resource that confers power (Desan 2013, Calhoun 1993). Accumulation for Bourdieu is therefore a process of enclosure in which capitals (i.e. power-resources) are monopolized with the purpose of advancing in a hierarchical social space constituted by 'fields' each with their corresponding capitals.

By contrast the Marxian understanding of capital is of a historically-specific social relation extracting surplus value from direct producers and transferring it to non-producers. Capital accumulation here is a process in which value is appropriated and used to secure its own conditions of existence such that it can continue in time. While value-making in the first instance is only possible in and through the production process, traders, state officials, and others are part of the infrastructure enabling this and therefore receive portions of the accumulated surplus value as recompense (Resnick and Wolff 1987: 118-120). Accumulation for aarthis, as we will see, involves earning from interest well as siphoning off a portion of the surplus generated through production. We see that unlike Bourdeusian capital which suffers from a tautology to the extent that it cannot explain how capital becomes capable of conferring power except through its association with already-existing power, Marx's understanding contains within it the capital-relation's conditions of possibility and is therefore theoretically more satisfying.

Clearly, the two capitals refer to incommensurable processes and relationships – one is located firmly in production, the other is confined almost entirely to the realm of circulation – yet they identify distinct and complementary mechanisms of power and domination. Bourdieu's attention to 'the political work of class-making' (Bourdieu 1987:8) and the deep intertwining of cultural and economic power draws out dimensions of power and domination that are under-emphasized in the Marxist tradition; however, it elides the Marxist understanding of the link between domination and exploitation and 'system-effects' (discussed in the next section). We need both in order to understand the many-sided, concrete phenomena of power in the marketplace. Another way of framing this would be to say that mechanisms sensitive to actors' identities (such as those rooted in ideologies of caste/biraderi) interact with mechanisms that are identity-neutral (such as those of surplus appropriation). Power and market position can be understood as products of this interaction. The empirical analysis in this thesis traces the economic, social, and political processes generated by identity-neutral and identity-sensitive mechanisms without attempting to collapse them into each other. There is no contradiction in recognizing power conferred by the accumulation and redeployment of surplus value originally derived from labour on the one hand and that of forms of symbolic power heavily linked to (but not reducible to) position vis a vis the means of production on the other. In the following section, I lay out the analytical frame of my investigation, casting power in the mandi as the product of processes in four intersecting dimensions that together account for both Marxian and Bourdieusian emphases on the mechanisms of domination.

A Framework for Studying Markets

The power processes identified as producing domination above are, in the case of our mandi, firmly located in a system of capitalist production and exchange. Goran Therborn writes that

> Capitalism itself is a system of markets, social patternings, and (one or more) states. Looking at the features, and above all, at the interrelationships of these three dimensions is one way – and in my experience, a fruitful one – of dissecting power relations and their dynamics. These variables have the advantage of opening up into empirical-analytical overviews while neither presupposing nor requiring assessments of the actual extent of the capitalist 'systemness' of states and social patterns (2010: 4).

Therborn was writing with a view to suggesting what shape an invigorated and relevant twenty-first century Marxism needed to take. He would be pleased to know that the general nature of the framework he hints at is very similar to that which was developed and applied two decades earlier by a handful of scholars interested in critical analysis of markets in the 1980's and 1990's. Appalled with the neo-liberal abstractions circulating during the Thatcher and Reagan eras, they sought to demonstrate how power influenced market structure and operation, and the clearest articulation of a concrete, 'non-system' approach to the study of markets is

set out in a short 1993 essay by political scientist Gordon White[31]. I follow his carving up of the market in this thesis.

White models markets as complex political systems wherein economic, political, and social power intersect to produce relations of domination and subordination. The deconstruction involves a combination of behavioural and structural analysis, i.e. the observables of (i) and (ii) (coercion and realizing one's will against resistance) and the murkier context-setters of (iii) and (iv) (agenda-setting and thought control). As White explains, behavioural power operates between exchange partners, i.e. at the micro-level, and is necessary for understanding the specific dynamics of dyadic exchange events in a market. Superior power of this type is reflected in A's ability to influence the calculations and behavior of B to the extent that B chooses to do something he otherwise would not have done (with the implication that B is somehow worse off as a consequence) (ibid: 3). But of course, behavioural analysis will only partially reveal the operation of power because choices are always constrained by their historically determined contexts:

> [I]f the power relation involved in a micro-level market exchange is to be understood, therefore, it must be situated in the context of a structural analysis of th[e] wider system. The power-patterning of markets affects an agent's choice by determining the boundaries of available choices, influencing the operational calculus of the chooser, and shaping the relative attractiveness of various choices. (1993: 3)

[31] White edited a 1993 IDS Bulletin entitled 'The Politics of Markets' bringing together scholars critical of the new institutional economics and economic sociology. This essay is the introduction to the Bulletin.

He then goes on to define four dimensions of market power for analysis: (i) the politics of state involvement; (ii) the politics of market organization (collective action); (iii) the politics of market structure (strategic positioning made possible by money resources); and (iv) the politics of social embeddedness (regulation by non-class institutions). Each dimension impacts the structure and operation of power relations in the others. Incorporating these 'boundary exchanges' into our model of the market space, he writes, '[w]e can thus conceive of *class formation* in political terms as the result of mutually enforcing interaction between power differentials in these four spheres' (1993:11, emphasis in original). I prefer to think of boundary exchanges producing 'objective social position'[32] instead of class, class being one of the institutions impacted. But with this modification, I adopt the general framework outlined.

Each of White's four dimensions are explored in this thesis[33] but in the remainder of

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[32] The term 'objective social position' is Andrew Sayer's (2005), adapted from Bourdieu's notion of objective class. Bourdieu defines the latter as 'the set of agents who are placed in homogenous conditions of existence imposing homogenous conditioning and producing homogenous systems of dispositions capable of generating similar practices…' (Bourdieu, quoted in Sayer 2005:81). Sayer renames this, believing it more useful to treat gender, class, etc. as analytically distinct and contingently related, each contributing to the production of an individual's objective social *position* understood as Bourdieu defines objective class. Class – discussed later in this chapter – is therefore not called upon to do the work of other institutions with which it intertwines and interacts to produce subjective experience and objective social position.

[33] The politics of social embeddedness features throughout as analysis of social institutions and ideologies in the accumulation process. Likewise the politics of market structure or economic-strategic assets is a central focus throughout. State involvement is analysed in terms of credit and price policy (Chapter 5), the taxation regime (Chapter 8), and informal access to state resources (Chapter 7) while collective market organization is the explicit focus of Chapter 8.

this chapter, I grapple first with the intersectionality that he – like Bourdieu and Weber – identifies as producing individual and/or group power before moving into an overview of class, state, caste, biraderi, faction, associations, and patronage as institutions and ideologies critical to producing objective social position in Punjab[34]. In my view the utility of studying the intersections between them and distinguishing distinct processes and mechanisms producing power derives directly from the possibility of this knowledge informing effective strategies to combat inequality. And so in the following section I elaborate what I think is a meaningful way to understand 'embeddedness' as a fluid mixing of processes that have their origins in spheres that are analytically distinct while deeply connected. My empirical work represents a step towards this by creating an institutional map to be refined through further research.

Salvaging Embeddedness

Embeddedness – like social capital – has emerged prominently as a term in sociological and economic discourse as the study of markets has increasingly become a more multi-disciplinary project than it was half a century ago. But much like social capital it refers to so many different things that its utility is not

[34] Islam, family, and gender also strongly structure the social space in Okara but I explain in Chapter 3 why Islam was 'unresearchable' while gender inflects little meaning in the all-male mandi (except through marriage, which I did not study), and the socio-economic functions of the patriarchal family feature throughout the empirical analysis.

immediately obvious anymore (Fine 2010). In general, writers use it to indicate that the context of economic action matters greatly, or in other words, to denote the relationship between the social and the economic. But if we understand the economic as social-historical already, what – if anything – is meaningfully encapsulated by embeddedness? And can it help us understand the operation of power in markets?

I explore these questions by selectively reviewing some of the ways in which embeddedness has been theorized in the sociological literature. Outlining the biggest problems with how the dominant network approach conceptualizes embeddedness, I contrast it with a 'thicker', more historically and politically attuned understanding elaborated by Karl Polanyi's interpreters. I then turn to Cultural Political Economy (CPE) – a school of thought that marries the traditional political economy focus on systems with the cultural focus of post-structuralist thinking – and its conceptualization of identity-specific and identity-blind processes. CPE distinguishes these in ways that do not reduce to the binaries of economic/social and culture/economy. Instead, economic activity is regulated by the overlapping, asymmetrically related dimensions of 'system' and 'lifeworld' which do not exist in binary opposition or distinction to each other. Extending this, I argue that embeddedness can usefully denote the extent to which system or lifeworld effects give rise to particular processes.

Starting with dominant understandings of embeddedness, the network approach has – by a long stretch – been the most influential strand of economic sociology in the academy for three decades. Resurrecting the concepts of embeddedness and trust while pioneering afresh that of networks, network theory explicitly sought to socialize economics by introducing a theory of the relational aspects of economic action. The literature in this vast field – New Economic Sociology – has fed heavily on Mark Granovetter's seminal *Economic Action and Social Structure* (1985) in which he summarily invokes Polanyi's concept of social embeddedness. For Granovetter, the most important factor in establishing trust (which he equates with market order) is that transactions are enmeshed in a thick web of personal relations. Firms and individuals make rational economic decisions but these are always shaped by the requirements and possibilities presented by dyadic social relations such as friendship[35].

The practical implications of this approach – for example policies encouraging social inclusion and low levels of income inequality as a means by which to enhance trust and multiply 'weak ties' – are preferable to the tolerance that neo-classical economics manifests for sky high income differentials and near-zero levels of social

[35] Granovetter's work coincided with the resurgence of 'new' and 'old' institutional economics both of which also served to socialize economic theory to varying degrees. I do not discuss institutionalism, but in the old or 'evolutionary' stream, the seminal work of Geoffery Hodgson (1993, 1998) stands out as an inspired contribution to rethinking the relationship between the individual and the collective, postulating a recursive and mutually constituting relationship between individuals and social institutions. By contrast, the new institutionalism leaves intact assumptions of hardwired individual preferences and sees institutions as constituted by – not constituting – human behavior. Basile (2011) provides a good overview of old/evolutionary institutionalism.

protection. However, the much-cited essay contains only one fleeting reference to how asymmetrical power might – observably or otherwise – operate in markets (1985: 501-502) and discusses the order generated by the internally hierarchical organization of firms without considering the conflictual and fundamentally unequal relationship between owners and workers under conditions of capitalist production. It does not mention the compulsion that pushes labour into 'free' contract with capital, something that Polanyi was emphatic about, nor does it flag the question of how particular social norms and values come into existence[36].

The subsequent focus on networks, embeddedness, and trust in markets spawned by Granovetter has also (inadvertently?) presented a soft view of capitalism, largely unconcerned with power. Many have noted a creeping tendency in this literature to stress the reciprocal and mutually beneficial aspects of networks while neglecting their less salubrious effects[37]. It manifests a flawed ontology in so far as it models the relationship between the economic and social as a relationship between

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[36] Granovetter's work before and after *Economic Action and Social Structure* does not tackle these themes either. I mention only the 1985 article here because of its enormous influence on the field – it has been cited more than 32,000 times according to Google Scholar and is comparable only to the work of James Coleman and Robert Putnam in how much it has driven the research agenda of economic sociology.

[37] There are many good reviews of the literature in this subfield. See for example Lie (1997) and Fligstein and Dauter (2007). Both note the elision of state, culture, and non-economic power in studies of embeddedness. Harriss-White's (2004) essay provides an overview of how markets have been understood by economists, sociologists, and anthropologists and is critical of network theory and embeddedness for their neglect of power. See also Ben Fine's (2010) acerbic take on social capital. Fine takes the social capital and embeddedness literature to task for assuming equality between exchange partners and importing the social into the economic without understanding the mutually constitutive relationship between the two.

separate, hermetically sealed spheres and similar to the most deterministic forms of Marxism and neo-classical economics, imbues the economic with a primacy and a greater degree of autonomy than other spheres without explanation for why this may be the case[38]. Krippner (2001) and Krippner and Alvarez (2007) note that the heuristics of social and economic seem to become bounded entities in their own right and contrast this approach in which the 'hard core' of the economic is shaped by social relations from the outside with an approach that understands the social, economic, and political as mutually constitutive. The difference between the two is significant. For example, see how Krippner conceives of markets:

> …congealed into every market exchange is a history of struggle and contestation that has produced actors with certain understandings of themselves and the world which predispose them to exchange under a certain set of social rules and not another. In this sense, the state, culture, and politics are *contained* in every market act; they do not variably exert their influence on some kinds of markets more than others. (2001: 785)

In this conceptualization that derives directly from Polanyi, markets are socio-historical phenomena with no inevitability to their form or institutional make-up. Even in the textbook case of impersonal spot exchanges between anonymous buyers and sellers, *the exchange is still social* because it depends on the institutionalization of particular ways of doing things. Which ways emerge victorious to be written into law and custom depends on the outcome of the historical contest between competing interests and the ideologies they are rooted in: capital and labour; laissez

[38] Unlike Marxist approaches though, network theory assesses embeddedness only in terms of the structure and depth of personal relationships. Cf. Jessop (2001) where he makes a case for why capital – being most mobile in time and space – can bend other systems to its logic.

faire and social welfarism, etc. As Vivianna Zelizer's (2010) work on the development of life insurance industry in the United States shows, the process of commodification is always contested by other values (although she does not say where these values come from) and commodities are frequently governed by different moral codes. All markets are social, but this does not mean they are converging towards sameness.

Given the always social and political nature of markets then, it is only useful to describe them as more or less (dis)embedded if we clearly identify which processes we are referring to as being present, absent, strong, or weak. The necessarily normative reasons for our concern are also best made explicit rather than allowed to rest in implicit form. The central thrust of the network approach is to demonstrate – contra economic theory – that capitalist markets are fully embedded in networks of personal relations and that these are necessary for predictability and efficient market functioning. Krippner (2001), Krippner and Alvarez (2007) and Beckert (2007) rightly point out that this severely limits the explanatory power of the concept because all markets are embedded in this sense. For Beckert, embeddedness is useful in so far as it illuminates the changing institutional bases of cooperation and competition. Structural changes in economy and society force people to find new solutions to the problem of risk, uncertainty, and value and the withering away of old solutions and the birth of new ones corresponds to disembedding and re-embedding correspondingly. This is good, and getting closer to a conceptualization of embeddedness that focuses attention on the human-

welfare implications of the regulation of economic life by *identity-blind* mechanisms on the one hand and *identity-specific* mechanisms on the other, an approach developed by sociologists working under the banner of Cultural Political Economy (CPE)[39].

Inspired by Polanyi and adapting Habermas' distinction between system and lifeworld, CPE identifies systems and lifeworld as two overlapping dimensions of the social world. The lifeworld is the 'containing' dimension from which systems emerge and is home to the world as it is consciously experienced as well as non-cognitive and embodied elements[40]. Systems – understood as structures of relations that routinize, formalize, and govern actions through specific sets of rules and signals such as bureaucratic procedures, prices, accounting mechanisms, etc. – are fully dependent on the lifeworld yet distinct from it to the extent that they have emergent powers that cannot be reduced to the aggregate of their parts. The distinction between the two is 'fuzzy' says Sayer, but what sets them apart is that 'systems have a logic and momentum of their own that go beyond the subjective experience of actors, both insofar as they impart a formal rationality to action and through their interlacing and steering of the consequences of action, whether intended or unintended' (Sayer 2001: 689).

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[39] Jessop (2010) is a good introduction to CPE as an umbrella post-disciplinary approach.

[40] In both Sayer (2000a, 2001) and Jessop (2001, 2007), lifeworld has a residual quality – it seems almost to be the realm of everything that is not a system, but why for example patriarchy is not a system is not clear enough, particularly in light of Fraser's (1995) understanding of the 'bivalence' or system-like operation of gender and race.

Crucially then, systems – such as markets – operate without regards to persons and are identity-blind. The seller, as a seller, is interested in the buyer's money, not his family or biraderi identity[41]. The effects of systems' identity-blindness on bearers of particular identities are mixed: on the one hand, social mobility and freedom for some oppressed identities may be enhanced by the development of capitalist markets and the task of coordinating action across large numbers of people may be made easier, thus introducing the possibility of potential welfare gains for all. At the same time, identity-blindness frequently reinforces existing culturally-generated hierarchies and does not discriminate between dominant groups and individuals and those needing protection.

By contrast, institutions that belong mostly to the lifeworld such as caste, biraderi and gender are acutely responsive to persons and their social similarities and differences[42]. The lifeworld operates *with* regard for persons, whereas systems operate *without* regard for persons. Another way to put this, following Nancy Fraser, is to see lifeworld processes as more explicitly guided by 'inter-subjective consensus

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[41] Identities are, to adapt Eagleton's earlier words on ideology, a point at which culture and politics meet. The process of identification is always political because it pivots on an inclusion-exclusion dialectic that constitutes identity on the basis of difference, and identities are always differentially linked to power structures. It would be interesting to think about how identification might occur in a hypothetical fully egalitarian world.

[42] Although, in a sense, the ideologies of caste/biraderi and gender etc. also operate without regard for persons insofar as they presume certain characteristics to exist (or not) in individuals, thereby determining the possibility of identification with a social group. This is inadequately dealt with by Sayer, and I have not reached a satisfactory conclusion yet.

about norms, values, and ends' than system processes (see Fraser 2013: 24-28). The latter are characterized by more strategic behavior and have a weaker moral-cultural dimension to them. The distinction between system and lifeworld, both Sayer and Fraser emphasize, is a matter of *degree* or relative strength rather than clean breaks or opposition. Fraser thinks of it as variance in three analytically distinct conceptual elements – strategicity, normativity, and consensuality (ibid: 25) – while for Sayer it is a 'continuous and related qualitative difference' in the relative strength of instrumental reason (2001:691). Embeddedness then, can be imagined as corresponding to a position in the overlapping circles of system-lifeworld, an identification of the origins of the different mechanisms giving rise to the process at the centre of analysis.

What is gained by understanding embeddedness in this way? Ultimately, it is the implications for action emerging from this that are significant. Beckert underlines the importance of first formulating the problem we wish to solve with a concept of embeddedness rather than thinking about what to do with the fact of 'the indissoluble connection of the actor with his or her social surrounding' (2007:10). Understanding embeddedness as the extent to which system or lifeworld processes produce power and domination takes us beyond the recognition-redistribution debate (Fraser 1995, Young 1997) pitting those opposed to hierarchies of gender, caste, language, and so on against those stressing recognition of 'sameness' rather

than specificity as socialists have historically done[43]. In short, if there are distinct system and lifeworld mechanisms producing power and domination, then they can be tackled with different, non-mutually exclusive actions. It is not necessary to erode or end capitalism in order to combat the symbolic domination manifest in the operation of caste, biraderi, Islam, ethnic/linguistic chauvinism, and patronage, and conversely, it would be foolish to expect redistributive class struggle to 'fix' domination originating in the culture-heavy lifeworld. Commenting on Polanyi's interest in embeddedness, Sayer notes that 'the important thing about Polanyi's passionate critique is that it draws attention to the extent to which, despite the fact that *all* capitalist economic relations involve social relations, the security and wellbeing of individuals has much to do with forces which operate *behind their backs*' (2001: 701, emphasis added). Deconstructing the ideology of patronage for example, will not eliminate the power of owners of the means of production over those who must sell their labour. Capital piggybacks on and adapts to the environment it encounters, but the only institution it needs to exist is the separation of producers from the means of production and enough coercive power to ensure that. That patronage structures employment, access to public resources, and a great deal else in Pakistan and that gender structures the division between paid and

[43] Nancy Fraser articulates the paradox well: '[r]ecognition claims often take the form of calling attention to, if not performatively creating, the putative specificity of some group, and then of affirming the value of that specificity. Thus they tend to promote group differentiation. Redistribution claims, in contrast, often call for abolishing economic arrangements that underpin group specificity[…] Thus they tend to promote group de-differentiation. The upshot is that the politics of recognition and the politics of redistribution appear to have mutually contradictory aims. Whereas the first tends to promote group differentiation, the second tends to undermine it. The two kinds of claim thus stand in tension with each other; they can interfere with, or even work against, one another' (1995:74).

unpaid labour etc. obviously has real effects that push individuals into class positions, but class – understood as the social relation between owners and non-owners of capital – does not *need* patronage or gender etc. to exist. Identifying whether concrete processes under study are more or less embedded/disembedded, i.e. if their origins lie in identity-sensitive or identity-blind mechanisms allows us to choose between a deconstructive, ideologically destabilizing political approach on the one hand or a redistributive economic approach on the other (see Fraser 1995). They can also of course be combined. Embeddedness therefore becomes a diagnostic tool not for explaining the existence of market order as in the Granovetterian tradition, but instead for illuminating the interaction between identity-sensitive and identity-neutral processes as they come together to produce power and domination. Consistent with CPE's post-disciplinary approach, it reconciles the central concerns of critical cultural theory and political economy, making it possible to acknowledge both simultaneously.

With this goal in mind, I turn to the institutions at the centre of my empirical analysis. Constraining and enabling the accumulation of power and capital, they are embodiments of specific ideologies and reliant on regularized practice for their existence[44]. Understanding their role in producing power in the mandi is the focus of my empirical work, and the remainder of this chapter is devoted to an overview of class, state, associations, patronage, caste, biraderi, and faction as amongst the

[44] But institutions are not equivalent to behavior, as Geoffery Hodgson points out, rather they are 'systems of established and prevalent social rules that structure social interactions' (Hodgson 2006:2).

most important institutions and ideologies producing power in Okara[45]. Markets depend for their functioning on a wide range of lifeworld and system elements including the dynamic relationships between institutions, but complexity reduction requires selective abstraction of only some of these elements and institutions. My goal therefore is to specify them analytically such that their roles in interest-representation in the mandi become clearer. I begin by outlining the vectors of state involvement in markets, formal and informal. I then explore the links between state action and intermediate class formation in Pakistan. The concept of class I employ is justified with reference to how it fits my analytical frame, and I wish to make clear the work the concept performs in my analysis.

The State in Capitalist Markets

The state is amongst the most contested concepts in social science but my focus on the local allows a pragmatic approach to the problem. In this thesis we encounter the state as an ensemble of institutions charged with defining the collective interest and enforcing collective decisions yet in practice definitively failing to do so. Separate from society yet inextricably meshed with it, it is never neutral towards all social forces and political projects – which classes and groups it aligns with and what projects it pursues depends on the changing balance of forces within and outside of the state (Jessop 1990:353).

[45] As mentioned earlier, Islam and the patriarchal family – both of which are equally significant – do not feature here.

The literature on the state's role in capitalist accumulation draws on Polanyi (Block 2008, Block and Sommers 2014, Jessop 2002), Marx (Jessop 2002, Miliband 1970, Poulantzas 1969), and Weber (Evans 1995). For Polanyi, capitalist accumulation everywhere depends on the shifting balance of forces between capital and labour, what he famously called the 'double movement'. In *The Great Transformation*, he maintained that the development of capitalist societies over the past two hundred years had been shaped by the tussle between two opposing forces: the laissez faire camp of capitalists and their allies pushing for the expansion of self-regulating markets on the one hand, and an opposing camp of workers and their allies demanding protection from the destructive effects of the market on the other. The state is a central actor in Polanyi's historical sociology of capitalism – markets simply cannot exist without states. The point is made most forcefully in his theorization of land, labour, and money as 'fictitious commodities' (2001[1944]: 75-79). Unlike other commodities, fictitious commodities are not produced for sale; they exist already as elements of nature but are redefined through the actions of the state as objects governed by the commodity logic. For Polanyi, the state is therefore always *inside* the market and capital needs the state for its continued existence – in other words, the self-regulating market is a theoretical impossibility (Block 2008, Krippner 2001).

This perspective sits comfortably with Marx's early writings on the state's relationship to capital – particularly the discussion of primitive accumulation in the

latter part of Capital Vol. I – although as is frequently pointed out (see Jessop 2007), Marx's treatment of the state was inconsistent, depicting it variously as a reflection of capitalist social relations, an instrument of class rule, and a system of political domination with specific effects on class relations. However, beginning with Poulantzas's (1969) influential formulation of the state as 'a complex social relation' and Gramsci's idea of 'historical bloc' (Gramsci 1971), the third interpretation has – broadly speaking – formed the basis for Marxist state theorizing. Instrumentalism and the base-superstructure binary have been superseded by a class-theoretic (i.e. domination-focused) perspective supplanting or combining with the older capital-theoretic (i.e. how capital reproduces itself) perspectives. In Jessop's (2002) strategic-relational approach for example, the state is central to the process of class formation and performs a wide variety of functions, limited not only to techno-economic issues but extending into the maintenance of discursive imaginaries of the economy and the crafting of governmental legitimacy. It is therefore both inside and outside markets, and the extent to which it facilitates accumulation is always the product of strategies available to and recognized by state officials and the durable structures enabling and constraining the form their total action can take.

Empirical analysis of the state's role in shaping strategies of accumulation has to consider both its formal and informal practice. White's typology of state involvement in markets distinguishes three levels of formal regulation: parametric policy interventions, pervasive regulation, and saturation (1993: 5). Parametric policy interventions are the least 'deep' of the three, designed to correct market

distortions and achieve particular developmental goals such as price supports, movement restrictions, tax laws[46]. By contrast, pervasive regulation and saturation are less novel, yet less noticed, and pervasive regulation in particular is fundamental. The latter refers to 'a complex network of institutionalised arrangements which permeate [and structure] markets' (ibid: 5) such as legal definitions of property rights, licensing laws, and the creation and use of money, i.e. the essential pre-conditions of regularized economic activity. Both types of regulation affect class relations, codifying specific distributions of the aggregate profit generated by the exploitation of labour in the productive process[47]. Reviewing farmers' credit options in Chapter 6, we see how parametric and pervasive regulation create the structural context in which the aarthi-farmer relationship takes shape.

To these measures of the state's formal involvement in structuring markets then, we must add the informal practices of state institutions and officials. The 'everyday state' (Benei and Fuller 2001) and the 'shadow state' (Harriss-White 2003) are conceptualizations operating at much lower levels of abstraction than that which generally characterizes state studies. Jessop also, as noted above, emphasizes the concrete and situated nature of action, noting that '[i]t is not the state which acts; it

[46] White points out that this type of policy garners the most attention in policy analysis despite its relative superficiality.

[47] Saturation differs from pervasive regulation at a scalar level and refers to the extent to which each aspect of production, distribution, and exchange conforms to law. In Pakistan, saturation is low, particularly in commerce. The state regulates some micro-practices of trade (such as the use of space outside shops and opening hours for example) but implementation is limited and social custom and competition more than law dictate the day to day of commerce.

is always specific sets of politicians and state officials located in specific parts of the state system'. (Jessop 1990: 367). These approaches take seriously quotidian practices and the social character of institutions, arguing a) that the state is not a monolith, b) that its institutions act in ways that are expected but not written, conforming to some moral codes while contradicting others (Gupta 1995), and c) that informal non-state institutions perform the functions that the state performs only on paper. Within the state itself, at the bottom rungs in particular, officials are almost always people with whom groups inside and outside the state maintain some kind of social relationship (Fuller and Harriss 2001:15; Harriss-White 2003:139). In India, Jeffery and Lerche demonstrate this through a study of the strategies that land-owning Jat peasants employ in pursuit of their interests (Jeffery and Lerche 2001) and Martin (2009) and Lyon (2002) demonstrate similar processes at work in Pakistani Punjab. These informal practices are governed by the logic of private interest, strategicity, and the cynicism of 'common sense'.

The present work too reveals the state to be a centrally important institution regulating social and economic life, inextricably linked to the society that it is charged with governing. Chapter 4 sketches its role – formal and informal – over time in intermediate class formation in Pakistan and elsewhere we see it creating conditions in which traders thrive while also acting to reign them in and check their power, a delicate balancing act effected by fiscal hunger on the one hand and the tussle between dominant groups and classes on the other. But now, we turn to specifying the concept of the intermediate classes as understood in this thesis.

The Intermediate Classes

Literature abounds on the Pakistani 'business classes' (defined to include only industrial capitalists concentrated mainly in Karachi, Lahore, and Faisalabad), the 'political classes' (those involved in parliamentary politics), the military, and the bureaucracy[48]. But the vast majority of Pakistanis do not belong to any of these. As the figures tell us, they are locked in informal employment and petty production. They are low-level government employees, traders, small and medium peasants, and the families of migrant labourers. Some are in possession of much larger capital than others, employing hundreds in the informal economy but yet escaping the 'business' class analyses. Limited attention has been paid to understanding the material, political, and social forces that these groups generate[49], and existing analyses are undertaken at a highly aggregate level not alive to the complexities of locality and specific political contexts. This thesis focuses attention on a rural-commercial fraction of capital that has evolved out of – and stays closely connected to – the agrarian economy and is located in small towns and cities. It is cast as part of the 'intermediate classes'.

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[48] For business see for example Stanley Kochanek (1983) and Imran Ali (2001). For political classes Saeed Shafqat (2003). For military see Hasan Askari-Rizvi (2000) and Ayesha Siddiqua (2007). For bureaucracy, Charles Kennedy (1988).

[49] Nayab's (2011) is the most analytically sophisticated estimation of the size of the middle and lower classes in Pakistan. She puts the 'middle class' at 35% of the total population, having measured for education, income, occupation, lifestyle, and housing.

First identified by Michael Kalecki (1972), the intermediate classes are a subset of the large crowd described above and are defined by their relationship to the means of production. Comprising those who own some capital, are themselves working, and may or may not employ other labour, intermediates occupy 'contradictory class positions' (Wright 1985) in that their interests are congruent with those of capital in some instances and labour in others. Kalecki also included in this category state officials who earned rents from their privileged access to the state and small farmers in addition to the self-employed and small capital hiring wage labour. The intermediate classes are therefore a coalition, with each class/fraction having its own story of formation and political articulation.

In the Pakistani political-economic literature, authors frequently use the term interchangeably with middle classes and its boundaries change depending on who is doing the telling. Mushtaq Khan uses the term to include 'groups who have some education, a little capital, and who have organizational abilities which distinguish them from the broad masses of the poor' (Khan 2000:3). For Ali Cheema, this group includes all those described above but also small industrialists (Cheema 2003:153). Aijaz Ahmed's formulation, while not fundamentally different, more usefully categorises the intermediate classes as all those classes that are not polar classes in the Marxist canon[50] and hence lie somewhere between capital and labour. The

[50] Polar classes in Marxian theory are those of capitalists (owners of capital) and proletarians (those who own no capital and must sell their labour-power to the owners of capital). The class in between these two Marx termed the petty

important distinction for him is between scales of property: small landowners, rich and middle peasantry, small-town traders and merchants, small-scale manufacturers, etc. have interests that differ substantively enough from big capital and landed elites to 'allow, even sometimes require, the politics of opposition' (1985:44). It is this latter point – the intermediate classes' political orientation – that is key, and my field research has probed aarthi's formal and informal political engagements. The emerging picture is neither novel nor counter-intuitive but what is striking is the degree of non-opposition they display. The politics of opposition in the form of collective mobilization are manifest only vis-à- vis labour when it attempts to organize and the state when it tries to enforce compliance with tax and zoning laws. There is no collective opposition to farmers, in part because small and medium farmers are completely unorganized and large farmers' unions such as the Farmer's Association of Pakistan and the Kissan Ittehad do not threaten aarthi's interests. There is also no explicit opposition to corporate capital yet[51]. Clearly,

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bourgeoisie. The petty bourgeoisie had some capital but did not appropriate the surplus value produced by labour. He conceived of this class as transitory, eventually to become capitalists (Wright 1985:8) and appears to not have included agrarian capital – a key element of the intermediate classes for Kalecki, Ahmad, Jha, Harriss-White and others who use the concept.

[51] This may change if large supermarkets such as Hyperstar, Metro, and Carrefour are allowed to enter into direct procurement contracts with fruit and vegetable growers as they have been trying to do now for some years. Others have noted conflicts of interest elsewhere that are not always expressed in collective mobilization. For example Harriss-White (2003: 52) shows that the Indian intermediate classes have acted to sustain and create opportunities for market segmentation (for example, by employing a plurality of production technologies) whereas large capital has an interest in decreasing such market segmentation so that it can monopolise the market. Small-scale production might also prevent large capital from achieving economies of scale and hence garnering higher rates of return. However, the converse may also be true, i.e. intermediate interests may be tied to those of large capital. K.B Sayeed shows how in Faisalabad, yarn traders and

conflicts of interest between class groups and fractions are not easily identifiable when collective mobilization around them is weak or non-existent.

The utility of distinguishing the intermediate classes is therefore controversial. Basile (2011:174-5) believes that the concept is useful to the extent that it is empirical and descriptive but that its analytical utility is less clear. Khan and Cheema's intermediate class analysis referred to above for example explains their political action as a rent-seeking group or groups – this is not enough, within the Marxian frameworks in which it has been employed, to warrant description as a class[52]. As Ahmad writes 'classes exist as historical actors in so far as they struggle against other classes, and the struggle is often for dominance' (1985: 48). Alavi (1976) took similar issue with Shahid Javed Burki's (1976) claim that Punjabi middle class landholders (50-100 acres) constituted a separate class from that of landlords during the 1960's Green Revolution in Pakistan. Their interests vis-à-vis the essentials of actually-existing public policy were identical he maintained, and so what was to be gained by identifying the rural middle class as separate? Burki's argument was that their mode of operation and goals were distinct: large landlords were 'political maximizers', less interested in accumulation than in advancing their political and social power, while middle landowners were 'economic maximizers', accumulating and increasing land productivity. For Burki this difference was enough to warrant separate classes, but Alavi continued to ask: is the concept of separate

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textile mills colluded to withhold yarn from powerlooms and then shared the rents so generated. (Sayeed 1980: 161)

[52] Although the term is often used in the plural – intermediate class*es* rather than class – in order to reflect the heterogeneity of its composition.

classes useful if we do not know where they fall in capital-labour conflict or whether they have distinct interests that would lead to their identification as such?

The answer lies, as with most such questions, in what it is that one wishes to explain. My research maps the operation of power in the mandi and traders' political articulation outside of it. In the quest to break power into its constituent components, I view class in a narrow sense, i.e. in relation to the ownership and control of capital and the capacity to exploit labour. The ownership of land, a shop, stocks of grain or credit, and so on obviously yields income but crucially, it also puts owners in a position to exploit and dominate others. Broadly conceived, exploitation occurs when the material wellbeing of some is premised upon the material deprivation of others and hence 'is intimately linked to the problem of domination' (Wright 2005: 23-25). It also varies with *where* one is located in the market, locations being distinguished by type of activity, the use of particular technologies etc. The ownership of capital and belonging to specific caste/biraderi networks – as we will see in the empirical analysis – makes it possible to occupy certain privileged positions in the market, privileged because they are sites where profit margins are high, risks lower, and barriers to entry formidable.

Viewing exchange relations as constitutive of class represents a relatively recent innovation in Marxist theory. The long-established view was that markets only reflected relations formed in production (see Harriss 1990: 93). However, Bhaduri's (1973) theorization of 'forced commerce' in the sphere of agrarian exchange

showed how surplus appropriation and class formation proceeded *inside* markets. Surplus extraction in the backward or 'semi-feudal' Indian region he studied took place simultaneously via tribute and usury (i.e. on markets for land and credit) as small peasants were forced into exchange relations through their dependence on high-interest consumption loans. Theirs was an 'involuntary' market involvement that Bhaduri contended could not be analyzed using the classical Marxian concept of exploitation on labour markets producers were not yet fully separated from the means of production, and profits could therefore not be thought of in terms of surplus value.

Harriss-White (2008) expands the scope of Bhaduri's innovation to include surplus appropriation by traders from labour within mandis as well as from cultivators. She further notes that traders do more than buy and sell, thus opening up further sites of accumulation for themselves. Traders who perform processing and transport functions for example often profit from these activities, while almost all traders evade state regulation and many engage in various kinds of fraud, crime, and coercion (2008: 21-22). Her research, and Ben Crow's (2001) work on rice markets in Bangladesh, reveals the ways in which specific markets 'can shape wealth and poverty, and, more generally, [how] markets are implicated in the making of society, its divisions, identities and directions' (Crow 2001: 1). Class is also born and reproduced *inside* markets as a relationship between people mediated by the ownership of things, and in interaction with other ideologies and institutions it contingently gives rise to other, more embedded relations that play out in the

lifeworld. For example in rural Punjab, land ownership has historically made possible the social and political power of the landed classes (Javid 2011). The dependence of the landless on landlords has been critical to this outcome, demonstrating that class in the narrow sense can produce other forms of power. But for the sake of complexity-reduction

> it is normal and legitimate to abstract the key object of interest from the mass of other phenomena in which, in concrete cases, it is contingently embedded, provided one remembers that to understand such cases we need to recombine our object of interest with the other processes from which it has been temporarily abstracted (Sayer 2005:17)

Of course, class as the relation between those who own property and those who do not by no means exhausts the subjective *experience* of class, for which more inclusive formulations such as Bourdieu's are useful. His textured conception of class differences lying along several axes, not just economic, better captures what I earlier described as objective social position. But what is gained by adopting a whittled-down concept of class as relationship to the means of production is that it becomes *one* vector of power intersecting with others equally important in producing the concrete, subjective experience of domination and subordination, solidarity and difference. The intermediate class thesis employs this whittled-down concept while honing in on three important empirical variances.

First is segmentation *within* capital. In agreement with Harriss-White, Ahmad, and others, I wish to emphasize that size matters. Different fractions or segments of capital with distinct locations in the process of social reproduction frequently evolve

their own interests and strategies. Scale is an important axis of differentiation. While some small capitalists will advance up the ranks and become part of the bourgeoisie, most retailers, aarthis, small mill and factory owners, and 25-100 acre owning farmers etc. remain operating at a much smaller scale than corporate capital. Second, these scalar differences map onto distribution in space. Large capital is concentrated in the big cities while the intermediate classes confront the masses of the rural poor as 'masters of the countryside' (Harriss-White 2003: 45) and members of the dominant coalition in the vast non-metropolitan area. In India, this segment of capital has been variously studied as 'regional' (Baru 2000), 'provincial' (Upadhya 1997, Rutten 1986), 'informal' (Haynes 2012, Harriss-White 2003), 'fraternal' (Chari 2004), 'bullock' (Rudolph and Rudolph 1987), 'intermediate' (McCartney 2010, Harriss-White 2003), and 'rural-commercial' (Harriss-White 2008) capital but remains distinctly under-researched in Pakistan. If we wish to understand power and contestation outside of elite high-politics or landlord-peasant relations as has been the focus of most Pakistani scholarship to date, this fraction – that I follow Harriss-White in terming rural-commercial – has to be more rigorously researched[53]. Lastly, as this thesis shows, this segment displays an organizational repertoire that distinguishes it both from big capital and the poor. The regularities in how and when intermediate groups articulate themselves collectively (although much less is known about individual strategies) separates them empirically from other capital fractions. In sum therefore, I employ the concept of the intermediate classes for analytical and descriptive value, seeing in it a

[53] Jan (2017) is a valuable recent addition to this.

way of meaningfully placing aarthis within a larger narrative of political transformation as well as an abstraction consistent with my disaggregated method of analysis.

Business Associations

As this thesis began by observing, associations are an important vehicle through which traders (and the intermediate classes more generally) defend their interests. The political economy literature views associations as rent-seeking entities exercising redistributive pressures, impeding tax collection, siphoning off surplus and thereby inhibiting development. Rudolph and Rudolph's (1987) statist pluralism in which numerous groups vie for an 'omnipresent' Indian state's favour, Pranab Bardhan's (1988) coalition rule in which subsidies are disbursed to rent-seeking proprietary classes, and Mushtaq Khan's (1998) patron-client framework of explanation for low growth all see the state being pummeled by organized intermediate rent-seekers. The casualty in these accounts is economic growth. In Pakistan, Ali Cheema argues that the intermediate classes organized themselves into 'politically mobilized 'transfer-seeking' coalitions bidding for state transfers' (2003: 162) and thereby eroded growth in the 1970's. Pakistan's Chambers of Commerce did not represent large capital because the latter found its personalized relationships with senior bureaucrats sufficient for its purposes; Chambers were therefore the preserve of inefficient but mobilized intermediate capital that wanted

to establish a channel of communication with the state. The collective power of the intermediates was recognized and accommodated by the latter in the late 1970's, and the 'structure of corruption' changed such that it became decentralized and economically inefficient, with political considerations trumping the economic. Stanley Kochaneck's excellent study of business and politics in Pakistan also shows that associations flourished in no small part because of the state's desire to 'penetrate, control, and manage all forms of non-governmental group activity' (1983: 67). The state, susceptible to mobilizations from below, sought to control, coerce, placate, and harass; business organizations gave it an effective means to access the numerically large and heterogenous intermediates and bring them into its fold.

This accommodative function, or the role of business associations in stabilizing the balance of power and neutralizing class conflict, is elaborated from a Gramscian perspective in Harriss-White and Basile's (2004) study of associational life in a small town in Tamil Nadu. They find associations to be part of a corporative regime acting to stabilize conditions for accumulation by suppressing class conflict. The hegemony of the capitalist classes in the town operates through the reinforcement and transformation of caste in the realm of civil society, successfully obscuring conflict between classes and genders. Crucially, in their formulation the state is not besieged by rent-seekers or interest groups because – similar to Jessop (1990, 2002) – the state is not assumed to possess a discoverable will independent of the groups and individuals that comprise it. Associations belong to the realm of civil

society where the ideological and cultural conditions for capitalist accumulation are secured and therefore do more than make demands on the state and impede growth; in fact, they may be making accumulation *possible* by obscuring conflict and stabilizing a deeply unequal social and economic order.

Caste and Biraderi in Punjab

Caste is also a centrally important social institution in Pakistan, although it is frequently contained *within* the institution of biraderi. Caste and biraderi are analytically distinct but in empirical terms they exhibit such a significant overlap in Punjab as to warrant treatment together. Featuring heavily in Okara today, they structure the social space in ways that are both hierarchical and not. Their strength and persistence stem from how they have historically been used by the state as well as the social and economic functions they perform. Writing about caste in colonial India, Nicolas Dirks argues that the practice of encoding custom in law and administrative rules had the effect of turning caste into a more important social demarcator than it actually was in Indian society. In his view 'the power of colonial discourse was not that it created whole new fields of meaning instantaneously, but that it shifted old meanings slowly, sometimes imperceptibly, through the colonial control of a range of new institutions, including those for which the study of caste was judged necessary' (Dirks 1992:75). Similarly, David Gilmartin (2014) shows that the colonial state's political framework in colonial Punjab conflated local

patrilineal kinship structures (biraderis and tribes) with landownership and control. The structure of individual property rights was defined by the state and linked to kinship in the interests of social stability because in the British interpretation of Punjabi custom these patrilineal descent groups were the primary units of social organization. The net effect of this was that caste, tribe, and biraderi became economically defining of one's class position, something that was much less the case before.

These institutions persist in Punjab today. Yet most scholars, including Alavi (1972), have been reluctant to give caste a leading, well-defined place at the table of primary social institutions ordering Punjabi society. It has been discussed as occupational specialization in Eglar (1960) and Chaudri (1999) and features in the explanation of biraderi (Martin 2009) and *quom*[54] (Lyon 2002) but for most, the absence of notions of ritual pollution and restrictions on commensality indicate a weak caste structure. Alavi also did not observe a hierarchy of castes (1972: 26), an integral characteristic of caste ideology. However, my research and that of others – most notably Gazdar (2007) but also Mohmand (2011), Javid (2011), Ahmad (1977), and Martin (2009) – demonstrates caste hierarchy to be plainly manifest in quom and biraderi. As I noted in the introduction to this thesis, notions of ritual pollution in fact structure the labour market in the mandi. Commensality is also limited – many aarthis of the Arain and Sheikh biraderis do not drink from the same glass as Christian low-caste

[54] Synonym for biraderi or kin group.

labourers and have never shared a meal with them[55]. Gazdar reports extensive evidence of these restrictions from his fieldwork on social marginalization across Pakistan, while Gough describes quoms as 'castelike status groups' (Gough 1977:9), hierarchically arranged according to a notion of occupational caste with *zamindar*, *kammi*, and *musalli* forming the three major groups in order of rank. This status ranking is ubiquitous in Punjab, including in regions such as Okara or Sarghoda where the term biraderi rather than quom is more commonly used. The three-tier vertical hierarchy is in fact the structure on which biraderi is draped as a more fluid system of differentiation and solidarity that nevertheless maintains strong distinctions between higher and lower rank. In acknowledgment of the imbrication, I frequently use 'caste/biraderi' in this thesis although biraderi is the term my interlocutors use. The strong vertical skeleton hierarchizing social position is analytically indispensable when studying power; caste/biraderi is therefore a mnemonic device to capture both vertical and non-vertical distinction.

Biraderi is a centrally important primary institution in Okara. Gilmartin's (1988, 2014) work on the institution remains to date the best account of its evolution and role in political interest articulation. He shows how biraderi first evolved in colonial Punjab as an institution allowing urban Muslim leaders to reconcile an Islamic (and therefore not explicitly caste-based) identity in a highly communalized environment

[55] Of course, it could be that class is also operative here, not just caste. Class distinctions are frequently maintained by constructing those on the lower rungs of the hierarchy as dirty, uncouth, animal-like, etc. My opinion bases on observed association and what I learned about caste and biraderi in my time in Okara, from which it seems that caste – or an analogous system of stratification without the four-fold *varna* division but with certain similar restrictions – is alive and well here.

with the state's governance framework which was based on what the British understood the role of kinship (also not explicitly caste-based) in the 'Punjab tradition' to be. Biraderi was therefore 'a means of publicly articulating an Islamic identity consistent with the descent-based identities that structured imperial power. [Muslim leaders] thus used the idiom of biraderi to shape a place for themselves at the heart of Punjabi Muslim culture' (1988: 95). Electoral politics[56] further entrenched biraderi as it was used to build alliances between village leaders and elected representatives. Parties had begun to emerge by the 1920's as important players in Punjabi politics and could have provided an alternative to biraderi as a means of organizing and channeling political support and solidarities. In practice however, party politics strengthened the role of biraderi and tribalism as Unionists and others relied on transactional politics (ibid: 37). At the local level, Gilmartin argues that biraderi was – and is – 'a form of […] political solidarity rooted primarily in transactional relationships rather than fixed genealogical calculation' (2014:32). Patrilineal descent is important but not determining; instead what matters most is gift exchange, a position also argued in some detail by Hamza Alavi (1972). Both view unequal reciprocal gift exchange between biraderi leaders and members of the biraderi giving rise to the working boundaries of biraderi in a locality. And so '[i]n spite of the underlying ideology of solidarity based on descent, biraderi leaders are defined not primarily by genealogical position, but by the bonds of reciprocal obligation they have established with other biraderi members, largely as a result of the ability (through wealth, landholdings, personal energy, official

[56] Elections for District Boards first took place in the 19th century and provincial representation was allowed in 1919.

connections, political savvy, skill as mediators, etc.) to provide service to their biraderi cohorts' (Gilmartin 2014: 27-28).

Biraderi or Faction?

In a sense, biraderi 'provided a language' (ibid: 33) for the mutually beneficial, personalized transactional relationships that individuals all along the social hierarchy sought to cultivate. Bailey defines two characteristics that distinguish a political group as a faction: 'firstly the members do not cooperate because they have a common ideology which their cooperation will serve; secondly they are recruited by a leader with whom they have a transactional relationship'[57]. Gilmartin's historical work demonstrates that factionalism *within* biraderi was rife and often critical in linking villages to the larger political system by drawing on biraderi ideology. Critically, invoking biraderi in these larger political contexts 'did not necessarily imply of course, the formation of solidarities with all the features of local biraderi (in terms of marriage relationships, ritual transactions, etc.)' (ibid: 35), but it did provide the foundation on which these relationships were constructed.

In post-colonial Pakistan, efforts to understand the function of biraderi have yielded contrasting perspectives. A spate of village studies were conducted in the 1950's and 1960's, seeking to get to grips with the question of how biraderi ordered social

[57] F.G. Bailey, quoted in Martin (2009: 17)

and political life. Inayatullah held that family and biraderi were the basic political decision-making units, with family first and biraderi next in order of importance[58]. Saghir Ahmad contradicted this, arguing that 'followers' affiliation with factional leaders was based in most cases upon economic dependency and real or perceived economic or political benefits rather than upon kinship and caste' (1977: 103). Alavi (1972) qualified this further by pointing out that the middle peasantry was most likely to have the strongest biraderi ties because it was not locked into vertical relationships of dependence.

More recently, a small but growing body of work has emerged concerned with how biraderi has been manifest in Pakistan's electoral realm (eg: Jones 2003, Mohmand and Cheema 2003, Mohmand 2011, Waseem 2006, Wilder 1999). Close accounts of political decision-making support the conclusion that biraderi is not in itself a strong determinant of political decision-making and that access to state capacities and resources organized through factions are key. Andrew Wilder's study of the 1993 elections in Lahore remains the most detailed account to date of urban voting behavior. His conclusion to the questions 'who votes for whom, and why?' demonstrates the importance of unequal reciprocal exchange whilst strongly challenging the widely held perception that biraderi is of great significance in elections. Notwithstanding the fact that biraderism is always made much of in the press, or that election posters conspicuously feature biraderi names, Wilder demonstrates that in the elections of 1970, 1988, 1993, and 1997, urban Lahoris

[58] Inayatullah quoted in Wilder (1999: 6)

voted for parties, not biraderi or personality. Unknown and even disliked candidates of the PPP and PML-N won because of their party affiliations (1999: 127). However, party loyalties were not always ideological: the majority of voters voted for the party that they thought was most likely to win, knowing that the successful candidate would be linked into existing patronage networks and therefore able to deliver (ibid: 194).

In rural central Punjab, this same principle assumes a different form. Shandana Mohmand (2011) shows that party has historically not mattered to the village voter. Much like elsewhere across rural South Asia, most voters are bunched into blocs organised along biraderi lines. Crucially however, the leader of the vote bloc does not connect up to candidates on the basis of these 'blood' ties because in order to maintain his position as vote bloc leader he must provide his followers access to public resources. Therefore he gifts the bloc to whoever he has greater bargaining power with and who can secure privileged access to the state (ibid: 203-204). Biraderi is operative at the village level in the formation of vote blocs as a means by which to build collective bargaining power, but contrary to popular perception, it does not figure in the decision about which candidate to support.

Martin (2009: Chapter 3) too has examined the role of biraderi in political decision-making in rural Punjab, approaching it from the top down and asking how important biraderi is to rural elite political strategy. He finds faction to be the major institution ordering political life for the larger and more resourceful elites. Factions

are strategic and short-term, organized around enmities and instrumental exchange. Close kin often form the nucleus at the centre of the faction but appeals to biraderi are rarely made. Confirming Alavi's conclusion about extended biraderi ties being weakest amongst large landlords and the landless dependent upon them, he finds little evidence of elites relying on biraderi in the field of political decision-making.

Understanding Patronage

The literature on biraderi and voting behavior – and that on class formation, devolution, and state formation reviewed in Chapter 4 – leaves us in little doubt: reciprocal obligations between social unequals – or patronage relations – are obviously ubiquitous in Pakistan. But how should we understand these relations? The answer is of great importance because the implications for political action are huge. And, like all critical evaluations, it requires commitment to a normative standpoint.

A large body of work understands patronage primarily as rational, self-seeking behavior on part of both patrons and clients. Political scientists and political economists have long referred to it as 'clientelism' by which is meant a system of strategic pay-offs by political parties and leaders to buy votes and consolidate political power (Bardhan and Mookherjee 2012, Wilkinson and Kitschelt 2007). Clientelism is understood as an adaptive response to scarce material resources and

weak formal institutions (Khan 2005), ineffectively centralized power (Bardhan 1988, Gellner 1977, Mares and Petrova 2013), and high levels of poverty and inadequate public service provision (Bardhan and Mookherjee 2012, Wilkinson and Kitschelt 2007, Wilkinson 2014). For institutionalists such as Mushtaq Khan, the primary problem is that the formal institutions of the state are not aligned with – and therefore cannot reflect – the existing distribution of power in societies in rapid transition (Khan 2005). Hence, distributional arrangements organized by the logic of patronage assume great prominence in the political and economic ordering of developing societies because they allow dominant groups and classes access to benefits and a share in power. Similarly concerned with the economic and developmental effects of political balance at the apex, Bardhan (1988) lamented that politically mobilized but unproductive classes were severely compromising the Indian state's institutional autonomy and forcing it to succumb to patronage as a way of rationing demands from below. For this school of thought, patronage is an elite political management strategy, aimed at placating mobilized societal forces.

Marxists also understand patronage as a strategy of control, but rather than the conservative, state-supporting framework adopted by Bardhan and Wilkinson and others in which the elite-run state is – consciously or unconsciously – the greatest hope for development, Marxist frameworks put class at their centre. Clientelism develops for many different reasons, but 'one of the principal political results is the reinforcement of class control in the system as a whole' (Flynn 1974: 150). Akhtar's Gramscian approach to the state emphatically underlines the role of patronage in

'absorbing the counter-hegemonic impulses of the subordinate classes while incorporating new contenders for power within [the dominant coalition]' (2008: 15). Martin drives home the point that patronage in rural Pakistan 'prevents political unity and class mobilization among subordinate classes' (Martin 2014: 328), generating mistrust and particularism while benefiting a few at great cost to the rest. It reproduces and deepens inequalities of status and power and circumvents the development of an egalitarian rule-based order. For him, as for advocates of liberal democracy, the latter is not necessarily an elitist project and has significant emancipatory potential.

All the above-mentioned accounts – notwithstanding the enormous differences between them – repudiate culturalist explanations offered up for aberrations from the Western experience (cf. Lyon 2002). They are often also significantly more comparative in their approach than the case studies of anthropologists. But while a wider canvas may allow for the formulation of general theories, reducing individual and collective motivations to the desire to minimize costs and maximize benefits or maintain class dominance does not explain variation in – or the specificity of – political relationships. In both cases, there is little room for *choice* or for the multiple motivations that propel decision-making. Scholars focus on how clientelism impacts class formation, economic development, and political power, but they have generally paid scant attention to *how* this actually happens. Patronage needs to be seen also as a process, a process in which other institutions and ideologies are called into play.

Perhaps unsurprisingly, the competing frame employed by anthropologists lies at the other end of the conceptual pendulum. While for most political scientists and economists, patronage is a feature of government, a 'political distortion' (Bardhan and Mookherjee 2012: 2) or an instrument of class control, for anthropologists it is primarily a social relationship, 'a lopsided friendship' as Pitt-Rivers (1954:140) famously opined. In her introduction to a recent compendium on South Asian patronage, Anastasia Piliavsky persuasively cast it as a 'living moral idiom' (Piliavsky 2014: 4) that pervades society and 'contain[s] the key principles of relations at large. The donor-servant relation [is] the basic formula through which people exchange things, exercise power and relate socially, and through which their identities effectively take shape' (159). She opposes this to understanding it as a 'reflex of poverty or a function of greed' (17). The volume's contributors are at pains to show that human deliberativeness and purposiveness go beyond maximizing rationality. Patronal relations are not just instrumental they argue; rather, people assess patrons in moral terms, holding them to standards that valorize selflessness and an evident commitment to providing for and protecting their people. Corruption is what obtains when leaders fall short of these standards and 'eat' instead of 'feed', a recurring observation in the anthropological literature on South Asian and African patronage (Bayart 1993, Blundo and Sardan 2006). The problem with the anthropological literature of this last wave however, is that analysis of the *effects* of these relationships on the larger system – who it works for, what conditions are necessary for it to function thus, and so on – is often absent. Also, in the desire to

rescue patronage from the vilification of political scientists, many authors end up not engaging in debates about the consequences of patronage relations for equality of opportunity and outcome.

There is also, to conclude this typology, an approach that views patronage as the politics of the poor, i.e. a mitigating response that obtains when the state establishes ever-greater domination over social life without a corresponding increase in people's capacities to affect the formulation and implementation of policy. Ayse Gunes-Ayata argues that clientelism is born of this tension between the private and the public as 'a form of backlash…by the communitarian-dominated civil society against the state and bureaucracy-supported public' (1994:26). Similarly, Partha Chatterjee's well-known formulation of 'the politics of the governed' proclaims with some satisfaction that 'people in most parts of the world are now devising new ways in which they can choose how they should be governed' (2004: 77). What is new about these ways remains unclear, for he describes nothing other than the operation of patronage in a society where all are legally equal yet socially and economically not, something that Alex Weingrod (1968) identified in Southern Italy 40 years earlier. Whereas traditionally patronal relations existed between landlord and peasant, the Fascist state's push towards the greater political and economic integration of regions and deeper penetration of society shifted the locus of patronage to political parties and leaders, casting them in the role of patrons who could serve as 'bridges' between villagers, the outside world, and the state (Weingrod 1968: 383-384). Changing needs corresponding to political and

economic transformations created a new form of dependence such that, as Peter Loizos (1977) argued based on evidence from Cyprus, the supposed gains in rural autonomy were at best debatable.

Most volleys across these scholarly ramparts need only be friendly fire. Firstly, that individual patronage relations are sustained by institutions, norms, and beliefs such that people ascribe real meaning to their relationships with patrons or clients does not negate the fact that such relationships reinforce the dominance of patrons. Equality of status is not a pre-requisite for fellow-feeling between persons and this fellow-feeling is an important factor making patronage such a 'sticky' institution, one that refuses to go away[59]. Secondly, patronage as the contingent politics of the poor is the logical flipside of patronage as the deliberate politics of the rich. The one thing that all writers on the subject have agreed on through the decades is that patronage involves a relationship of mutual benefit between unequals. What they *disagree* on is the importance/normative concern they attach to the disparity in benefits to each party. Marxists argue that immediate gains are made at the expense of class unity without which systemic change is impossible; scholars such as Chatterjee argue that this is as good as it is going to get. As John Waterbury noted, plain old ideological adherence is at the root of whichever rampart we may position

[59] One of the most widely read authors on patronage in South Asia, Kanchan Chandra (2004) argues that this stickiness is actually due to a lack of information rather than fellow-feeling. Because people have imperfect information, they form networks and assume easily identifiable ethnic identities. Her world – like all rational choiceists – is not a pleasant one, nor one that bears any resemblance to what emerges from listening to what the subjects of analysis actually have to say about themselves.

ourselves on (1977: 333).

The aarthis that this thesis places at its centre, while a heterogenous group, are not poor. As such, their cultivation of patronage relations is only one of the many strategies that are available to them at any given time. They can – and do – exploit labour and petty producers, cheat, engage in fraud, and mount purposive collective action. But with great consistency, they also pursue patron-client relations as both patrons and clients. That patronage is so ubiquitous can, as Waterbury (1977) and Gilsenan (1977) insightfully remarked, lead to the conclusion that patronage is the system itself. Indeed, this is what leads Kanchan Chandra to conclude that India is a 'patronage-democracy' and Stephen Lyon (2002) and Anatol Lieven (2011) to argue that this is the basis of the Pakistani social order. However, as this thesis demonstrates, patronage is but one strategy, one way of doing things amongst others. It co-exists with the rest and crucially, *would not exist* were it not for the inequalities systemically generated by the normal operations of dominant social institutions. The identity-blind system-effects of capitalism along with the institutions of patriarchy, caste, biraderi, and others create regularized, patterned inequalities of status and wealth. The ideology of patronage works in and through these institutions, but elevating the analysis of patronage and divorcing it from the mechanisms of how inequalities in status or power come to be is putting the cart before the horse.

Conclusion

This chapter began by observing that the accumulation of power and status requires stable conditions of inequality within which groups, classes, and individuals can enhance their stock of capital and social position at the cost of others. Inside markets themselves, individuals always come to an exchange with a unique endowment of resources which depend on a huge number of relations and structures outside the market; exchange takes place in the dynamic interaction between these structures and the agency inherent in people as conscious, reflexive beings. A mixture of coercion, consent, and the naturalization of ideologies serving particular interests – or what we together call domination – reproduces this structural context. Studying power and domination in markets therefore requires studying how exchange partners behave as well as structural analysis identifying the realm of choice available to them and conditioning their behaviour. This chapter has laid out elements of this latter encompassing landscape within which markets and market actors are nested.

My focus has been two fold: first, I introduced an analytical distinction between system and lifeworld as a means by which to distinguish the multiple mechanisms producing power. This follows from my theoretical understanding of the economic and cultural being so intermeshed that analytical separation is consistently besieged with problems. Most embeddedness literature assumes that economic processes are constrained and facilitated by norms, logics and the normative rationale of other

spheres; however, economic activity is itself built on social and cultural norms and economic activity is therefore cultural activity. I argued that the system-lifeworld distinction avoids this particular problem by drawing a (fuzzy) line between those processes that are identity-blind and therefore impermeable to deconstructive attack on the one hand, and those that are fundamentally reliant on the recognition of particular identities and therefore operate in ways that are more 'obvious' albeit naturalized at a very deep level on the other. The distinction allows us to recognize the roles of both types of mechanisms in creating inequality without privileging one over the other or invoking a sharp binary between culture and economy.

Secondly, I selectively abstracted out key institutions shaping individuals' choices and providing the language for interest articulation in Punjab today. The specific form that interests assume is – as Polanyi and Bourdieu demonstrate in different ways – determined by what is socially valued and therefore context-dependent and historical. Self-seeking can for example take the shape of capital accumulation, the assumption of leadership within biraderi or faction, conspicuous consumption, practices of charity and generosity, pronounced piety, the assumption of state power, etc[60]. I identified class, state, associations, caste/biraderi, faction, and patronage as central to the regulation of economic and political life and showed how interest representation has proceeded in and through them. Together they structure

[60] This does not mean of course that all such behaviour is self-seeking, neither can we equate the effects on human welfare of all self-seeking behaviour. Behaviour is not self-seeking only when it is habitual or non-reflexive. Self-seeking therefore refers to strategic behaviour in which action is guided by consciousness of means and ends. It says nothing about intentions, and contains within it an implicit conception of 'self' that needs a huge amount of explication.

the set of choices that actors choose from and are themselves the collective historical product of past strategic action (the latter is explored in greater detail in Chapter 4).

Detailing the institutional context, the chapter argued that there was no contradiction in understanding capital as accumulated surplus originally derived from labour on the one hand while also viewing it as socially valued objects and practices conferring status upon their owners. The two conceptions emerge from very different ontologies: the first privileges system processes and the second focuses on lifeworld, and combining both types of mechanisms yields a more complete picture of the sources and operation of power in markets. Class was then defined for purposes of the empirical analysis in this thesis as a largely system-effected relationship between people about things, i.e. predicated on the ownership of property and the capacity to directly or indirectly exploit others rather than an elective identity or concrete, 'total' position within the social hierarchy. The concept of objective social position is more suited to the latter, referring as it does to the product of a recombination of abstracted institutions and ideologies inflecting power.

Keeping to the bare-bones conception of class, I showed that the concept of the intermediate classes – anchored as it is in scale and relationship to the means of production – is useful for an analysis of power in Punjab because it captures important empirical differences between capital that ultimately help explain its

political role. Of course, in actual reality, class intersects in complex ways with caste/biraderi, faction, and association in Punjab, and I defined these institutions as facilitating vertical and horizontal connections between people and the larger political structures containing them.

Finally, the last section undertook a critical review of how patronage has been dealt with in the literature. The greater number of pages I devoted to this section than others reflects the importance of finding clarity on how to think about this all-pervasive institution. The main insight emerging from the review and informing the empirical analysis that follows is that, firstly, the view of patron-client relations being strategic responses by both parties to inequalities of status and wealth and a desire to advance their respective social position holds water. Patronage is an institution that serves both, albeit unequally, in a stratified social space. In the process it interweaves with the institutions forming the bedrock of social life, adapting itself to their idioms and their practices and transforming their roles and meanings as a result. The value that anthropological perspectives add is in asking how this actually happens, paying close attention to the various discourses and interpretations that allow unequal exchange to be something other than purely calculated action and to have meaning beyond personal gain. However, it is also clear that patronage is *fundamentally dependent* on hierarchies of wealth and status, created and sustained through the normal operation of social institutions. In that sense, unlike class which does not need patronage to exist, patronage is predicated on the existence of inequality. As Gilsenan pointed out, it is easy to assume ‘a kind of

false concreteness of individualism, a notion that politics and 'the system' are just an aggregation of person-to-person relations' (Gilsenan 1977: 180). Patronage is never 'the system', and one of the tasks this thesis sets itself is to determine how and when it is manifest in aarthis' relations inside and outside the market and gauge what its effects are on the distribution of power.

Chapter Three

Methods and Methodological Considerations

Let us beware of the abstract generalizations in things economic that tend to obscure and oversimplify the intricacies of actual situations, for these actualities alone are our concern. Our task is to divest them of generalities and grasp them in their concrete aspects.

Karl Polanyi

The explorative character of this study means that it aims to build knowledge on traders, markets, and small towns as well as contribute to the development of theory based on field research. This entails a qualitative method, the aim of which is understanding and explaining dynamics in the field with a view to assessing existing perspectives on power, class and the operation of markets. Rather than testing theories and explaining potential causal relations using pre-determined variables, I explore how the process of accumulation actually works in a small number of cases and what people substantively do in the effort to maintain or advance their market position. My interest in 'thick description' (Geertz 1994), the meanings that people ascribe to their actions, and the complexity of local specificities means that I have drawn most on the body of methods closely associated with anthropology. In this chapter, I elaborate on the design and experience of field research, including the practical, ethical, and methodological challenges encountered along the way. After a

brief overview of the practicalities of data collection and use, I justify my decision to study the local, the strengths and limitations of the case study approach, and discuss some of the ontological understandings and normative pre-judgements that shape this thesis.

The Dynamics of Data Collection and Use

My fieldwork took place over the course of 10 months (November 2011- August 2012) in 8 visits that lasted between 10 days and 2 weeks at a time. I then returned for a 2-week follow-up visit in January 2013 and then, briefly, in late 2013 and late 2014 to pay my respects to those who had hosted me so generously. The choice to work in spurts rather than base myself in Okara was effected by my responsibilities as a parent. My son was 3 years old in 2011 and short visits rather an extended absence were much better for us. An 8-hour bus ride would take me from Islamabad to Okara every few weeks, and the same would bring me back again not long after.

Thankfully, this format proved adequate. I witnessed three intensely educative harvest seasons and also had the opportunity of being there in the off-seasons when aarthis had infinitely more time. Repeated returns over a long period of time helped me build trust and gain the respect of mandi folk, perhaps as much as staying there for many months at a stretch would have. Although I did not anticipate it before starting, people needed time to get used to the *idea* of me. To them, I was a strange

and often confronting creature – neither woman nor researcher had ever been seen in the mandi before, and many (often not very nice) stories circulated about who I was and what my purposes were. But the fact that I persisted in an obviously difficult task – a lone woman doing research in a male-only space, navigating the stares, wilting summer heat, the open sewage, dust, and unpleasant smells etc. – and kept coming back for more over a 15-month period did not go unacknowledged even by those who never fully opened their doors to me.

The bulk of my fieldwork took place in the mandi itself and was about evenly divided between semi-structured thematically-focused interviews, casual encounters, and patient, quiet observation. Four case studies were developed to help build in-depth understanding of factors conditioning aarthi's business strategies, and in January 2013 I conducted a survey in which every tenth spatially-situated aarath around the marketyard of approximately 320 aaraths was made a respondent. Because aarthis' relations with others were the central subject of my study, it was vital that I also study these 'others'. Consequently, I spoke with farmers, labourers, politicians, local state officials, large landowners, and other traders in Okara. My wanderings took me all over the city, into homes, offices, banks, bazaars, and hospitals, as well as to fields, poultry farms, unfinished housing developments, and police stations. To get a sense of how other mandis worked, I made two daytrips to grain mandis elsewhere in Punjab. The first in May 2012 was to Dera Ghazi Khan, an area of large landholdings and landed political power; the second in June 2012 was to Faisalabad *ghalla* mandi, Punjab's largest grain market.

Both trips, brief though they were, revealed how market structure and opportunities for accumulation were linked to landholding patterns and the nature of the commodity being traded. In Islamabad, I made several visits to the Federal Bureau of Revenue (FBR), Pakistan's central revenue collection authority, to gather data on its bureaucratic understanding of and interaction with the all-Punjab aarthi association. I also met with this association's office-bearers in Okara and Sahiwal. Finally, in Lahore officials at the Punjab Agricultural Department and the USAID Pakistan Firms Project shared information on changes afoot in agricultural marketing policy. These changes are not part of the main narrative, but through my discussions with aarthis about their potential consequences, 'invisible' structures enabling this specific trade became visible to me. For example, the importance of the licensing regime was revealed through aarthis' strong reaction to my broaching its possible abolition, news of efforts by big supermarket chains to initiate contract farming directly with farmers elicited condemnations of the 'new East India Company', and it proved a useful method by which to cut through that which was too obvious to be mentioned and too intangible to be observed.

I also collected a number of reports issued by various ministries and departments of the Punjab and federal government as well as those by international development agencies and Pakistani research organizations. These include the most recent Population Census and Agricultural Census as well as quantitative and qualitative poverty reports, sectoral studies, reports on access to finance, and research on maize production. Additionally, a small database of media reports came into being

over the course of this research documenting state intervention, corruption, and problems in the process of agricultural marketing, trader's political activities, and policy decisions. For ease, I relied exclusively on the English-language newspapers for these reports; combing the Urdu and Punjabi press for the same thematic content would be an interesting project.

All interviews and conversations took place in a mixture of Punjabi and Urdu, and with the exception of a handful of interviews with politicians and political workers, I did not record them. Instead, I evolved a method of jotting down phrases during conversations followed by more extensive note-taking immediately after the interaction using my written prompts. Every evening in Okara then ended with 2-3 hours of typing up the day's notes and reflections and preparing for the next. This quickly became the least enjoyable aspect of fieldwork but it was vital to record observations while they were still fresh. In presenting interview and informal conversation material I use quote marks where my notes indicate a direct quotation. However, because I wrote (albeit quickly!) while listening and augmented from memory directly afterwards, quotations in this thesis do not have the exactitude of recorded material.

Finally, data analysis for this thesis followed an inductive, theoretically-informed approach. Using NVivo software, I developed meta-categories based on my research question and an intensive reading of my field notes. Meta-categories formed in the initial phase included: aarthi-farmer relations; trade associations; personalization

and patronage; farmer marketing strategies; morality; voting behavior; politics, etc. Many of these were then divided into smaller inductively derived sub-categories; for example, the material I assigned to 'aarthi-farmer relations' was split into 10 sub-categories, while 'politics' and 'trade associations' evolved 9 and 3 respectively.

Chasing Theory from Below: Focusing on the Local

In a reflective piece on the career of subaltern studies, Partha Chatterjee writes that there are two types of ethnography: one aims to '[uncover] the implicit conceptual structures that supposedly underlie [people's] practical activities' and the other 'seeks to understand embodied practices as activities that people carry out for their own sake' (2012: 49). My methodological approach puts me firmly in the former camp, i.e. I am interested in people's everyday practices for the reason that they provide a window into what people think and feel, the tensions they navigate, and the morality they espouse[61]. Studying everyday practice also makes possible equally important knowledge of structures, causes, and effects that exist independently of how people conceive of or experience things (Sayer 2000a). For example, we may observe that segmented labour markets result in wage differentials, but wage differentials do not depend on workers' or employers' subjective experiences or the meanings they ascribe to wages or work. And because all knowledge of structures –

[61] I am not sure what it means for people to carry activities out 'for their own sake' – does this not negate the idea of a thoroughly socialised subject who is always embedded, always responding?

conceptual and real – can only ever be derived empirically, the study of markets is as much a theoretical enterprise as it is descriptive.

It is of course increasingly common amongst scholars these days to focus on the concrete and the local as I do in this thesis (see Cerwonka and Malkki 2007, Chatterjee 2012). I think there are two main reasons for this sea change in the academy, although they do not align completely with my own. First, the poststructural turn has caused theory to become more self-reflexive and eschew or become deeply suspicious of grand narratives. Bourdieu articulates the core lesson of this intellectual movement when he writes that:

> the crucial difference is not between a science that effects a construction and one that does not, but between a science that does this without knowing it and one that, being aware of [the] work of construction, strives to discover and master as completely as possible the nature of its inevitable acts of construction and the equally inevitable effects those acts produce (Bourdieu 1999:608).

When knowledge is thus understood as situated and constructed, 'discovering and mastering' the bends and biases of our implicit philosophy and personal position makes it more difficult – although by no means impossible or undesirable – to distill widely applicable abstractions and causal processes from our data. Bourdieu's own work is testament to the possibility of doing so. However, many poststructuralists have been roundly criticized for shrinking from this difficult task and taking refuge in fragmentation, social constructionism, and relativism (see Sayer 2000: 32-102

and Howarth 2013: 64-85)[62]. What emerges from this 'deconstruction-only' is a negative critique lacking a strong alternative political and normative vision of its own. One Marxist critic comments that poststructuralists peddle a 'bottomless, relativist gloom, in which opposed discourses or paradigms are left with no common reference point, uselessly trading blows'[63]. While this biting characterization does not apply equally to all proponents of this tradition, context and language-independent real referents have come under increasing scrutiny in the postmodern intellectual traditions influenced by Derrida and Lacan. Of course, as Sayer argues (2000a, 2005), the desire to assign equal validity to all interpretations does not sit comfortably with the observation that in everyday life, all people act as though things do in fact exist outside of their consciousness and also often say that the world is better understood as X rather than Y; indeed, very few people have not debated, argued, or fought for their (necessarily subjective and mediated) interpretations to be upheld over other interpretations they consider less accurate or less worthy. But the reluctance to acknowledge a non-discursive material dimension – such perhaps as Martha Nussbaum's (1992) universal needs – to social life on the basis of which one can arrive at evaluations of better and worse makes analysing time-and-space traversing phenomena such as capitalist systems very difficult.

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[62] Howarth provides in these pages a good summary of critiques leveled at poststructuralism from Marxist, critical theory, and critical realist perspectives as well as those from within the hermeneutical tradition and poststructuralism itself. His book is an excellent introduction to post-structuralism for the skeptical realist. Sayer's book in turn provides an introduction to critical realism for the skeptical post-structuralist and is both wonderfully accessible and philosophically rigorous.
[63] Norman Geras, quoted in Howarth (2013: 70).

Second, as a direct result of this shift away from essentialism and the political movements that have accompanied this shift, theory is no longer prisoner to European historicism. The rise of feminism, post-colonial studies, and critical race studies has productively complicated processes of knowledge production such that it is increasingly common now to analyse (or call for analysis of) non-European societies using concepts and schemas drawn not only from the European experience but also from their own 'provincialized' past. Dipesh Chakraborty (2000) and Sudipta Kaviraj (2005) argue for a theory of non-European modernity with roots not in a narrative of transition or incompleteness/absence – what Kaviraj calls 'secondary descriptions' – but in plural, inclusive, and historically relevant concepts and examples. Some of the anthropological literature on patronage in South Asia explored in Chapter 5 can be read as an example of this, although as I argue, certain authors run dangerously close to suggesting that because Indian society is unique, it should be analysed as far as possible by its own internal concepts[64]. But despite the pitfalls of relativism that come with the emergence of deconstructive genealogies such as post-colonial studies, scholarship is the richer for their egalitarianism in so far as the operation of discursive power is revealed and the ontological equality of all persons upheld. Now however, 'the challenge is to develop [theory] in a way that synthesizes – though neither undemocratically nor uncritically – the standpoints of the many rather than speaking only for a minority' (Sayer 2000a:76). There are –

[64] This is problematic because it shrinks the space of communication, learning, and collective possibilities and means that concepts and theories originating elsewhere may be disregarded without consideration.

and always will be – particular local views of larger time and space traversing phenomena but 'a recognition of an earlier neglect of difference need not prompt a flip in which similarity, interdependence, structure and persistence are forgotten' (ibid: 75).

The shift towards acknowledging difference and giving it a place at the table has prompted many students and scholars of my generation to engage in the pursuit of 'grounded theory', a very broad term used to denote an inductive process of research in which 'theory is discovered from data systematically obtained through social research' (Glaser and Strauss 2012:2)[65]. In studies of the economy, this has entailed the adoption of ethnographic methods or the production of full-blown ethnographies that undertake close, intensive analysis of practical activities and their effects (eg: Caliskan 2010, Chari 2004, Krishnamurthy 2011, Rankin 2004, Zelizer 2010). Undoubtedly, 'there is a price that has to be paid for this shift to the ethnographic, the practical, the everyday and the local' as readers are frequently besieged with names, places, and events unknown to anyone except those familiar with the area (Chatterjee 2012:49). However, as Chatterjee goes on to say, 'the proof of the research is in the writing' – the best ethnographies and anthropological works demonstrate that it is possible to establish strong connections between relevant conceptual debates and detailed ethnographic data. My analysis of power and accumulation in capitalist markets in this thesis aspires to the latter kind of critical

[65] This inductive approach may be relatively new to mainstream sociology, political science, and economics but as Liisa Malikki notes 'is knitted into the very backbone of social anthropology' (2007:166).

theoretical practice. I shift downwards and away from macro political-economic discourses while remaining certain of the need to inform them. The analysis gathers to itself the most significant processes that together make accumulation possible in Okara, identified through a reading of existing literature and sifted and made visible through fieldwork. It is in this precise sense that it is 'concrete' or many-sided (see Sayer 2005: 72-93) as I synthesize the many different aspects that together produce aarthis' market position and facilitate accumulation. Perhaps soon – given the revived interest in field studies and ethnographic methods – there will be enough studies of aarthis and other traders across comparable markets in Pakistan such that a theory of class formation and reproduction in Pakistani markets can be built up from the evidence.

No Blank Slate

It is perhaps stating the obvious to note that a researcher's position is always shaped by existing theoretical understandings and perspectives; however, an honest and open stance both during and after fieldwork causes these understandings to change as one moves back and forth between theory and empirics, revising and refining understanding of both in the process. Writing retrospectively after 25 years of fieldwork, Harriss is of the opinion that 'fieldwork needs to be honestly exploratory and deliberatively inductive in the pursuit of theory' and researchers need not be shy of 'abandoning the theoretical ship and taking to its lifeboats'

(1996: 270) when theory is not up – or down – to the problems presented by fieldwork.

Like all researchers, I began fieldwork with many presuppositions. Two were particularly important in structuring my research, both in terms of design and field practice. First, I was quite certain that aarthis were predatory, benefiting from unequal exchange with farmers and labourers and exploiting the vulnerability of those weaker and less powerful than themselves. The question was how. Second, I believed that the logic of capitalist accumulation and the drive to profit was distinct and identifiable vis-à-vis other social logics and could be expected to be dominant over them in the mandi most of the time. Capitalism demands '[a]ccumulation for the sake of accumulation, production for the sake of production' (Marx 1990: 742) and is a system-generated logic that leads to specific types of strategic behavior on part of both firms and individuals. Based on this understanding, the task I set myself was studying the contest and accommodation of the logic of profit-seeking (or class in the narrow, structural sense) on the one hand and that of patronage, honour, biraderi, family, friendship, and other such 'socials' on the other. The pursuit of power and profit would inevitably pit them up against each other, and what I as the researcher had to do was to identify which ones were winning and/or where an accommodation had been struck in any given moment.

However, as I found out soon upon arrival in the mandi, I was eager to affirm what I thought I already knew. On my second visit to the mandi, I was brought up short by

an old farmer I knew from previous work in the area. We got chatting and amongst other things, he told me that a distant relative of his had died in Sahiwal. He felt terrible not going to the funeral, but his health would not allow it. I empathized with him first, but what I really wanted to know was why he wanted to go in the first place. What function was it fulfilling for him? What did he get out of it? As I typed up my fieldnotes that evening, I was struck off my perch: 'Bibi, what do you mean *why*? Do you not have care for your family? What kind of world do you come from? It doesn't seem a good world'. It was a timely – and embarrassing – realization. I saw that I was unconsciously creating unfalsifiable models that reduced everything to instrumental exchange i.e. if someone did something, he did it for a self-interested reason and hence the action could be chalked up as the result of a conscious cost-benefit calculation. To have continued in such vein would have meant that I was viewing the world in terms that told me nothing about *why* people did what they did, what meaning they attached to their actions. This was particularly pertinent to how I understood aarthis because my political normativity predisposed me to see them as embodied capital[66]. If theoretically I was convinced that useful social analysis also involved 'sorting out the structures of signification' and determining their relative importance (Geertz 1994: 217), I had to be much more conscious of behaviour as undergirded by habit, expectation, what people considered worth striving for, and morality. The pursuit of power, profit, and status was not the only

[66] Marx's use of language has a great deal to do with this. He frequently speaks of capital as embodied in the individual capitalist such that the latter appears only a conduit for system-forces. This is a most effective literary device and political call to arms, but generations of activists and scholars have labored under a reductive understanding of human beings as a result.

game in town, nor was the logic of profit-seeking always going to be easily distinguishable from the rest. Thankfully, the old farmer's wonder at what he surely thought of as my callousness alerted me to the danger of learning nothing.

Interviews and Informal Encounters

Of mandi actors, I interviewed 35 katcha aarthis[67], 6 pakka aarthis, 4 dealers, 7 labourers, and approximately 50-60 farmers. In Okara city, my interviewees were more wide-ranging: 2 senior district administrators; 6 District Market Committee officials; 8 political workers from various parties and factions; 4 constituency politicians; 1 senior police official; 3 office-bearers of the fertilizer, jewelers, and seed associations respectively; and 2 print journalists. There were also many observational opportunities from which I learnt a great deal. For instance, I witnessed a *panchayat* in its entirety, multiple debt collections in villages, rallies organized by rival mandi groups, a village festival in which two aarthis were amongst the chief guests, every day goings-on at the District Market Committee office, etc. As any fieldworker knows, observation of that which one seeks to understand – as well as of its environment – yields rich data. Later, in conversation with my close interlocutors[68], I would seek to understand what I had observed, and

[67] 7 of these were also interviewed for the survey.
[68] Which included the four aarthis I spent the most time with, some of their employees, a left-leaning NGO worker, and a low-level official at the DMC.

my evolving understanding would shape the direction and substance of my interviews.

Interviews were a cornerstone of my methodological approach and provide the largest part of the empirical data I draw on. I use the term to refer to both the structured and unstructured exchanges I had, the difference between them being, as Frey and Fontana put it, that

> the former aims at capturing precise data of a codable nature in order to explain behavior within pre-established categories, whereas the latter is used in an attempt to understand the complex behavior of members of society without imposing any a priori categorization that may limit the field of inquiry (Fontana and Frey 1994: 366)

Early interviews at the beginning of fieldwork were unstructured and open-ended as I sought to learn as much as I could about the mandi, agricultural production, local politics, etc. Like all researchers new to a field site, my initial learning curve was steep as I voraciously ingested huge quantities of new information. When the chaos reduced a little and I began to isolate key aspects of interest, the interviews become progressively more focused and structured[69]. A technique I developed to make them as productive as possible was maintaining a 'live' list of questions for each of my regular interlocutors; including my case studies, I maintained such lists for 15 aarthis. Because aarthis were frequently very busy and the inward-looking

[69] Interview schedules served as thematic guides rather than exact directions for how interviews proceeded. More free-ranging and spontaneous discussions – certainly guided, but not dictated by me – made the interactions longer but engendered goodwill and flow.

space of the mandi courtyard lent itself to frequent chance encounters and crossed paths, I could not always control who I would end up seeing in a day. Being prepared for impromptu chats at all times was key, and so I dedicated a section of my notebook exclusively to these 'live' question lists. For example, here is one for an aarthi from March 2012:

If a farmer takes a bag of fertilizer a month before harvest, is it still 2000 rupees i.e. the same rate as 'due' fertilizer?

Does he keep any part of the due that dealers charge on inputs? Do others?

If he has money, and can pay the dealer cash BEFORE 4 months, what happens? Basically, are there big/rich aarthis who have cash and therefore can appropriate the due that would otherwise go to the dealer?

What does he do with the stuff he gets from large landlords?

He knows Chaudry Ali Ahmed. Get in touch and meet on next trip.

What size farmer is most difficult to recover from?

How many defaulters from Manzoor's networks does he have at the moment and how much money is owed to him outside of routine from the pakkiwallas? What's he going to do about the Manzoor situation?

What was he doing in the 80's (how old is he)??

Why did his family migrate in '52?

Why politics 'majboori' (a necessity)?

How does he (and everyone else) estimate profit and loss?

Can he estimate an annual gross income? Seasonal?

Having these questions written down did not mean I always asked them all at the next encounter, but it did make meetings – be they chance or pre-arranged – more fruitful. And as I worked through my list, I struck off items and added new ones that

emerged from discussions. This is why I came to think of them as 'live' lists that were always with me and always changing, reflecting the evolution of my understanding on the many fronts I had open simultaneously.

When meeting aarthis for the first time, I would explain my project briefly and also hand over a short introductory note. The note set out the purpose of my research, my institutional affiliation, and why I had chosen to study mandis by being here and talking to people instead of just reading. This latter point was much appreciated by aarthis and farmers alike. Nodding approvingly when I explained that the only way to understand actually-existing markets was to immerse oneself in them, they frequently remarked on this unusual approach to studies ('*vakhri soch hey larki di'*). Discussing the merits of practical, experiential knowledge also had the effect of casting them as authorities on matters of significance. Perhaps it allowed them to feel less like they were being interrogated for purposes that they did not fully understand and more like they were teaching an eager student. This was a welcome effect, one I deliberately sought to create in my early meetings with most mandi folk[70]. Bourdieu, always sensitive to the operation of symbolic power, writes of the interview that:

> It is the investigator who starts the game and sets up its rules, and is usually the one who, unilaterally and without any preliminary negotiations, assigns the interview its objectives and uses (These on occasion may be poorly specified – at least for the respondent.) This

[70] I did not seek this inversion or closure of social distance with senior state officials, politicians, and 'big men' with little time to spare. In such cases demonstrating confidence, good knowledge of my subject and deploying my cultural capital (eg: language, institutional affiliation, the fact that I was from Islamabad and of the 'modern' milieu) was more useful.

> asymmetry is reinforced by a social symmetry every time the investigator occupies a higher place in the social hierarchy of different types of capital, cultural capital in particular (1999: 609)

He goes on to describe how one can minimize and post-facto account for the symbolic violence effected by this discrepancy in capitals between researcher and respondent, but it is his conclusion that goes to heart of what ethnographic field interviews aim to do: '…the interview can be considered a sort of *spiritual exercise* that, through *forgetfulness of self*, aims at a true *conversion of the way* we look at other people in the ordinary circumstances of life. The welcoming disposition, which leads one to make the respondent's problems one's own, the capacity to take that person and understand them just as they are in their distinctive necessity, is a sort of *intellectual love'* (ibid: 614, emphasis in original). For those who seek to grasp underlying structures of meaning and motivation or what we might term the ideological character of everyday practices, Bourdieu here articulates a goal to work towards[71]. Critical evaluation follows, but in order to minimize the effects of the act of studying, the effort to see others 'just as they are in their distinctive necessity' in their necessarily partial ideological consciousness has to come first (ruling out the possibility that their behavior is reacting to the behavior of the observer). Extending this generosity was easier when I spoke to the poorest and least powerful, less easy as I moved up the ladder, but as my relationships with aarthis thickened and I experienced instances of connection and care in my interaction with men who I had

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[71] Although the ethical pitfalls of this are non-negligible. As people feel seen, heard, and empathized with, they may divulge information that they would not necessarily be comfortable with making public. They may also form affective bonds that are not reciprocated by the researcher. See discussion of Ellis (1995) in next section.

hitherto thought of as embodied capital, it became easier for me to see them through their own lenses and not just mine.

Interviews with farmers followed a different pattern. Whereas with aarthis I had one-on-one conversations, the most frequent format with farmers was the group interview. A farmer who takes input loans from an aarthi makes between 20-25 trips a year to the mandi and will spend many hours waiting at the aarath. Consequently, most of the farmers I accessed in the mandi were small and medium farmers, there on some matter of business. At the aaraths that I selected as my case studies it had became possible for me to spend large amounts of time 'hanging out' without getting in anyone's way, and so I struck up conversations with groups of waiting farmers. Most of the time, the aarthi would be present; that their presence (or presence of their accountant/labour contractor) influenced, in no small way, the topics we conversed around and the opinions that were expressed is undeniable. Group discussions in such settings ranged over comparisons of maize seeds, trends in land rents and commodity prices, farmer's views on politics and their political preferences, factors preventing the timely availability of inputs, etc. These issues were relatively 'safe' to talk about, i.e. in my assessment, farmers' opinions were unlikely to be significantly affected by the presence of the aarthi. As my research progressed however, I occasionally started to solicit 'sensitive' views: which market actors did they think profited the most as their maize wound its way upwards through the supply chain? Was it justified for input dealers and aarthis to charge 'due', particularly given the Islamic injunction against interest? Was commission

justified? Why did they never report fertilizer dealers who did not provide a receipt to the police?

I asked these deliberately provocative questions only when I was certain that the relationship between aarthi and the farmer(s) was strong and could withstand any stress that the ensuing debate may put on it. What I hoped to learn from this line of questioning was twofold: firstly, the difference in what was said in front of the aarthi on the one hand, and behind his back on the other. And secondly, by provoking debate between farmers and aarthis, to see what arguments both parties made in defense of their positions.

Group interviews were the most frequent interactions with farmers, but they do not substitute for individual interviews. My previous political work on the Okara military farms meant that I had good access to 14 villages[72]. I visited 4 villages, and interviewed 6 farmers farming between 4 and 15 acres about their marketing strategies. I also visited two nearby villages of private landholding where I held group interviews and Depalpur – an area of large landholdings – where I spent two days with a family that owned 700 acres of irrigated land. In Okara, I interviewed 4 farmers that owned more than 75 acres and in the mandi itself, I developed a small handful of friendships with certain of the farmers that I met repeatedly at the aaraths I frequented. These friendships made possible private one-on-one chats at the tea stall, walking from one place to another, and waiting on the auction platform.

[72] From 2002 to 2005 I had been closely involved as an activist with the Okara Military Farms tenants' movement against eviction.

Zooming In: Case Studies Within a Case Study

In addition to interviews, a survey, and 'casual' interactions, the analysis presented in this thesis is based on data gathered from four case studies of aaraths. Understanding the relationships, structures, actions, and ideologies that shape market position and strategies of accumulation requires in-depth, iterative study over time, something that is not possible through interviews and survey methods alone. This is where case studies are useful with their intensive focus on explaining why and how phenomena come to be and the interpretative dimension they make possible. Understanding how people interpret their social world and their motivations is as essential to understanding how accumulation takes place as knowledge of experience-independent phenomena like property rights. Gerring notes that '[r]esearch designs invariably face a choice between knowing more about less and knowing less about more. The case study method may be defended, as well as criticized, along these lines' (Gerring 2004: 348). Of course, the most important limitation to the method is that there is no way of knowing if the inferences we draw from our data are generalizable, i.e. it is not possible to separate necessary relations from the contingent and elaborate definite causal links. This is the biggest drawback of undertaking a case study, and the temptation to aggregate up too far from one's findings to a general framework or definite causal links has to be resisted.

The four cases I selected and layered up with business histories, interviews, observation, and casual chats are not statistically representative of aaraths in the mandi. Four chosen from a hugely heterogeneous 320 cannot be representative and qualitative fieldwork has its own logic, inevitably evolving away from its initial methodical design and becoming the child of contingency and quick thinking, context-attentive decisions. Indeed, '[t]he improvisational nature of… fieldwork stands in contrast to the formulaic quality usually associated with the concept of methods' (Cerwonka 2007:22). Adaptability is therefore a crucial skill for fieldworkers, one that I was called upon to employ immediately when confronted with a discomfiting reality: neither my general informants nor my close cases were going to be random or chosen 'without regard for persons' as I had planned. Instead, the information I gathered was going to be heavily conditioned by questions of access and trust in what at least initially felt like an unfamiliar and hostile environment. Personal rapport therefore, was an important factor in selecting who I was going to spend large amounts of time with.

The cases are distributed along a number of vectors of difference including size, years in operation, occupational background, caste/biraderi, and political involvement of the proprietors. Other perhaps equally significant factors are not rendered visible by these cases, for example if and how a position on the mandi committee and different educational levels correlate with business strategies. I have been careful not to rely on these studies for strong comparative purposes because they are single cases of densely-populated categories and so cannot be assumed to

be representative. Also, representative sampling only becomes possible *after* we know what the population represents (Harriss-White 1996: 56). However, as the discussions on the intersection of business and political strategies in Chapter 5 and Chapter 6 demonstrate, contrasts are sometimes possible and inductive inferences can be made but aarthis themselves are too heterogeneous, the environment too complex, and my knowledge not far enough advanced for exactitude.

The following section only briefly introduces my cases. I am reluctant to risk revealing their identities (with the exception of Chairman, who has insisted he does not need to be anonymized) and prefer introducing relevant aspects of each as the narrative unfolds in the pages to come.

Four Cases

I arrived in the mandi with one existing contact from my previous political work. The Chairman of the Anjuman Mazarain Punjab (AMP) – representative organization of the largest peasant movement in post-partition Punjab – set up an aarath in partnership with another tenant farmer from his village in 2008. He and I had developed a great fondness for each other during the years when we struggled together against the military grab of their lands in Okara. Formerly a tenant farmer who also worked as a labourer in Karachi, Chairman has been very intentional about using his political position as a means by which to amass clients. The name of the

aarath itself – Chairman Commission Shop – is hardly shy of announcing his connection with and position within the AMP. In January 2013, the aarath had significant outstanding loans to be recovered from the spring maize crop harvested seven months ago as well as from the winter season just concluded.

The second case is that of Haji. I keep him anonymous in deference to his request. He was initially very skeptical of my claim to be a researcher and did not warm to me easily. From one of the first Muslim families to have started up business in the mandi just before Partition, he is in a period of decline and struggling with a string of bad debts and a failed business partnership. He also does not command the seeming authority or have access to avenues of recourse that many others seemed to. Talking to him, I often perceived a *reluctant* capitalist: not hopeful of growth anymore, yet overstretched with a diverse business portfolio and a desire to leave something to his only son. Land subdivision within the family has left him with 2.5 acres only, which he farms himself with hired labour while sometimes renting in more.

Next is Zamir, also a long-established aarthi but doing well. He estimates that 60% of his 300 or so clients have been on his books for more than 15 years, his oldest client having been with him for 32 years. He has significantly fewer recovery problems than either Chairman or Haji and a larger volume of produce coming through his shop. He is accumulating relatively steadily, as evidenced by the volumes of maize that go through his shop, his expansion into the pakki business

(i.e. buying at the auction) in 2015, and construction of a large new house. Zamir also self-cultivates (with his brother) 75 acres of land and is connected to a strong patronage network. He is directly politically involved, having won the electoral contest for union council nazim election in 2001 and contested one of the two local elections held since.

The final case is that of Arshad sahib. Arshad sahib comes from a petty trading, non-landowning background but has made it very big. He only does pakki work in the mandi, i.e. buying at the auction and selling on, and does not lend to farmers at all. Most of the time he trades on his own account, only occasionally taking on commission work. He is well-connected, has funded and supported most major constituency politicians in town at different times, and maintains multiple institutional networks. His other business concerns include real estate speculation and poultry sheds, both of which are doing well and he had plans to expand both.

I spent a lot of time with these four as they went about various aspects of their business. We chatted about everything from mandi gossip and particular debt cases to life in the UK and the (much contested) concept of equality between men and women. At Zamir's shop, I sometimes helped his nephew with his English homework; at the Chairman's, I was frequently asked to adjudicate between the two sparring business partners. Whereas I started fieldwork with the Marxist activist's dislike of capital and capitalists, I ended up developing genuine affection for these

men and an appreciation of the sheer effort, long hours, and constant 'on-ness' required to stay alive and grow in this business.

Table 2: Four Cases

	Size	Year Established	Father's occupation	Agri Land Owned	Other concerns	Politically Active
Chairman	Small	2008	Tenant farmer	0 acres	Self-cultivation[73]	Yes
Haji	Medium	1948	Aarthi	2.5 acres	Rents in agri land Property speculation	No
Zamir	Medium	1950	Aarthi + self cultivator	75 acres	Self-cultivation	Yes
Feroze	Large	1995	Beopari	0 acres	Real estate Poultry farms	Yes

Contextualizing 'Thick' Data: Conducting a Mandi Survey

The methods described so far yield thick description but they cannot help estimate what proportion of the population has features bearing on the phenomena we seek to explain. I was keen on having a more aerial view of the mandi, one in which I could see the distribution of aaraths across selected categories. Therefore, I

[73] Chairman is a tenant farmer but like others on his military farm, has not paid rent in cash or kind since the early 2000's. Hence, while he is not the legal owner, in practice he has been self-cultivating 4 acres for a little under a decade.

conducted a survey of katchi aaraths in January 2013[74], having refined the questions, their arrangement, and their exact wording in order to make the exercise as effective as possible. A random sample was impossible because there was no list of aaraths available, so every tenth spatially-situated aarath was made a respondent. The first third of the questionnaire consisted of a series of mostly closed questions about the aarthi's personal background: their biraderi, whether they were migrants or locals, how many owned and/or farmed land, occupational history etc. The second part focused on business practices with an eye to establishing i) what the motives behind lending were i.e. was it primarily a means of tying supply or exploiting farmers on the credit market ii) what strata of cultivators aarthis preferred to do business with and why iii) how widespread bad debts were and how confident aarthis were of collecting them and iv) what other business concerns they had at the time. The final section sought information about forms of political and social involvement and perceptions of which relations were most important across different aspects of their business. The goal was to use the information thus gathered to contextualize my case studies and interview data and get a sense of the prevalence or non-prevalence of characteristics that were of analytic relevance.

At the end of December 2012, I inducted two male research assistants – local university students known to me as members of a progressive student organization in Okara – to help administer the questionnaire. Unfortunately, neither effort proved

[74] The katchi and pakki businesses were unique and non-comparable for the purposes of this survey.

successful[75]. Aarthis refused to cooperate with them and were not generous with their time and responses when they did. This may have been because as local students in their twenties, they did not command much authority or inspire trust amongst status-conscious, wary, and often very busy men. By contrast, aarthis were much more interested in – and accepting of – me by that time. My presence at every interview was therefore seemingly mandatory for getting meaningful responses, and survey interviews could take anywhere from forty five minutes to an hour and a half depending on how interested respondents were and what kind of chord we struck. I had originally planned for 65 respondents, but scaled this down to 30, i.e. approximately 10% of the katchi population in the mandi.

A Woman in a Man's World

Every mandi or bazaar fieldworker knows how difficult it is to establish oneself in these places. Traders are wary of anyone who, quite literally, has no business being there and frequently adopt a closed, defensive stance towards outsiders. The long-smouldering conflict between the commercial classes and tax authorities in South

[75] Their preparation consisted of an introduction to my research project and a strong focus on the survey as an exercise in eliciting precise data along a handful of themes. I gave them a crash course on mandi functioning, business jargon, and interview techniques, and they witnessed a couple of mock surveys and accompanied me to aaraths for meetings and interviews over four days. In my estimation, given the closed nature of most questions they were going to be asking, this should have been sufficient training. See Yin (2009:77) for the difference between training surveyors and case researchers.

Asia means that those taking an unusual interest in market affairs are often suspected of being income tax inspectors (eg: Harriss-White 1996, Krishnamurthy 2011). In the first few months I too fielded many allusions, suspicions, and questions centred on my possible association with the income tax department. Sometimes the conversation would prompt me to show my Oxford student ID as proof of my student status – on one occasion this was closely perused with a magnifying glass before being sent to the photocopier's down the road for a full colour copy.

But wariness was not the only reaction my presence engendered. It was abundantly clear that for mandi folk, I was a novel creature that also intrigued, puzzled, and confounded them. As a lone woman in an incredibly busy, loud, and often hostile male-only space, my person combined traits that simply did not go together: married yet here without my husband or any family, mother of a small child but electing to leave him at home, claiming to be a student yet wandering the length and breadth of Okara instead of reading books. I was a Pakistani woman unlike any they knew, studying in the UK, wearing simple cotton clothing, boldly making eye contact, smiling and laughing with strange men, and wanting to understand everything from accounting practices to the finer points of cultivating a good maize crop.

It is impossible to exaggerate how visible my gender rendered me, not just in the mandi, but in almost all the places I frequented in Okara. The spatial dynamics of patriarchy here are such that women have a minimal public presence apart from in

bazaars geared towards female shoppers. The offices I frequented – the District Market Committee, the District Commissioner's Office, and the Agricultural Extension Office – were almost exclusively male spaces and the only women in the mandi were either prostitutes who crept in under cover of darkness or low-caste women and their children begging alms and sifting through dirt and garbage for stray grain. Aarthi's families had lived above the shops for decades, but as the mandi grew busier in the late 1990's they moved out to residential neighbourhoods and housing societies. In 2011, only two families remained and the women practiced strict purdah, donning *chaddors* or black *burqas* covering all but their eyes on the relatively rare occasions that they left the house.

I was aware of being the talk of the mandi in the early days, stared at with both open curiosity and a strongly sexualized gaze. Walking around the courtyard, there were times I felt myself to be little more than a vagina on sticks – two particularly unpleasant events left me humiliated, shaken, and furious at the injustice that women had to suffer. But things improved as the weeks wore on and I persisted. Aarthi's strong curiosity about me inclined them to make time to meet me and ask lots of personal biographical questions as well as questions about my project. As their respect for my person and my pursuit grew, doors started to open. Over the course of fieldwork, seven aarthis invited me to meet their families at their homes; of these, four homes I visited more than twice and stayed overnight at. Aarthis appeared to me more completely through the complaints of their wives, the classed aesthetic of their homes, their interactions with domestic servants and

farmworkers, and their hopes for their children and the troubles they had with marriages, education, and employment. While my gender meant I had to fight harder at first to be taken seriously as an interlocutor, was barred from certain spaces, and was frequently subject to moral judgements on my qualities as a mother, wife, and Muslim, in reverse it afforded me deeper personal conversations, greater care conditioned both by patriarchal norms and recognition of the obvious difficulty of my task, and perhaps even greater trust and respect in some instances. A particularly colorful personality in the Okara District Commissioner's Office apprised me of how he thought about me in the following words: 'not everyone is the same, but neither does everyone have an eye that can tell the difference. A woman can be a man you know, and a man can be a woman'. Given the context of our conversation, I took this as a positive endorsement of my 'manness' and an interesting touch upon the liminality of gender: in some important respects – perhaps in terms of space, the authority that my class habitus commanded, and my apparent insubordination to the domestic sphere – I was a man in Okara. This is not an uncommon experience for female researchers in strictly gender-segregated societies. Hanna Papanek (1964) notes the greater flexibility and access available to foreign women interviewers in societies where social space is strictly separated by gender. Foreign women researchers can define their own roles with a high degree of autonomy in such spaces, but interestingly, she observes that this decreases sharply if a foreign woman becomes less of an outsider by marrying a native man or adopting local social mores. Of course I, as a Pakistani woman, was most certainly not foreign. But my class – as evidenced by fluency in English and Urdu and

educational status – and my being from the metropolitan city of Islamabad performed a comparable 'othering' function in Okara.

Missing Piece of the Puzzle: Islam

Readers will note that this thesis is largely silent on the many ways that Islam colours the mandi. This warrants explanation, because Islam is far from absent. Its extensive penetration of social life on the one hand and its unquestionable sanctity on the other make it a hegemonic institution, one that is everywhere all the time and does not brook overt challenge. Understanding Islam's role in the process of accumulation entails answering a host of questions such as: does it function as a basis for exclusive networks? How do Islamic values shape relations between people in exchange? To what extent does it legitimize accumulation either through overt religious displays or redistributive activities anchored in Islamic idioms? How is the oft-repeated Islamic teaching forbidding interest squared with the fact that all input dealers and most katcha aarthis charge 20-50% annually on inputs? Does adherence to Islamic practices and participation in Islamic organizations constitute a significant avenue of social mobility for aarthis from the lower castes/biraderis or those with less capital?

I did not pursue these questions because my personal beliefs and irreligious upbringing became significant obstacles when dropped into the patriarchal

orthodoxy of urban Punjab. Simply being present in the mandi required fielding questions about my personal religious understanding and practice, and on occasion people also solicited evidence of my knowledge and practice of Islam. As a lone, non-believing Muslim woman with a sparse religious education, these moments were uncomfortable at best, scary at worst. Atheism is not an acceptable religious position in Pakistan, and atheists in Pakistan – like Ahmadis and other minority sects and religions – learn to dissimulate their beliefs in the interests of avoiding severe violence and victimization. Further, a great deal of what it means to be a Muslim is displaced onto the regulation of women's bodies. The limits of my dissimulation and the weak position I occupied in the patriarchal order were revealed when I was publicly asked to recite Quranic verses from the Muslim prayer as proof of my Muslimness, pressured to attend a women's *dars* (sermon) for much-needed religious edification and asked outright whether I was a Muslim by a particularly religious aarthi associated with the Jamaat-e-Islami. These situations concluded without incident, but my fear of being found out and punished subsequently kept me away from explicit, openly directed investigation of the role of Islam in economic life.

This constitutes a major omission in my account. It is difficult to describe just how ubiquitous Islam is in daily life in Okara and an exhaustive list of Islamic discourses and practices would require many pages. There is a large new mosque in the centre of the mandi, claiming space that would otherwise be used as a much-needed extension of the auction platform. Mandi traders – particularly those belonging to

the Sheikh biraderi – are generous donors to Islamic initiatives such as madrassas, religious events, and charities. Every Thursday a *langar* is set up in the courtyard and huge pots of rice and vegetables are cooked for free distribution to the poor. It is common practice to hold a *milaad* – a religious gathering in which the Quran is recited and sweets distributed – when a new aarath opens for business[76]. And survey data reveal that 70% of aarthis have performed either *haj* or *umra* (religious pilgrimages to Mecca). Keshavarzian characterizes Tehraan's bazaar as suffering from 'religious inflation' (2007:115) with the consequence that public professions of religiosity do not carry the same symbolic significance they used to. In Okara too, inflation seems an apt descriptor now that 'everyone is a *hajji*', almost all aaraths display Quranic verses on the wall, and old aarthis sit fingering prayer beads while their sons run the business. Islam here is notable by its absence, not its presence, but how Islam shapes conditions of exchange in the aarthi-farmer and aarthi-aarthi dyads is an open and important question.

[76] Note to reader: the physical space of the mandi is chock-a-block. All new aaraths are based on further subdivision of existing space, not new construction.

Picture 3: Mandi, with Mosque in the Background



Perhaps unsurprisingly, the most formally religious aarthis were often the least interested in talking to me, but I conversed with some of my less religious interlocutors and friends on topics ranging from their thoughts on Islamic militancy to fasting in the month of Ramazan. I also never stopped observing Islam 'in action', noting the business-friendly interpretations of Islamic injunctions on taxation, the many secular uses of the mosque beyond its function as a place of worship, and the deep cynicism that most people expressed about how 'Muslim' others really were. Farmers and aarthis frequently made statements such as 'the longer the beard, the

bigger the criminal' or 'one hand counts the notes while the other passes the prayer beads', demonstrating that adopting Islamic practices did not shield people from or neutralize critical evaluation of the ethic of private gain and the uneven distribution of profit. An interesting question therefore would be whether there is significant redistributive activity couched in the Islamic idiom going on that transmutes accumulated capital into honour and prestige such as that which Rankin (2004) finds amongst Newari traders in Nepal and Mines (2014) finds amongst Chennai's merchants, or alternatively, whether this has diminished and class inequalities are now more socially acceptable. The purported links between Okara's traders and militant outfits such as the Lashkar-e-Tayaba and Jamaat-u-Dawa (Siddiqua 2013:23-25) and parties such as Tahir-ul-Qadri's Pakistan Awami Tehrik also remain unexplored, and we could expect them to illuminate how big traders secure protection for their property and other interests.

Ethical Dilemmas

I was constantly 'on' in the mandi. Fieldwork here was a mode of being rather than a clearly defined activity: watching, waiting, crossing the courtyard, drinking tea with someone, having a shouted conversation while hanging on for dear life on the back of a motorbike. Some of the most interesting insights came from such encounters, and it was impossible to obtain oral informed consent at every juncture. Every field researcher knows the dilemma of studying the lives of others while at the same time

trying to establish close relationships with them, become friends with them. Is it possible to forge real friendships in such a situation? Do objects of study ever cease to be thus in the field[77]? Asking for consent whenever anything of interest surfaced would have implied that our exchanges were merely a source of data for me. It felt 'dirty' to do that, a betrayal of the easy flow of moments that were so much more than me casting my net for data.

I also did not solicit written consent during interviews and other similarly formal interactions, preferring to ask permission orally. All those I interacted with in Okara knew I was writing a 'book' about Okara's grain mandi. For some it was a source of pride that their mandi had been singled out for such attention, for others it was cause for amusement and amazement. I explained that I was going to detail how the mandi system worked, what problems it presented to all major actors involved, and cooperation and conflict between these actors as I observed it. Other researchers were likely to read my book and I planned to write in Pakistani newspapers and magazines based on what I had learned. While all aarthis were literate and could have read the consent form I had prepared, this was of no consequence. What was at issue was – again – trust. Given how wary aarthis were of outsiders, I feared that

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[77] Feminist researchers Duncombe and Jessop (2002) critically evaluate their own experience of rapport and friendship with respondents and argue that the boundaries between 'real' and 'faked friendship' are frequently blurred during fieldwork. The mystification only ceases when fieldwork comes to an end and the 'friendship' comes to an end with it. 'Doing rapport' as they put it, is an ethically fraught professional strategy employed by almost all researchers with serious ethical implications. While I support problematizing the 'friend' relationship, like others (Ellis 1995, Fontana and Frey 1994), I don't share their certainty that relationships thus engendered must always be fake.

asking for a signature would immediately introduce doubt, fear, and suspicion about how this signature might be used against them. I also never recorded conversations or interviews in the mandi – there is something intimidating about the fixity of the signature and the transcript or voice recording, and I did not want to jeopardize the possibility of openness by introducing a tape recorder. And so, like all researchers irrespective of whether they use consent forms or not, I have ultimately used my judgment on how to write 'right' in this thesis.

Finding a line between relaying a detailed, accurate account of the social world I set out to study on the one hand and the interests of my informants on the other has been more difficult than I anticipated. The work I put in to pass the university's ethics review was a starting point from which to think about this, but it quickly receded into the background as fieldwork evolved and I burrowed excitedly into town and mandi. For one, balancing the exigencies of research and my evolving relationships as described above was not straightforward. Secondly, I learned that not all of my respondents wanted to remain anonymous. Some wanted their achievements recognized in my 'book' while others wanted to use the opportunity to tell the world about their experiences of being defrauded or the difficulties and expenses of navigating the legal system. But thirdly, and much more worrying, I realized while writing up that I could not fully anonymize my data and still hope to say something meaningful about the processes I set out to study (see Parry and Mauthner 2004:143-145). There were too many contextual identifiers and town and mandi were so small and tightknit that changed names and biraderis would not

always prevent an aarthi or DMC official from identifying who was speaking or being spoken about. What to do then? How to honour the trust placed in me, protect my respondents while also furnishing an accurate, critical account?

Carolyn Ellis's (1995) reflections on this problem are honest and insightful. Ellis studied a small fishing community in the United States for over a decade, publishing a book that reached the community some years later. Many of her respondents were furious with how they had been depicted. Conversations they had had with a friend were splashed across the pages and their trust had been betrayed. Ellis' painful encounters during a return visit prompted her to reconsider how she conducted herself during fieldwork and used data when writing. She emerged thinking that in future she would cast her respondents as part of her audience, share more of herself with them, and keep up a conversation over time about her project rather than let it lapse after the initial introductions. These were important ethical steps in what was always going to be a complex undertaking.

I cannot claim to have reached a satisfactory conclusion to the issue of what would constitute ethicality myself. In contrast to Ellis, I think I stood out too much for people to forget that I was there for a unique purpose. People got used to me, but never so much so that they 'forgot' what I was doing there. Still, I do know that not every story, memory, and opinion I recorded was shared with full knowledge of how it would be used – indeed, full knowledge was not possible given that even I did not know how these would be used and what the exact story would be until after I

returned from Okara. Therefore, I write having made an effort to minimize hurt to people's feelings and interests based on what I think these to be. I have omitted 'juicy bits' that I felt proud of obtaining but think are too compromising because of how identifiable the people in question are, and I have thought about how my respondents would feel should they read my account. I expect that some of those who recognize themselves will be unhappy with how they have been portrayed, but my hope is that most will at worst be puzzled by such a stylized articulation of their lived experience. Ultimately, a critical in-depth field perspective will always hurt some of the interests and/or feelings of the group under study but it is certainly incumbent upon the researcher to grasp the nettle and confront her relationships and responsibilities to her subjects: '[A]s field-workers we need to exercise common sense and moral responsibility, and, we would like to add, to our subjects first, to the study next, and to ourselves last' (Fontana and Frey 1994:373). This does not mean agreeing with those we study or condoning their actions but it does mean operating within the bounds of a moral-ethical framework that recognizes the vulnerability of those who are constituted as subjects in the knowledge production process.

Finally, I want to briefly touch upon the issue of reciprocity and how that has shaped my research. Mandifolk, I discovered, generally seemed to enjoy the opportunity to express their grievances to an interested and sympathetic outsider. In the early days as I was finding my feet, I frequently invited aarthis, farmers, and labourers to tell me about their problems. Their narrations helped me identify pieces of the enormously complex system I was trying to understand as well as establish friendly

rapport. However, this line of questioning immediately brought to the fore the issue of reciprocity. For in taking time to tell me what all was wrong, they often wanted to know what I was going to do to change it. To aarthis, my response was that I recognized the necessary functions they performed without which agriculture in the region would simply not be possible; my work would therefore demonstrate their importance to the food system. Thankfully, this seemed to be adequate because of how important the issue of (mis)representation was for them.

Unsurprisingly, it was in talking to labourers that I was most confronted and often felt uncomfortable. Not only did they want to know what use my research would be to them, I was also asked to intervene on two separate occasions with aarthis and the president of the mandi association concerning wages and the provision of drinking water. Managing such expectations and requests, emanating as they did from the poorest and most exploited in the mandi who viewed me as someone with significantly greater power than them, was hard. Even when no direct request for support was made, I felt guilty choosing not to intervene or act in the face of obvious injustice and hardship and I had to accept that my interaction with labourers was going to be limited. If I wanted to maintain aarthi's trust, I could not be seen to be overly sympathetic to their employees. I also did not feel comfortable being perceived as someone who betrayed friendship or the trust reposed in me – forming

friendships with labourers would open up a field of expectations that I knew I could never fulfill.[78]

Conclusion

It is daunting to make truth claims on the basis of such seemingly limited and necessarily subjective data as that which I have. Can we expect a single case study to be of much use in understanding exchange in other parts of Punjab, Pakistan, or the world? Can a snapshot such as this help understand the substance of social transformation underway in Pakistan? From the heights afforded to them by their dominant epistemological position in social science, positivists would answer no – after all, N=1 in this study and truth is reliant on statistical inferences in their tradition. From the opposite end of the table, interpretivists would deny the existence of truth altogether, thereby rendering general statements impossible. Both positions are problematic. Statistical inferences are useful for discerning patterns of events, but they cannot explain *why* things happen. The latter requires closer, thicker qualitative study that takes seriously the social meanings people live by. Yet, knowledge is not immune to empirical check and it cannot be said that all interpretations of an event are equally accurate. This thesis bases itself on the

[78] Aside from the ethical issues involved, it was also not easy to have long or open conversations with labourers for the reason that they have no space of their own in the mandi. Most of our conversations took place standing or sat on sacks of grain in the courtyard and it was not unusual for a small crowd to gather around, changing the interaction and making it less free. The labourers I interacted most frequently with therefore worked at the aaraths I spent the most time at. Here, friendships grew, joviality reigned, and I am grateful for the window they provided.

premise that the social world is real in the sense that although of course institutions, practices, and norms are concept-dependent, they exist in that moment regardless of how the researcher interprets them. The task therefore, is to figure out what my lens is and then retrospectively apply this understanding to the data in order to more closely surmise the reality of the mandi and the actors in it. It is to this end that this chapter has laid out the biases, limitations, and enabling processes underpinning my research. My normativity, gender, ability to make friends and inspire trust, class, and many other factors have combined to produce the data for this thesis. It would be incorrect to say that filtering this data through an understanding of my own subjectivity would somehow distill 'the truth' from it, but I am certain that this 'reverse process' if you will contributes to making my account more accurate and therefore more proximate to what actually is.

Chapter 4

The Making of the Rural-Commercial Classes: A Brief Historical Background

Narratives of political transformation are by definition historical. The research presented in this thesis focuses firmly on the present but the institutions and the ideologies that take centre stage are sedimented social structures and regularities in their function and articulation can only be observed over time. E.P. Thompson's preface to *The Making of the English Working Class* is the most cogent reminder of this. Stopping history and observing society at a single point in time will never yield a glimpse of class he warns, not even if we drag it through 'the finest meshed sociological net'. However, 'if we watch these men over an adequate period of social change, we observe patterns in their relationships, their ideas, and their institutions. Class is defined by men as they live their own history, and, in the end, this is its only definition' (1963: 11). The exhortation to a historical gaze extends beyond class – the cognitive and behavioural effects of caste/biraderi, state, and other institutions are similarly revealed through observation over time. And so, in this chapter I review the genesis and political and economic articulation over time of the rural-commercial intermediate class fraction at the centre of this thesis.

Five events emerge as most salient in the career of this fraction and span a long period stretching from the last quarter of the 19th century to the present day. First, canal colonization radically transformed class relations while at the same time caste, biraderi, and religion became strong political identities and articulated with class in complex ways. This was to have major effects on developments in the post-colonial era, creating a 'sticky' class-caste-religion overlap that persists today. We see it in the mandi with its low-caste and Christian labour doing the dirtiest and most difficult and physically hazardous work. We see it in the city's hinterland and throughout Punjab in the landed elites continuing exalted social and economic status that in no small measure flows from the thousands of acres of irrigated land allotted to them by the British. Second, Partition created a void in Punjab's towns and cities as Hindus – by far the most dominant urban mercantile group at the time – departed en masse. Their shoes were filled by Muslim cultivators with access to surplus, laying the foundations of the post-Partition rural-urban commercial class to which the aarthis at the centre of this thesis belong. Third, the Green Revolution of the 1960's and the simultaneous introduction of local government gave middle and large farmers access to the state and bolstered their economic, political, and social power. Fourth, this power fostered an assertiveness that found expression in the 1976/7 street protests against Bhutto. Suddenly confronted by a regime acting against their interests, they surged onto the political scene as active agents. The Zia years saw their political and economic ascent continue and the intermediate classes strengthened their position in society and economy. And finally, a noticeable change in tactics occurred in the 1990's, afforded by the opening up of democratic space for

only the second time in 50 years. Whereas previously confined to local government, this period saw traders and small industrialists entering politics at all levels and using it to further their economic and social interests. This mode of interest advancement has become entrenched in the political culture of small towns and large cities alike.

In what follows, I expand on these events in order to contextualize aarthis' political articulation in Okara and the role of institutions and ideologies inflecting power in Punjab today. I begin with processes of asset formation that were set in motion during the colonial period and then move on to the relationship between the intermediate classes and the post-colonial state. In agreement with Javid (2011, 2012) and Akhtar (2008), I argue that what has unfolded in post-colonial Pakistan has been a process of adaptation rather than rupture. The modes and means of domination have not transformed drastically; rather, they have exhibited continuity that bespeaks historical-cultural institutionalization.

Canal Colonization

Rupture took place shortly after Punjab was colonized in 1849 in the form of canal colonization and agricultural commercialization. The existence of a sizeable number of rural-commercial capital in Punjab dates from the last quarter of the 19th century when moneylenders, traders, and different classes of landowners emerged in large

numbers to 'serve' colonial Punjabi agriculture. As is well-known, the introduction of canals beginning in 1885 transformed the province (Mukherjee 2005, Ali 1988, Bhattacharya 2012). A vast area in Western Punjab was summarily designated Crown wasteland and allotted at the colonial state's discretion – the structure of landholding therefore changed drastically, reflecting the priorities of the state which at the time were split between revenue generation and political stability. In the early schemes, and particularly in the seasonally irrigated colonies, land grants were large (over 50 acres) and intended to attract cultivators with enough means of their own to sink wells[79]. Perennial irrigation, from which later colonies benefited, made possible smaller-sized *abadkar* (settler) grants of between 15-55 acres – most land in the canal colonies was allocated under this head. Relative to peasant land occupancy in other parts of India, these grants were substantial and frequently of a size such that hired agricultural labour was required for cultivation. Larger than these were those reserved for 'yeomen' considered to be 'leading individuals of the peasant class'[80] and ranging from 55-130 acres. Military grants constituted a fourth category, intended for British Indian Army pensioners and veterans of the world wars. The fifth and final category was of 'landed gentry', ranging in size from 150-350 acres in most cases and upwards of thousands in some. Recipients were socially and politically influential and thus important allies but not expected to generate as much revenue per acre for the state as *abadkar* and yeoman grantees[81]. *All* of these

[79] The rest of this paragraph draws on Ali (1988).
[80] Colonial record quoted in Ali, op. cit.:20
[81] Large landlords relied on share-croppers for cultivation and functioned as rentiers rather than high-productivity farmers. Colonial administrators reluctantly

grantee categories have contributed members to the rural-commercial class that dominates rurban Punjab today, reflecting a blurring of the distinction between them (see Javid 2011: 347-351).

This blurring was already visible at the turn of the century. Mukherjee (2005), Bhattacharya (1985), and Nazir (2000) amongst others point out the extremely high levels of peasant indebtedness that accompanied the commercialization of agriculture in colonial Punjab and the impact this had on rural social relations. While the canal colonies were less indebted than other parts of the province, a large proportion of the rural gentry and the peasantry alike in the newly irrigated areas was indebted to Hindu creditors and, particularly after the 1901 Land Alienation Act, to those from well-off agricultural families. Mukherjee notes that the agriculturalist moneylender who became an important source of loans for peasants in the canal colonies 'was clearly not just a landlord or a well-to-do peasant who had saved enough from his agricultural income to invest in money-lending; he was as often a member of an agriculturalist tribe or caste who had made good outside the village in government service, in professions, in the army, and abroad' (2005: 45). He was also more ruthless than the urban moneylender, wanting to increase his estate. She quotes Malcolm Darling, the well-known colonial administrator of Punjab, wryly observing that 'if the Land Alienation Act has rescued the sheep from the wolf, it has only been to hand him over to the butcher' (ibid: 49).

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conceded the necessity of placating this group that would yield little in the way of 'improvement' and revenue.

Thus was born, in this period, a new class of moneylending traders, farmers, and small state officials who 'took their 'cut'' (Fox 1984: 466) from the colonial administration of rural surplus. And in the increasingly communal political environment of late 19th century and early 20th century Punjab, class and religion evolved a particular historical fit. It was to be of no small consequence that class in this milieu contingently articulated with communal and kinship ideologies and was frequently *subsumed* within these identities. Most cultivators were Muslim followed by a Sikh minority, while most urban traders and moneylenders were Hindu. Fox (ibid) shows that with the rise of the Arya Samaj in the 1870's – the reformist Hindu movement that sought to reproduce a niche for itself within the colonial governance framework – urban segments of the intermediate classes achieved partial class consciousness through a communal identity, i.e. class and religious identity overlapped for a while. This broke down in the early 20th century when religious identity became an obstacle to the development of this class vis-à-vis others; yet the fact of this overlap sharpened the communal tensions that eventually tore Punjab apart in 1947 and is visible still in how some farmers and aarthis speak about the traders that their fathers and grandfathers knew in Okara city. An aarthi recalled that his grandfather, cultivator of 25 acres of irrigated land in Renala before Partition, used to say '*dhan savey Khatri, meej savay maj*' – a Khatri takes on wealth as gracefully as a buffalo takes on fat – while expressing dismay that Muslims did not have a nature equal to Hindus in this regard. Many recalled Hindus dominating trade and being richer than cultivators, most of which were military, *abadkar* or

peasant grantees, not large landowners. Class and religious identity articulated strongly in the mandi towns of the canal colonies, changing only when the urban Hindu population departed en masse during Partition and was replaced with a new, wholly Muslim contingent of small capitalists. Not much is known in the literature about the backgrounds of these new entrants – Papanek (1972) writes that the Sheikh biraderi (one of the few Muslim trading groups) seized the opportunity to move into the vacuum at this time. My fieldwork reveals this to be the case in Okara too, but also that many agricultural households – mostly migrants from East Punjab – set up in the mandi at this time, a matter I turn to in the next section.

Religion however was not a strong political identity outside the cities and mandi towns though and party politics (conducted in communal and class idioms at the provincial level) remained largely an urban phenomenon in colonial Punjab (Gilmartin 1988). Instead, caste and kinship articulated strongly with class in rural areas. The colonial land grants detailed above were neatly sectioned by biraderi, caste, and what the British called 'tribe'. Peasant and yeomen grants were made to Arains, Kambohs, Jatts, Sainis and a few smaller groups deemed to be good cultivators while the large landed gentry grants went to Rajputs, Syeds, Qureshis, and Khatris (Ali 1988: 74). A fourth category of military land grants for soldiers in the British Indian Army also went to incumbent landowners from what came later to be known as the 'agricultural castes' while, not terribly surprisingly, landless and low-caste groups were not given any land. The contemporary Punjabi social order continues to strongly reflect this particular caste-class mapping although change is

visible at many levels and caste and biraderi do not function as exact proxies for class. Okara's traders, processors, and agro-industrialists are mostly trading and agricultural caste partition migrants or yeoman and middle peasants who have diversified over time. The landed gentry has also evolved non-agricultural business interests, setting up petrol pumps, mills, factories, and even schools that have allowed them to entrench their dominance, while the lower castes (Changar, Muslim sheikh, Mochi, etc.) remain subordinate both in terms of class and objective social position[82].

Of course, Punjab is not unique in its caste-class and religion-class overlaps or the way the state shaped the distribution of assets and trajectories of accumulation. Rutten (1995), Chari (2004), and Upadhya (1997) demonstrate the class-enabling functions of caste in Gujarat, Tamil Nadu, and Andhra Pradesh respectively for example. Upadhya's (1997) work in Andhra Pradesh explores the formation of what she calls a 'regionally dominant' class – similar to our rural-commercial class – that evolved out of agriculture and diversified over several generations. Amongst its members, 'caste constitutes a central part of class identity as well as a source of social capital' (ibid: 172). Like in Punjab, caste identities were constructed amongst cultivating and landowning groups in response to colonial policies in the early 20th

[82] There are of course many examples of individual social mobility demonstrating that caste/biraderi do not always correspond exactly and that a degree of 'loosening' has taken place. The Rehmani biraderi's climb into commerce is one such example in Okara. Fraser writes that '… the economic logic of markets interacts in complex ways with the cultural logic of recognition, sometimes instrumentalizing existing status distinctions, sometimes dissolving or circumventing them, and sometimes creating new ones. As a result, market mechanisms give rise to economic class relations that are not mere reflections of status hierarchies' (2003: 214).

century. Funded by wealthy patrons, caste associations sought to foster caste identity and promote the education of their members and caste was pursued as a strategy 'by an emerging rural-urban elite to define themselves as a class apart, to pursue their interests as such, and to increase their chances of attaining political and economic preeminence in the region' (ibid: 178). Caste networks were used for 'building business networks, clinching lucrative contracts, or getting access to a crucial segment of the government bureaucracy' (ibid: 185).

Biraderi associations have faded from political prominence in Punjab today, in no small measure because of the Pakistani state's explicit ideological emphasis on a Muslim identity and rejection of the colonial framework of governance. The state does not formally differentiate between Muslims (with the glaring exception of Ahmadis, who were branded non-Muslim by Bhutto in 1974) and dominant Islamic discourses construct Muslim identity in sectarian terms – Sunni/Shia, Deobandi/Barelvi – while more progressive *ulema* stress the sameness of all Muslims and urge solidarity between the *ummah*. Biraderi is not part of these discourses, nor is it formally recognized by the state, but the importance of caste/biraderi in social life and its close articulation with class has roots in the formal organization and legitimation provided to it by the colonial state as it sought to establish a stable order in Punjab.

Partition

There is very little research on caste/biraderi in the years immediately following Partition and it is therefore not possible to say much about how the institution structured the evolution out of agriculture that took place at this time for some Muslim agriculturalists. Amongst larger agricultural caste cultivators, as mentioned in the previous section, moneylending had already become a significant occupation after the Land Alienation Act and 1930's Unionist Party legislation that sought to further the interests of large agriculturalists over those of the urban Hindu mercantile classes. But for some Muslim cultivators with surplus to spare, relocation and the opportunities made available by the Hindu exodus facilitated diversification into commerce. Where this surplus came from was variable – in addition to savings from agriculture or employment, the chaos that persisted for many years after 1947 created unique opportunities for bribery, fraud, and the illegal appropriation or privatization of resources that may or may not have taken place within a patron-client relationship. Both corruption and patronage were likely to have piggybacked on existing caste/biraderi networks, but this remains a relatively unexplored area in historical research and is important for shedding further light on the mode of accumulation that intermediate capital has employed. To date, Partition historiography in Pakistan has focused mostly on state and political elites, neglecting the quotidian experiences of refugees and locals, but this is changing now. Vazira Zamindar (2007) has recently excavated the history of the 'long partition' and showed the process of displacement to have gone on well into the

1950's. Her account demonstrates the institutionalization of corruption and illegality in the allocation of evacuee property in Karachi. Sarah Ansari's (2005) work on Sindh is also a good example of similarly 'everyday' research on Partition, documenting the dynamics of lobbying by Urdu-speaking migrant groups in Sindh as they sought property, employment, and other resources in the new Pakistan. This generated conflict between locals and refugees, a conflict that continues to structure social, political, and economic life in Sindh and Punjab.

We also have evidence of land grabbing in Punjab just after 1947. After the Hindu and Sikh exodus and the inflow of Muslim migrants, the Evacuee Property Trust was responsible for allocating rural and urban property to settlers. In rural central Punjab, refugees were initially entitled to one acre per head for every family member; in 1954, this was changed so that people were allotted the equivalent of their claimed holdings in India, a policy that Hamza Alavi describes as 'land reform in reverse'. Those able to establish large (often fictitious) claims experienced a windfall, while others lost what they already had and a large increase was witnessed in the sharecropping and landless laboring population (Alavi 1976: 322-323). Urban property followed a similar pattern and '[r]efugees reliance on personal networking based on kinship, ethnic background, and previously shared localities created a culture of corruption in terms of grabbing jobs and property' (Chattha 2012: 1205). Curious about how shop allocations had occurred in the mandi in the early years of

Pakistan, I tried to unearth this information but did not meet with much success[83]. However, what is clear is that the trade – like all businesses in town – changed hands completely. In 1943, only three Muslims had aaraths in the mandi, and only 16% of aarthis today trace their family origins to Okara while 60% trace themselves to India (and about half of these to Jallander).

How this wave of migrants acquired their shops is likely to have followed patterns unearthed by Partition historians. Of particular interest is Illyas Chattha's (2012) work on Punjab which shows the allocation process in Okara to have been heavily fraught with bribery, record fabrication, nepotism, and other corrupt practices[84]. Extensive corruption and graft were not new here: in 1924, during the colonization of Montgomery district, a senior colonial official complained that '[b]arring the Colonization Officer himself, there does not appear to have been a single man connected with the Montgomery Colony who had not obtained a grant…' (Ali 1988: 87). Consistent with this, Chattha shows that after Partition bribes and kickbacks to secure valued property in Montgomery district – as Okara and its surrounding area were known at the time – were amongst the highest in Punjab (2012: 1195), with the rot extending all the way down from powerful Muslim Leaguers including Chief Minister Mamdot to the *patwaris*[85] and *tehsildars*[86] staffing the bottom rungs of the

[83] Gathering oral histories and accessing the historical records would have been a very interesting project but one that demanded more time than I had available.
[84] His work does not make much of caste or biraderi networks, although he mentions (pp. 1205) that they were important in securing access to resources amongst the refugee population. .
[85] Revenue officer responsible for keeping land records.
[86] Low level administrative official

state. While Mamdot acquired hundreds of acres of agricultural land for himself in Montgomery and doled out land to his supporters (ibid: 1198)[87], a police intelligence report from 1947 observes that Okara's Special Magistrate, Mian Abdul Haq, was also 'dishonestly squeezing valuable property at nominal prices to his friends and relatives' (ibid: 1196). During fieldwork, I learnt that one of these properties was an aarath in the grain mandi acquired for his son, while another was a cotton-ginning unit. Abdul Haq's son went on to become proprietor of one of the largest aaraths in the mandi and president of the mandi committee for 35 years; after his death in 2013, Abdul Haq's grandson has carried on the business and is the current president of the mandi committee. While this is a single case, emerging research on the post-partition land grab suggests that most businesses would have been acquired at least in part through patronage, fraud, and bribery. According to official estimates, more than 2 million acres of land were 'unauthorizedly held' in Punjab and by 1960 more than Rs. 3 billion worth of movable property had been classed as held by 'usurpers' (Chattha 2012: 1184). 1947 was therefore a watershed for those who had at least some capital, strong networks, and a will to appropriate.

[87] Extensive corruption and graft were not new here: in 1924, during the colonization of Montgomery district, a senior colonial official complained that '[b]arring the Colonization Officer himself, there does not appear to have been a single man connected with the Montgomery Colony who had not obtained a grant…' (Ali 1988: 87).

The Green Revolution and Basic Democracies

The next significant historical moment in rural-commercial class formation occurs in the 1960's. The Green Revolution (GR), effected by the dissemination of new agricultural production technologies in many parts of the developing world during this decade, came to Pakistan during the military regime of General Ayub Khan (1958-69). Much has been written about the GR, mostly about its economic effects but also the social and political changes wrought by it. Zaidi voices prevalent scholarly opinion in terming it a 'watershed between the old and new Pakistan' and observing that 'much of what we see today, in terms of economic and social groups and classes, political affiliation, and even culture, has its roots in and is a consequence of the Green Revolution' (2015:31).

The introduction of new agricultural technologies dovetailed with Ayub Khan's political strategy of strengthening the rural middle classes to engineer a social base for his regime. Together, these measures provided a major fillip to the middle peasantry. The large-scale importation and application of technology resulted in high agricultural growth rates on larger farms where inputs could be purchased, tube-wells sunk, and tractors hired in or bought (Gotsch 1986). The principle beneficiaries were therefore large and medium farmers, while the small and marginal peasantry was displaced and fast became landless or was forced to supplement its income with non-farm employment (Burki 1976, Niazi 2004). Burki holds that it was owners of 50-100 acres that gained the most, noting that of the

total land held by this group 19.2% was acquired between 1959 and 1969, a figure far greater than for any other category (1976: 326). New inputs and the subsequent growth in output also led to a mushrooming of agricultural services and small-scale manufacturing catered to the needs of mechanized farm operation (Hasan 2002, Zaidi 2015). Punjab's small towns received an influx of migrants from the rural hinterland as well as surplus that had been accumulated through intensive input strategies. A survey on rural out-migration conducted during 1967-69 shows that landless workers were migrating to larger cities as wage labour whereas those with some capital set up businesses in small towns closer to home (Burki 1971: 386-387). And so the small towns of Punjab underwent a major transformation as those with money to invest and an itch to diversify surged out of the countryside and literally set up shop.

The GR's social and economic transformation was also accompanied by hitherto unprecedented formal political inclusion at the local level in the guise of the 1959 Basic Democracies, a four-tier local government system that Zaidi terms the 'apprenticeship' (2015: 333) of today's politicians. Burki (1976) argued that Ayub courted the rural middle classes to break the power of the landlord class and to induct a popular complement to the small migrant industrialist class in metropolitan Pakistan that the regime had fostered (Kochaneck 1983). As mentioned earlier, Alavi strongly contested Burki's claim that this was successful in giving rise to a new class. I find Burki's claim to be overstated but meaningful in that the Basic Democracies system *did* catalyze the rise of a new social class in Pakistan,

one that has gone on to make its mark on society. No real power was devolved to the local bodies (Cheema et. al. 2005) and they had to content themselves with status-enhancing titles and sinecures without infrastructural support or policy that genuinely promoted their interests. But, crucially, an alliance was forged between the military and the rural intermediate classes that so far had not had any hope of political penetration. As an example of changes effected for example, for the 1962 elections to the provincial and national assemblies landed elites were forced to solicit votes from those intermediate class members who had become Basic Democrats, prompting Ayub to note gleefully that '[t]he masters were going to household servants and the elite to 'turbaned natives' for votes. It was a fitting nemesis!'[88].

In a sense then, the post-Partition rural intermediate classes were products of a political settlement that largely excluded their interests[89] but that – with the economic gains made possible by the GR and the subtle shift in political and social power effected by the local government system – imbued them with aspirations and a greater capacity for political action. Consequently, status quo did not hold for long. Small and medium capital was disgruntled with the state's neglect of their economic interests and organised labour was witnessing massive inequalities building as wages either remained stagnant or grew very slowly in comparison to industrial profits. The middle peasantry was also chafing at the bit, having seen the way up to a more comfortable existence but unable to get state credit and necessary

[88] Quoted in Jaffrelot 2015, pp. 313
[89] Excepting the professional educated members who staffed the state.

infrastructural support. An agricultural depression in the mid-1960's exacerbated grievances, and Burki contends that the 1967-69 anti-Ayub movement actually began in Punjab's small mandi towns in the second quarter of 1967 and that the towns of 10,000-100,000 were more restive than cities in the years just before Ayub fell (Burki 1971: 509-524). Jones (2003) also finds that Punjab's small towns were in a ferment in 1967, spearheaded by railway workers in conjunction with students, lawyers, and old political workers. The *ulema* joined later, and made it more violent as they attacked government offices and burned property.

It was against the Basic Democracies system that much of the public anger of the 1967-69 movement was directed. Why? ''Oppressive', 'tyrannical', 'grasping', and 'stifling' were the terms consistently used to describe the BD system' writes Jones based on his interviews and observations as he traveled across Punjab (2003: 146). Interestingly, the intermediate classes turned against those of their class who had been elevated by their votes because the high-handed and corrupt behavior that was acceptable – or expected – behavior on part of the police and big bureaucrats was not acceptable coming from local persons who had been raised to their positions through the votes of their neighbours, friends, and fellow villagers or townsmen. We see then, that by the end of the 1960's large sections of the rural intermediate classes were frustrated, inequality had grown enormously, labour militancy had escalated, and a wave of political protests rippled through the urban centres of West Pakistan starting in 1967. Especially after the secession of Bangladesh in 1971 and the military's subsequent embarrassment, Pakistan was

ripe for a drastic restructuring of power. Labour, the peasantry, and small capital were ready for change.

Bhutto's Nationalizations and the Intermediate Revolt

Despite the promise held out by Bhutto as he rode to power on the wave of the most explicit class mobilization Pakistan has seen to date, a real break with established modes of governing and class alignments did not take place. Numerous commentators note that it was in fact during Bhutto's regime that the patron-client logic became widespread as he engineered a social base for himself amongst the mobilized professional, middle, and intermediate classes (Akhtar 2008, Jalal 1995, K.B. Sayeed 1980, A. Sayeed 1995). Big capital – not a crucial political ally given that it was still heavily dominated by small migrant groups who were not socially integrated – suffered as Bhutto nationalised educational institutions, significant sections of large-scale manufacturing, and the entire financial sector (Rahman 1998, Sayeed 1995), using the increased resources at his disposal to shore up support amongst middle class professional groups by providing them employment. State credit was extended to the small-scale sector, the informal economy flourished[90], and the bureaucracy was shaken up and deprofessionalised as Bhutto packed it with his supporters. The politics of patronage was strengthened at the expense of

[90] Zaidi even goes so far as to say that 'small scale industry and the informal sector became the backbone of industry, replacing the twenty two families of Ayub's era' (Zaidi 1999:430).

competence and professionalism (Ahmad 1974), and this mode of politics was further entrenched and institutionalized at all levels of society (Akhtar 2008).

In later years, the transformative potential of the 1967-68 political uprisings was completely put to rest as Bhutto clamped down on organized labour and inducted landlords and some large capitalists back into the fold. He also set about trying to manufacture a rural constituency amongst the Punjabi peasantry to offset the loss of organized industrial labour and create a countervailing support base to the organizational strength of small industrialists and traders (Sayeed 1995: 96-97). The military was brought back in from its relegation to quarantine for a while post-1971 to quell nationalist movements threatening the state, and the bureaucracy was significantly weakened with a series of reforms aimed at making it more pliable to political manipulations that Bhutto had increasingly come to depend on (Ahmad 1974). What emerged was an uneasy and unstable configuration of forces that broke down in the face of the state's inability to protect and make payoffs to the vocal urban intermediates.

Most accounts of the anti-Bhutto movement mention his 1976 nationalization of 26 ghee mills and 4000 rice husking, cotton ginning, and flour milling units, many of which were in Punjab, as the triggering factor (eg: Jalal 2014, Hussain 2004, Rahman 1998). The literature speculates that the purpose was to increase the largesse to be distributed prior to next year's elections and also ingratiate him with the peasantry. The nationalization alienated small and medium industrialists, but also aarthis,

other middlemen, and the entire network of service providers that had grown up around these processing units. Their networks disrupted, and scared at the prospect that Bhutto might continue with such actions and take petrol pumps, cinema houses and the like into public ownership, traders and small and medium capitalists immediately threw their already burgeoning political weight behind the Islamist anti-Bhutto mobilizations that were springing up across the country and ushered in a new political settlement. K.B. Sayeed (1980:157-164) notes that shopkeepers and merchants were the 'cementing and sustaining' force of this movement and that this was the moment in which small capitalists became aware of their interests as a class.

In Okara, many aaraths struggled to stay afloat during this period. The establishment of the public sector Trading Corporation of Pakistan (TCP) and Pakistan Agricultural Storage and Services Corporation (PASSCO) had diverted raw cotton and wheat from mandi traders as the state began to purchase directly from growers for storage, distribution, and export. Wheat, cotton, and *gur*[91] were the major commodities traded in the mandi in the 1970's – reduced supply dealt a definitive blow to business and labour militancy encouraged by Bhutto's socialist rhetoric is rued by aarthis to this day as a blight upon their fortunes. Approximately 20-30% of the 100-120 aaraths in the mandi went out of business over this decade, and the memory of the trauma that they endured at the hands of Bhutto continues to call forth vitriolic condemnation of the Pakistan People's Party (PPP). Recounting

[91] A type of unrefined, solid brown sugar made from sugar cane juice.

his memories of the decade, one aarthi expressed his feelings on the matter as follows:

> Zia's biggest mistake was hanging Bhutto. Today we are still paying for this. This is why we are all sick with [the disease of] Asif Zardari. It would have been better to let him die locked up and alone with no one to mourn him, but Zia turned Bhutto into a martyr. The tragedy of this country is that the PPP will never be revealed for what it is: corrupt landlords who pushed us 50 years into the past. Had Bhutto been like Mao Tse-Tung we would have welcomed nationalization! But, nationalization by *thieves* can only destroy industry. It destroyed us.

The sentiment is representative of how members of the agro-commercial and agro-industrial classes feel about the PPP, its social role and its policies. By all accounts, mandi trade suffered for more than a decade after the nationalizations, compounded by a major cotton virus that hit the area in the early 1980's and wiped out cotton production for the next ten years[92]. This period constituted the political awakening of Punjab's rural-commercial classes. Strongly threatened by the PPP, they fought back as office-bearers of mandi associations joined forces with other traders and Muslim clerics to fund and lead the anti-Bhutto demonstrations that took place on a daily basis in Punjab's small towns in 1977[93]. Some aarthis described their participation as motivated by Islamic values: 'We are Islamic people, we can't go with socialism because socialism says everyone is the same, everyone is equal. But Islam has fixed places (*darjey*) for everyone, and they are not the same. All are equal before Allah, but our place in this life is determined by Him'. Others spoke angrily of the loss to their businesses and Bhutto's fanning of labour's entitlement ('*labour ko*

[92] Some aarthis believe that this virus was the result of an American conspiracy intended to undercut Pakistan's economy.
[93] See for example Umair Javed (2015: 13-14) and K.B. Sayeed's (1980:157-164) account of bazaar activity in the this period.

sar pey charha liya'). Deep and remarkably persevering dislike of the PPP was instilled amongst the trading classes, and the mandi shrank in size. The fortunes of its aarthis recovered slowly over the 1980's as growth picked up and Zia's Islamization and non-party local government allowed traders to expand their social and political influence.

The Zia Years: Feeding at the Trough

It is widely acknowledged that Zia deepened and institutionalised the system of patronage that Bhutto had initiated (Akhtar 2008, Jalal 1990, Zaidi 2015). The rapid Islamisation of state and society during this period – undertaken as a means of legitimising power as well as expanding the reach of the state into the previously private domain of personal conduct – was unprecedented (Vali Nasr 1994). Islamisation brought the *ulema* and religious elements – many of whom belonged to the urban intermediate classes – directly into the fold of state patronage[94]. Indeed, Mustafa Kemal Pasha argues that Zia's greatest legacy to Pakistan has been the 'institutionalisation of vernacular political interests in the state' (Pasha 2001:35). Coupled with the fact that Islamisation reflected – at some level – actually existing forms of social consciousness (Pasha 1992), it proved highly effective in creating a

[94] It also radically changed the character of political discourse, transforming it so that even today, a politics that does not couch itself in Islamic idiom is limited only to regional nationalists and the small and organisationally weak left.

new link between the intermediate classes and the previously sociologically distinct and significantly more 'Westernised' state.

Like his military predecessor, Zia too sought to construct a social base and veneer of legitimacy for his regime through launching a system of local government (Jalal 1988). Political parties were banned again and elections held on a non-party basis, creating space for new aspirants who had enough capital to compete. This proved to be a critical ladder up to economic and political power for many small-scale industrialists and intermediate class members, including future Prime Minister Nawaz Sharif[95]. It is estimated that of the winners of the 1993 elections, 70 percent of Punjab and National Assembly members started their careers from Zia's local bodies (Zaidi 2011:16) while the rise of the Jamaat-e-Islami during the 1980's, sponsored as it was by Zia's regime, also gave these sections a vehicle for their political articulation (Vali Nasr 1994). Jalal notes that Zia used biraderi ties with migrants from East Punjab in building a coalition against Bhutto (Jalal 1990: 173), thus inducting a sociologically distinct stratum into the political field. In essence, the literature gives credence to Zaidi's claim that 'the state in Pakistan, by the time of the mid-1980's, was a far more participatory and inclusive state, reflecting the changed social and economic relations and modes of production' (Zaidi 2015:796).

[95] The Sharif family's foundries were suffered nationalized by Bhutto. Zia denationalized them, elevated Nawaz Sharif – who was bitterly anti-Bhutto – to political prominence, and it is widely acknowledged that he – and other Punjabi industrialist politicians such as the Chaudry's of Gujrat, and Khwaja Safdar – owe their economic and political careers to military sponsorship during the Zia era (Akhtar 2008: 102-105).

Luckily for the regime, the economy fared well during the 1980's. A number of factors combined to create favourable circumstances. Large-scale migration to the Gulf resulted in a massive inflow of remittances – approximately $20 billion flowed in over the decade 1977-88 (ibid: 786). The effects of these remittances in spawning petty trade and agro-commercial enterprise was particularly transformative because they were flowing to small towns and rural areas in Punjab and NWFP rather than to established urban centres (Addleton 1992). Further, aid begot for the war against the Soviets in Afghanistan gifted the state a bigger pool from which to redistribute. Drug smuggling, gun running and other criminal activities also flourished as a result of the war and a number of middlemen found lucrative callings in these trades (Sayeed 1995: 105). Growth rates matched those of the 1960's, averaging a little under 7% per annum, and Zia's regime ushered in a new political settlement with the military firmly in the driving seat, both politically and economically (Siddiqua 2007). The industrial classes and landed elite were junior partners, but significant sections of the intermediate classes were well taken care of through these various channels.

The 1990's and Beyond

The democratic interregnum (1988-1999) saw a clear economic downturn as the war in Afghanistan ended and the construction boom in the Middle East came to a close, drying up critical sources of external sustenance for the state. Sayeed (2002)

argues that it was the state's inability to make the payoffs necessary to contain lobbying factions that led to the decision to liberalise the economy in the 1990's. Liberalisation was thus a deliberate attempt to divert demands to the private sector while allowing those groups that had access to state resources to maintain their privileges. Intermediate and middle class professional groups – numerically enlarged, mobilized and expectant – continued seeking transfers, but a shift in tactics took place as they entered the formal political process at *all* levels, not just local. As Zaidi notes: 'the 1990's were the moment where the economic interests of middle and elite Pakistan became articulated into politics, and into a desire to use politics for economic gain and political power' (2011: 18). The main difference was that electoral democracy was now perceived as a primary means by which to consolidate and entrench economic interests, and heavily factionalized and non-programmatic party politics became a vehicle through which urban and small town intermediate classes could pursue their interests.

Other accounts support this observation, for example by noting that Punjab assembly members are increasingly involved in business and that political parties actively recruit large businessmen in towns and cities now. Using data from the provincial assembly website, Umair Javed (2015: 7) calculates that the percentage of legislators elected from urban constituencies listing business as their primary occupation increased from 12% in 1970 to almost 40% in 2013. Wilder notes that traders and shopkeepers have increasingly supported Nawaz Sharif, seeing him as a fellow businessman, linked to the community, sufficiently socially conservative and

'Islamic', and committed to facilitating commerce and industry (Wilder 1998: 142-145). Akhtar points out that the new Punjabi industrialist-politicians '[have] an organic link to the intermediate class of traders, merchants and middlemen…those who have graduated into the ranks of big industrialist families have almost all emerged from the urban intermediate class operating in the so-called informal sector' (Akhtar 2008: 112). This does not mean that they necessarily advance the interests of the smaller, less significant sections of the intermediate classes such as the aarthis at the centre of this study. However, as I discovered during fieldwork, there is both a real and imagined link in the minds of smaller traders connecting them with the '*karobari biraderi*' (business community).

But while democracy has proved to be a durable ladder for the intermediates, military regimes have continued to offer opportunities for advancement. In what by now was an almost predictable event, democracy was abruptly brought to an end by General Musharraf's 1999 coup. Again, many billions of dollars of aid money (approximately $19bn) flowed in during the 'War on Terror' over the course of his decade in power. Again, it was distributed much as it had been in the Zia years. Although most of the money was spent on the military and supporting troops in FATA (Zaidi 2015: 758), the period saw property prices rise sharply, banks made available a large amount of consumer credit, and traders, shopkeepers and small and large capital alike enjoyed good times until 2007. It also did not take long for Musharraf to initiate Pakistan's third military-led local government. The 2001 devolution experiment consolidated the political hold of large landlords as well as of

the intermediate classes in a massive extension of patronage from the centre that was in direct conflict with provincial party leadership and district and provincial bureaucracy (Cheema et. al. 2005). Resistance to the system from these quarters was high[96], but the beneficiaries were the intermediate classes who, again, found a foothold to increase their economic and symbolic power. Even if – as many have argued – real power resided only with the district *nazim* (mayor), union and tehsil council seats were fought over for the status they conferred and the state penetration and networks they made possible. In return, these local representatives provided support to pro-Musharraf rallies during the April 2002 presidential referendum and to Musharraf's 'king's party' (Pakistan Muslim League Q) candidates in the 2002 national elections[97]. In later chapters, we encounter some of the beneficiaries of this system.

Conclusion

Scholarly opinion on the Pakistani state and politics for a long time supported the foundational work of Hamza Alavi (1972a, 1983) who argued that the military was the lynchpin in the structure of power and that other dominant classes – specifically the landed elite, industrialists, and the bureaucracy – were junior partners in the ruling coalition (eg: Jalal 1990, Ahmad 1985). But much has changed since Alavi wrote his seminal text. Today the state is still dominated by the military and 'old'

[96] See Adnan Adil, 'Back to 1979?', reproduced in full in Zaidi (2015: 355-357)
[97] ICG report, quoted in Zaidi (2015:349).

capital is still influential but as this chapter charts, new contenders for power have emerged, facilitated in no small measure by the competition within the dominant coalition. The military's need to engineer a social base for itself and break the power of the landed elite has been a boon for small capitalists, traders, and 'vernacular' interests in rural and rurban areas and local government has been a launching pad for those with some capital and social standing in their towns and villages. Combined with the economic effects of the Green Revolution, inflows of remittances from Gulf states that have wound their way into villages and small towns, and a robust informal economy, a new rural-commercial class – neither large capital, nor mere labour – has slowly been finding its feet in Pakistan. Its political debut as an organized political force acting collectively against an existential threat was the rebellion against Bhutto. This was the moment in which it established itself emphatically as a distinct force, flexing its political muscle in street mobilizations that paved the way for regime change. Subsequently, Generals Zia and Musharraf knew to give incorporate these classes into the dominant coalition at the local level by giving them access to the state through local politics, while the PML-N – the party that dominated Punjab in the 1990s's and has only had its hold weakened since by Musharraf's PML-Q (itself an aggregation of breakaway factions mostly from the PML-N) – has surged to power precisely on the back of intermediate capital.

The chapter shows that the origins of the rural-commercial fraction of the intermediate classes lie in the concrete form that colonial capitalism assumed in Punjab. Canal colonization, the commodification of agriculture, British desire to

institutionalize a durable social order compatible with extraction, and legislation designed to protect the interests of large agriculturalists created a class of agriculturalists with surplus to spare. While there is not nearly enough historical evidence, on the basis of what we do know we can assume that some of this surplus was transferred into trade at the time of Partition. Caste, biraderi and faction – institutions that had articulated with class and state in definite ways during the colonial period and taken on enhanced significance as a result – functioned as effective means of establishing informal connections with state officials, and engaging in corrupt practices. All three institutions have proved durable even as they have shifted their meanings and roles. This chapter excavated their basis in the colonial political and economic order precisely in order to demonstrate that they have regulated economic and political life in various ways for a long time and – based on my findings and those of others – can be expected to do so for some time still.

Chapter Five

'My Blood, My Sweat, His Gain': Setting the Scene for the Aarthi-Farmer Struggle

In this chapter now we dive into Okara and the mandi of today. What follows is an overview of aspects of the structural context that aarthis and farmers are embedded in and we see how impersonal technological changes and market forces interact with normative valuations to produce opportunities and constraints confronting both parties.

We begin by reviewing the changes effected by recent maize cultivation trends in Okara. Maize production has increased exponentially over the last two decades, transforming the mandi and the fortunes of both aarthis and farmers. Farmers rely heavily on credit for funding maize production but small and medium farmers have limited credit – and marketing – options beyond the mandi. The number of aaraths providing these services has therefore shot up as have capital requirements for doing business, making it the preserve of those with more capital and the contacts necessary to secure a license and space to operate in this crowded and competitive market. Lending to farmers in an increasingly competitive environment is a risky business however, and the strategic behavior of one party in a dyadic relationship

can only be understood in the context of choices available to both. Aarthis must contend with a number of risks in lending to farmers. In this chapter we explore these risks by looking at why farmers might default on their debt or otherwise renege on their obligations to their aarthis. The chapter argues that the moral compulsion to abide by the terms of a contract is weakened when the farmer feels 'forced' into borrowing for production or unfairly treated, and that competitive conditions in the mandi have also made it easier to default. Acknowledging this gives us a wider window into the obstacles aarthis have to overcome in the resolution of conflict that is market exchange. The latter's strategies of accumulation are the focus of the remaining chapters in this thesis – here we elucidate important elements of the context shaping their choices.

The Gold Rush

Okara is, as the introduction to this thesis noted, a region that produces rice, wheat, potato, and maize. But readers may recall a sentence that was frequently repeated by aarthis: *maki is mandi ki bunyaad hey*, or 'maize is this mandi's foundation'. They were not exaggerating. In the late 1990's, maize production skyrocketed in Okara, effecting major changes in opportunities for both aarthis and farmers. Between 1981 and 1991, annual district production had averaged about 14,000 tonnes. Starting in the mid-1990's, this rose at a dizzying rate: average annual production for the period 1998-2002 averaged a whopping 160,000 tonnes per year, and more

than doubled to 333,225 tonnes for the next four-year period (2002-2006). I briefly explore the reasons propelling this massive increase before delving into its effects.

Maize had been grown primarily for fodder in central Punjab for many decades. This started changing in the late 1970's when Rafhan – a major food processing company based in Faisalabad – initiated contract maize farming in Okara, distributing hybrid seeds developed by its agronomy department to large and medium farmers in exchange for a fixed price for maize on the cob. Rafhan's seeds yielded more than twice the national average at the time, and farmers' interest in hybrid varieties was piqued. Rafhan's hybrid maize did not pass through the mandi, but the introduction of improved seed to the region – intimately linked to the mandi's later fortunes – dates to this time.

In 1986, only 2% of the total maize area was under hybrids, constituting one of the lowest levels of adoption of improved seeds in the world (CIMMYT 1989: 12). In 1989, the multinational subsidiary Pioneer Pakistan Seed Ltd. launched its first hybrid in Okara. Pioneer's arrival reflected the restructuring of the economic environment that took place under Pakistan's Structural Adjustment Programs (1988-1991, 1993-1996, 1997-2000). The PPP's public-interest measures that had so enraged the commercial and industrial classes were reversed under these programs: the state withdrew from commodity procurement and export (with the exception of wheat), subsidies on agricultural inputs were phased out, and the seed sector was opened up to multinationals (World Bank 2007: 58-59). Aarthis recall

that after Pioneer's success, other multinational companies began seeking them out – most remember Cargill – offering them commissions and cuts for stocking their seed. Input dealers had not yet consolidated their position as intermediaries between the multinationals and farmers, and aarthis enjoyed the opportunity for profit-making that trade liberalization afforded them.

According to farmers and aarthis, the new seeds were 4-5 times as costly as those produced locally but farmers were keen to use them because they yielded 60-70% more grain. The price of Pakistani maize in the late 1980's was also approximately 20% higher than imported maize and 5-15% more than what farmers were receiving per maund of wheat (CIMMYT: 89). Maize therefore quickly became a popular commodity and farmer uptake of the new seeds was rapid. Prompted by a confluence of events that included i) the availability of the new seeds ii) the widespread and serious cotton bollworm disease that had destroyed cotton cultivation in the region iii) an excellent crop rotation 'fit' with potato iv) some limited public sector innovations in maize seed technology, v) high import duties on maize, and vi) strong demand for the commodity from feed mills and the wet-milling industry, Okara's farmers, aarthis, and agro-industrialists experienced a major change in their conditions of work and opportunities for accumulation.

Records of how much passed through the mandi itself in the 1990's have not been retained (or were not shared with me) by either the District Market Committee

(DMC) or the aarthi's mandi committee[98], but all aarthis recall the massive jump in grain and people that flooded the mandi at the end of the decade. 'We used to sleep here and go home before. There was hunger in this mandi' an aarthi told me. 'There were maybe 100 araths, and none of the hustle bustle you see today. This all happened when the *maki* came 12-15 years ago'. The boom was also evident in a handful of other central Punjabi districts and parts of KPK, and enthusiasm for the commodity continues: today maize is the fastest growing major crop in the country both in terms of land allocated to it and quantity produced year-on-year (Economic Survey 2014-15).

Responding to the boom and starting in 1998-1999, a new wave of aarthis flooded into the mandi and set up shop hot on the heels of the growing piles of grain. Lending for wheat decreased considerably because it was much harder to tie sales given that the state procured wheat directly from farmers and Okara's grain mandi became a maize mandi. The number of aaraths almost tripled over the decade of the 2000's, with a particularly sharp spurt of new entries in 2003-2005 on the back of a record harvest in 2002-2003. The majority of the new entrants came from landowning agricultural backgrounds and had no previous commercial experience; some were beoparis starting up with borrowed capital; and some had switched over from other trades (and in a few cases labour abroad). The majority however, was from cultivating households and frequently disparaged as *'zamindars*' (cultivators)

[98] Recall from Chapter 1 that the mandi committee is the 'civil society' association of the mandi's aarthis and is distinct from the state District Market Committee which is tasked with oversight and regulation of the mandis in its jurisdiction.

by established aarthis. All needed a license from the DMC and space to operate in, the latter being a means by which established aarthis owning shops in the mandi were able to regulate and limit entry. Personal relations with them were necessary for obtaining space as competition for shop-fronts increased while pakka aarthis buying at the auction were closely screened by the mandi committee and the latter's entry was restricted to those who were known to the association's higher office-holders in some capacity.

I was interested in what drove cultivators to move out of agriculture and into the mandi in this period. The answers were fairly intuitive: relative to trade and industry, agriculture had been in decline for some time – agriculture's terms of trade vis-à-vis industry had fallen steadily during the period 1999-00 to 2004-05 and agricultural households suffered a significant drop in income during this period (WB 2010:10). This was borne out in my conversations with aarthis: one of the most frequently cited reasons for starting up at this time was declining profitability and the consequent threat to household subsistence. Maize cultivation could be profitable some seasons, but not as consistently profitable as trade. This was at a par with the other most cited reason: the advantages of having a base in the city and the opportunities that this afforded, particularly for children's education. The city's pull may be gauged by the fact that although 43% of katcha aarthis own land, 87% live in town. Probing aarthis' origins shows a steady move out of agriculture and into the business of trading in agricultural commodities over the last fifty years, as can be seen from the following table.

Table 3: Aarthi Background

	Grandfather's Occupation %	Father's Occupation %
Agriculture	47	30
Aarath	23	50
State Employment	13	12
Trade	14	8
Labour	3	0

Source: Author's survey

One new entrant who was previously farming 25 acres shook his head when I asked him why he had decided to join the trade: 'only someone from England could ask that question. We use our eyes here!' he quipped. Motivations for starting up at this time needed no explanation according to him, the mountains of grain outside spoke for themselves. Although prices fluctuated a great deal, strong demand from feed mills supplying the rapidly expanding poultry industry in Okara and surrounding districts kept prices at levels sufficient to encourage production and trade. Aarthis have 'unearned income' he continued, '*uss level ki mehnat nahin hey jitni kamai kar leytey hain'*, i.e. earnings are not commensurate with effort in this trade, the former outstrips the latter.

The maize boom has significantly increased grain aarthis' centrality to both production and marketing in Okara. Whereas wheat seeds can be reproduced at home, hybrid maize seeds have to be bought. Whereas wheat surplus is purchased

by the state, the only option for small and medium farmers to realize the money value of their maize is to bring it to the mandi or sell it in the village for even less. Cotton – grown on a large scale in Okara previously – used to come through the mandi but cotton-ginning units also used to purchase directly from growers with 5 acres or more of surplus. Wheat and cotton both need significantly less water than maize, increasing the cost of production for those farmers relying on tubewell irrigation. As maize cultivation has expanded therefore, smaller farmers' dependence on aarthis has increased. Yet, farmers' decisions to borrow from aarthis are not well understood in the literature. The few existing studies of indebtedness in Pakistan have been conducted by, or at the behest of, state or private credit institutions hoping to better penetrate the credit market (SBP 2003, WB 2009, Haq et. al. 2013); consequently, we do not know much about why farmers borrow but inferences can be drawn using the existing literature and evidence from the field.

Changes in Production Costs

Today, about 30-35% of the maize area across the country is sown with hybrids – in the Punjabi corn belt we can expect this number to be above 50%. 85-90% of these seeds are imported and have the highest per unit price of all seeds in the country (and twice as high as prices for maize seed in other South Asian countries)[99]. Aarthis

[99] As stated by the Chairman of the Pakistan Agricultural Research Centre in May 2016 and reported in 'Experts Stress Need to Improve Maize Yield in Pakistan', *Daily Times*, May 11, 2016.

rarely extend loans to those not using hybrids (thereby directly affecting production) and approximately 80% of the seed that is acquired through them is of this type. Hybrids also need a great deal of water, chemical fertilizer, and pesticide application, and tractor use is also now the norm amongst small and medium farmers. Input use has – by all accounts – intensified. Soil depletion from intensive cropping is such that 10 years ago aarthis were giving out 2 bags of urea fertiliser per acre of hybrid maize but now the average loan is 3 to 4 bags, and farmers who can afford to use 5. As mentioned above, the hybrid maize seeds in use since the 1990's cannot be reproduced at home and have to be purchased every season, while the large and increasing amounts of fertilizer, pesticide, and water required by these seeds force further dependence on the cash economy.

Picture 4: Stacks of Fertilizer Bags



In 2012, the average cost of production for one acre of maize in Okara was Rs. 32,000 excluding land rent. This figure was subject to wide variation, based on numerous factors. Larger farmers owned tractors and so did not pay the per acre tractor rent for ploughing and furrowing (although they could still be paying installments on the purchase price of the tractor). It cost Rs.1000 per acre to hire a tractor for these two tasks, in addition to the Rs. 5000 spent on diesel for the tractor. There were those whose land was canal irrigated and who paid Rs. 135-200 per acre in *abiana* (irrigation tax) for each crop, while others used tubewells and spent Rs.8000-9000 per crop acre if this was diesel-operated or Rs.5000 if it was electric. Expenditure on seed and fertiliser varied a great deal – fertiliser rates fluctuate daily in the mandi, and prices for both seed and fertiliser varied by up to 30% per bag depending on whether these were bought with cash or credit. Labour costs too fluctuated depending on how much family labour was employed in the fields and on what kind of labour-sharing practices were in place in the villages.

The one thing however, that all farmers agreed on was the steep rise in the costs of production over the last decade. 'This *mehngayi* (inflation) has destroyed us', a group of farmers sitting at an aarath said, 'but no one cares. It's not like it is in India. In India, the farmer has all the convenience – you know madam, that even their electricity is free?! But here, the prices keep going up while the rate [of our produce] stays the same'. This lament – of rising production costs unmatched by a rise in commodity prices – surfaced in different words, tones, and gestures almost without

fail while talking to farmers. Often, prices of inputs from many years ago were remembered and narrated to me. Farmers would corroborate each other's stories, sometimes arguing over whether a seed had yielded a good 'average' (the English word 'average' is commonly used to denote the average yield from an acre of land), comparing experiences of different techniques, but almost always recalling the past as a time when things were better.

Nostalgia for the past is perhaps a ubiquitous phenomenon, present in many of the stories that people tell about their lives. However, price data confirms that that in fact the profitability of maize cultivation has decreased. A USAID report analysing wholesale maize prices in Lahore's grain mandi for the period 1995-2010 observes that 'although nominal maize prices have trended upward, their real value does not reflect [this] trend. Thus, as maize production in the country has expanded, its real price has not increased significantly' (USAID 2012: 21). However, much as farmers bemoaned, real input prices *have* risen as evidenced by the terms of trade between industry and agriculture, understood as the ratio of the value of the sector's exports to the value of its imports. The figures demonstrate costs of production to have been rising faster than agricultural commodity prices since at least 1991 (Khan and Ahmed 2004, Niazi et. al. 2012, WB 2010). The farmers I spoke to thought maize was a good choice in this sub-optimal context because potato (generally thought to be more profitable) required more costly inputs, vegetables were labour-intensive and perished rapidly, rice prices had been in steep decline and there was not much confidence in their recovery, and selling wheat required dealing with the state's

procurement centres, something that most preferred to avoid because of the many bureaucratic steps, long waits, corruption, and 'headache' involved.

Why Do Farmers Borrow?

Borrowing to fund production for the market is not the same as borrowing to subsist. While richer households borrow to aid accumulation, treating credit as a factor of production, poor households borrow simply in order to reproduce themselves. Surprisingly, there are no official poverty figures available for individual districts of Punjab. Aggregated measures for the 36 districts of the province reveal that 33% of the Punjabi population lives below the poverty line (Naveed and Islam 2011) with the incidence of poverty higher in rural areas. Okara is located in the relatively more developed and prosperous central belt of Punjab – a recent study on intra-provincial development disparities ranked Okara 13th of the province's 36 districts (IPP 2012). However, in the first (and so far only) attempt at determining the spatial pattern of poverty *within* the province, Cheema et al. (2008) found Okara and its two adjacent districts of Kasur and Pakpattan to exhibit the characteristics of 'a high poverty enclave within central Punjab', both in terms of incidence and severity – per capita consumption expenditure by the poor was lower in only 6 districts of the province (all but one located in the poorest southern belt) and between 45% and 51% of the rural population in these three central districts was thought to be poor by the consumption-based measure they adopted.

The mandi survey showed that of katcha aarthis' clients, 27% were marginal (<5 acres), 35% were small (5-12.5 acres), 32% medium (12.5-50 acres), and 6% large (50-100 acres). However, the size distribution of farms in Okara reveals that 54% of farms are marginal (<5 acres), 30% are small (5-12.5 acres), and 16% are larger than 12.5 acres, 12.5 acres being considered the subsistence landholding in Pakistan (Agricultural Census 2010). What this means is that many of the poorest farmers (<5 acres) are not borrowing from aarthis but others who may be only marginally better off are[100].

The picture that emerges from this is obviously not sharp enough. Poverty in the farming area served by the mandi cannot be adequately determined without more data than is available. However, the heavy preponderance of small and marginal landholding in this area, the existence of significant district-wide rural poverty, and the fact that large farmers owning more than 50 acres almost never avail credit through aarthis together strongly suggest that borrowing from aarthis is driven by poverty and/or a lack of more satisfactory credit options. Only 10% of aarthis reported lending to clients owning more than 50 acres while in interviews with 6 large farmers, it was revealed that all availed credit but from other sources because of the high cost of credit from aarthis versus credit from family, the state

[100] I make this evaluation aware that size of landholding is not a perfect proxy for class position and relative poverty in an area with a large non-farm economy like Okara. However, land ownership remains a crucial indicator of cultivators' ability to access credit from the formal sector and land ownership is of course still relevant in the rural economic order.

agricultural bank (ZTBL), and certain commercial bank schemes. Being tied to sell through the aarthi and to do so at a time of the latter's choosing were equally important disincentives.

One such large farmer who did not do business with aarthis was Chaudry sahib, brother of an incumbent PPP MNA, with an MSc in Agricultural Engineering from Faisalabad. Chaudry sahib is a fulltime landlord. He owns and operates 275 acres in Okara tehsil and had been rotating maize and potatoes on his land for the last few years. Marketing his crops primarily through beoparis, on occasion he also went through aarthis. When I asked whether he ever took loans from aarthis, he got visibly agitated, lit another cigarette, and proceeded to tell me why being indebted to an aarthi (and even doing business with him) was so bad: 'The aarthi punches the farmer's ego, hits it. They act like they are doing you a favour when actually you are doing *them* a favour'. I was told of how they lie 'without shame straight to your face' about cash availability and input quality and how they cheat with weights. He also spoke about the higher cost of credit and restrictions on the timing of sale of his crop, but his discussion of the 'farmer's ego' [sic] was particularly interesting. As I demonstrate in later sections of this chapter, the issue of respect and morally-prompted consideration of the farmer's needs is a crucial factor conditioning the relationship between aarthis and their clients, in turn affecting how aarthis conduct themselves and facilitating and limiting their accumulation.

How Many Borrow?

In light of the above discussion on poverty and the structure of landholding in the area then, it comes as a surprise that according to the Agricultural Census (2010), only 6% of tenant households and 15% of owner and owner-cum-tenant households in Okara are in debt. When this data is disaggregated by size instead of tenure arrangements, we find that of marginal (<5 acres) and small (5-12.5 acres) households, just 10% and 14% respectively are officially in receipt of a loan of any kind from any source. Punjab-wide figures are similarly low: only 7% of marginal and 7.7% of small households are reported as indebted.

The Agricultural Census has been showing a progressively lower incidence of debt amongst cultivators in every iteration since 1972. In 1972, 43% of all agricultural households in Pakistan were in debt, falling to 21% in 1980, 21% again in 1990, 18% in 2000, and finally 13% in 2010. Why these figures are so low and have been declining is a conundrum, because the existing literature on rural credit relations in Pakistan contradicts the Census' picture of relative self-sufficiency in production and the marginal role of credit amongst the poorest segments of the farming population (WB 2007, 2009, Haq et. al. 2004, Amjad and Hasnu 2007). In 2007, the WB calculated that 80% of farming households across the country availed credit (WB 2007: 57) while 35% of the total Pakistani population – rural and urban – did the same (WB 2009: 33). Amjad and Hasnu (2007) found that 74% of farmers with less than 12.5 acres were indebted in the two villages of Peshawar district that they

sampled. Likewise, the mandi survey I undertook across 30 katchi aaraths revealed that 70% of farmers marketing their produce through aarthis had taken loans. While there are no data on how many households market their produce in mandis, experienced aarthis estimate that in this region, the statistic comprises 60-70% of those who a) own 3-25 acres or b) are renting in less than 50 acres.

No survey was conducted to determine the incidence of indebtedness amongst farmers, but the picture that emerged from talking to farmers and aarthis alike was one in which the majority of marginal and small cultivators in the area were indebted. In a Military Farms village populated by small and medium tenants farming state land, villagers in an informal gathering estimated that 50% of farmers in the village were indebted to aarthis while about 25% had taken loans only from relatives and *jaaney waley* (people they know). There was some debate about how many had taken loans from aarthis as well as relatives and friends, but the consensus was that there was significant overlap. The remaining 25% were solvent enough or had sold a cow or buffalo at the start of the previous planting season. In close-by Shabore, a village of private landholding, a similar picture was painted by the groups of villagers that I spoke to, the difference being that some farm households were known to have taken loans from moneylenders (distinct from aarthis) in town and a household with 14 acres had taken a commercial bank loan. The incidence of indebtedness according to the villager's estimations was 70%, very similar to that of tenants from the state farm. Further, all four of the very large farmers (more than 150 acres) I interviewed in Okara and Dipalpur tehsils had

taken production loans from multiple sources that included commercial banks, ZTBL, and family, but not aarthis.

Alternative Sources of Credit

The fact of large farmers frequently availing bank credit is not surprising. There is widespread agreement amongst regulators, policy makers, and scholars that subsidized rural institutional finance has been captured by large landholders (SBP 2003, Haq et al. 2013, Aleem 1990, Qadir 2005), while currently those who own less than 5 acres or are landless are not eligible to borrow from commercial banks at all. In 2003, the State Bank of Pakistan estimated that only 15% of farmers accessed institutional credit (SBP 2003), while the World Bank put this figure at 11% in 2005 (WB 2007: 57). Accessibility appears to have been decreasing rather than increasing in recent years: disbursement of total institutional agricultural credit grew at an annual average rate of 12% in real terms between 1999 and 2005 (WB 2007: 57) and 8.6% between 2007 and 2011, but the number of borrowers *declined* from approximately 1.5 million borrowers in 2008 to 1.15 million in 2011 (Haq et. al. 2013: 9). This indicates that cheap credit was being mopped up large landowners.

Case material from my field area corroborates the picture of institutional credit failing to reach the smallest and most vulnerable: of the forty farmers I asked about access to state or commercial credit, only those owning 10 acres or more had ever

done so, the numbers increasing as landholding size increased, while no tenants of any size had done so at all. The largest of my interviewees were landlords with 150-700 acres – all of them operated on a unique mix of sources, but all had obtained – according to their own estimates – at least 50% of their credit from ZTBL and commercial banks.

Additionally, it fast became clear that most small farmers felt uncomfortable going to banks. Banks attempt to reproduce standardized cultural environments in their branches regardless of whether they are in big cities or small market towns. Suits and ties, shiny polished floors, women working behind counters, and the ubiquitous glass-topped tables and navy blue chairs in the waiting area derive from an alien and much more powerful global culture than that of the village. Likewise, the assumption of literacy and the extensive unarticulated repertoire of expected behavior such as queuing and not smoking generate insecurity and feelings of smallness and helplessness. Once, a farmer friend asked me to explain how an ATM worked as I withdrew cash. He was amazed by how money could be instantly had in this way, deducted from my account, and records kept, all ostensibly effortlessly. ATM's are fairly common now, but to him their workings were mysterious and not to be trusted. He is not unique in his discomfort – it is common to see older men standing by ATM machines waiting for someone to help them.

The experience of banks as alien and hostile is compounded by the important fact that – unlike aarthis – banks do not distinguish between intentional default and crop

failure, and neither do they disburse loans immediately upon request. According to farmers, it takes a large amount of paperwork and between three and five weeks for most banks to process a loan, making procurement of urgently needed inputs impossible. Further, if the loan repayment schedule is disrupted banks classify the farmer as a defaulter and bureaucratic machinery is set in gear to penalize him as per the rules. Large farmers with links to political and bureaucratic elites are able to avoid penalties and reschedule their debts and, in the case of the ZTBL, even have them written off entirely. But for most farmers, the prospect of being held to a rigid repayment schedule is daunting. In sum, the intimidation and discomfort felt when dealing with banks is such that even some who can borrow here (i.e. those owning more than 5 acres) are likely to opt for informal alternatives: friends, relatives, aarthis, and moneylenders.

Much has been written about the figure of the *sahukar* or *baniya* moneylender in colonial Punjab. In Okara today, both terms still evoke the image of a cold-hearted moneygrubber exploiting poor peasants by loaning them cash at exorbitant rates. It is surprising to discover then that the classical village moneylender who lends cash against collateral in is fact *not* a significant figure in the informal rural credit market. The literature supports this observation (Irfan 1999, Aleem 1990, Qadir 2005, Amjad and Hasnu 2007), with the World Bank noting that borrowing from moneylenders is 'interestingly rare', at 2.9% in a household survey of 10,500 respondents across the country (WB 2009: 50). Irfan's work draws on older household survey data in Punjab and Pakistani Kashmir and shows commission

agents, landlords, and shopkeepers to be the most important sources of credit in a rural-urban aggregated landscape with moneylenders only accounting for 2.2% of credit availed.

Talking to farmers, it seemed to be that moneylenders – or *soodiyas*, as they are called in Punjab today – are a last-resort option of the poor and borrowing from them carries a strong social stigma. Lending cash against jewelry, land titles, and moveable property like tractors and motorcycles, they are distributed across the biraderi spectrum and operate in towns more than in villages, perhaps because social sanctions are less stringent in towns. Not every village I visited had a *soodiya*, but people knew where to go (usually a larger close-by village or Okara town) to find one.

Moneylenders' interest rates vary widely but despite this, they are consistently the most costly of all options available to the poor and the landless (WB 2009, Qadir 2005). Lending for both production and consumption purposes, their rates depend on the creditworthiness of the borrower and the value and fungibility of the collateral. A tenant farmer waiting at an aarath told me how he had no choice but to take a loan from a moneylender to pay for his niece's wedding. Not wanting to introduce financial reckoning on this scale into his relationships with family or friends, he deposited 3 *tolas* of gold worth 3 lakh rupees to obtain a cash loan of Rs. 1,40,000 from a moneylender in a relative's village close by, i.e. he deposited collateral worth twice the value of his loan. He had to return Rs. 1,75,000 in 12

months, putting the annual interest rate at 25%. However, had he only deposited an asset of equal value as the loan he was taking out, the interest rate would have been 60%. The farmer's story – told to me in an aarath with other farmers present – was met with a chorus of agreement, more stories of avariciousness on the part of *soodiyas* emerged, and condemnation of the 'Hindu Muslims [sic]' who made a living off their *majboori* (helplessness) was emphatic.

So how does the aarthi figure in this array of credit sources? From this account, it should be clear, first, that the vast majority of small and medium cultivators are in need of credit and, second, that the debt relationship is value-laden and socially significant. Third, institutional credit requires collateral (in most cases a land title of more than 5 acres), literacy, and familiarity with bank culture and procedures, and loan terms are not open to negotiation. Fourth, borrowing from moneylenders is extremely costly and carries strong social stigma, signaling to others that the borrower is weak and of low status. Being indebted to an aarthi does not carry the stigma that contracting with a *soodiya* does, even if – as the next section shows – it can be nearly as costly in money terms. Neither does it endanger relations with family or put stress on one's networks (although the relationship with the guarantor, as we will see later, is an important one and may be put at risk). A farmer's choice here is not reducible to the monetary cost of the options available. Instead, a farmer entering into an interlinked loan agreement with an aarthi does so having sized up the alternatives. His need itself is a product of law, power, custom, and privilege – so too are the options available for meeting it.

Reluctant Lenders and Reluctant Borrowers

As with *soodiyas*, there is a widely held belief that all aarthis are exploitative and charge usurious rates from those who can least afford it. This belief surfaces in the stories that farmers tell, in newspapers, and in the narrations of state officials. However, on closer inspection, the absurdity of painting all aarthis and mandi traders with the same brush becomes apparent; we find instead that there are 'classes' of traders with highly varied access to capital and in possession of differing types of social-symbolic power. Their ability to exploit farmers on the credit market is directly linked to these two factors, and we observe that they occupy different locations in the market, with the largest katcha aarthis not loaning inputs to farmers and the other largest firms being doing pakki work.

I did not collect data to determine the profitability of businesses in the mandi and cannot put numbers to this myself. However, a number of studies have been undertaken to determine the profitability of aarthi's lending in mandis elsewhere in Pakistan (Mansuri 1998, Irfan 1999, Aleem 1990, Haq et. al 2013). They show annual average rates of interest hovering between 60% and 80%. While these studies acknowledge the complex interlinkages that together comprise the mandi, they make the mistake of omitting the diversity of credit-debit relationships that exist *within* the mandi itself, i.e. between aarthis making the loans to farmers and the other traders with whom they do business. In reality, these credit-debit

relationships between mandi traders are such that the larger and more powerful traders successfully appropriate most returns on lending.

Recall from Chapter 1 that input dealers sit at the top of the pyramid, supplying inputs down to aarthis. The latter either assume ownership of these inputs by purchasing them outright or function as intermediaries funneling the dealer's inputs to farmers, the interest in the latter case accruing to the dealer. Almost always, a mix of these two arrangements obtains, although aarthis inevitably swear to farmers that they are simply channelling the mark-up and not engaging in the distinctly un-Islamic but highly prevalent practice of 'due' (i.e. the charging of interest). For aarthis, charging interest is dependent on having money available to purchase inputs in cash or at a lower rate of interest than that charged by the input supplier. Almost every aarthi has dedicated some amount to this practice, and friends, relatives, the aarath*'s* accountants, and even the labour contractor attached to the shop sometimes put money to this purpose and are referred to as 'investors', the English word being common as a descriptor for such activity. The more cash an aarthi has, the more he can exploit farmers on the credit market. However, contrary to my assumption on the issue, given the immense profitability of lending, *aarthis actually preferred not to lend to farmers*. Almost all aarthis were clear about wanting to dispense with the practice. Survey results were striking in this regard: with one exception, all respondents preferred not to lend if they could be assured of adequate supply, while an analysis of function by size revealed that the largest aarthis did not engage in lending at all. The largest traders in the mandi are input dealers, pakka

aarthis (buyers at the auction), and non-lending katcha aarthis (commission agents). 14 katcha aarthis in the mandi, well-known to be the largest, had strong enough cashflows to auction lots and pay farmers within a few days. If farmers were not tied through debt, they would sell where they could be assured of prompt payment. The issue of delays in payments, as we shall see later, can be a tactic of appropriation and is a matter of great contention and conflict between parties in mandi trade.

Seen from this perspective then, the extension of credit to farmers is a necessary measure undertaken to tie supply. But why is loan recovery so difficult for aarthis? Why do so many farmers attempt to evade their contractual obligations? The factors prompting and/or enabling farmer non-compliance are manifold and need to be investigated rather than assumed because the specifics have direct bearing on how aarthis act and answers to these questions are crucial to developing a theory of markets as sites of both system and lifeworld processes articulating in concrete and contingent ways. The system-effects of competition – or the aggregate forces exerting pressures on prices, supply, etc. – are heavily determined by the rules and tensions embodied in the logic of capital operating 'behind people's backs' as Polanyi noted. Existing independently of actors' interpretation, they, and the effects of parametric and pervasive state policies, confront market actors as natural or objective facts. At the same time, aarthis must also contend with the consequences of farmers' interpretations of the terms of exchange. These interpretations are based on norms and values that belong to the lifeworld.

In what follows, I illustrate the effects of both and suggest that there are multiple factors responsible for the real difficulty of contract enforcement in the aarthi-farmer relationship. For ease of analysis, it is useful to group them into two categories: economic-structural and moral-political.

Difficulties of Lending: the Economic-Structural

As we noted earlier, the market of today is not the market of a decade ago, much less that of three decades ago. The biggest difference is that of size. The last wave of entrants to the business in the early 2000's stretched the mandi's physical and regulatory capacity so that it is now bursting at the seams, having to relocate, and instituting new means by which to safeguard the interests and property rights of its various groups. While it is impossible to ascertain just how many new entrants there have been, traders estimate a 30-50% influx since the early 2000's. I hazard a more conservative estimate of 30-35% increase in katchi firms based on my impressions and the survey data, but this remains an approximation given the small sample size. Attrition rates were particularly high in the 2000's: the DMC estimates that for every 20-25 that started up shop in that decade 8-10 went out of business within two years. The situation has stabilized since then, but it is still the case that a handful (3-8) of aaraths were going out of business every year at the time of fieldwork.

One reason for such high rates of business failure is the cost of doing business. The increase in aarath numbers was matched by an increase in capital requirements for doing business as farmers sought credit for the new seeds and the fertilizer needed. Because formal bank credit was insufficient – particularly in terms of its organization/access – to meet the needs of small and medium farmers as they engaged in a more heavily commoditized and capitalized agriculture, farmers turned to informal sources, the aarthi being an important source along with family and biraderi networks. Forces of competition in a rapidly expanding market quickly pushed aarthis to provide larger amounts of credit in order to attract/maintain their supplies of maize and the practice of loaning a standard package of inputs became near-ubiquitous. Previously aarthis had lent inputs and cash but it was not as widespread a practice nor was it as costly for aarthis. Aarthis with collateral now take out bank 'limits' (loans) from commercial banks at rates ranging from 15-21% annually or call on family networks, but not all can muster the resources necessary.

The growth in the number of aaraths has been concentrated in the lower segment of the market, i.e. the majority of new entrants are small, often starting with Rs. 2-3 million ($20-30,000). They all use 'loaning' as a means by which to tie supply and, to the extent of their ability, exploit farmers on the credit market. The increase in lending firms has necessarily led to increased competition, affording farmers more opportunities to shop around for a better deal. Bargaining power varies with the extent to which alternatives are available, and now that the number of aarthis

operating inside and outside the mandi has increased, farmers are able to bargain more effectively and take calculated risks that they were previously not taking.

For instance, I learned of three cases where farmers had taken seed from one aarath and fertiliser from another and then not brought their harvest back to either of their two creditors. This was unheard of previously, and violated the unarticulated yet universally known rule of the mandi that farmers enter into *exclusive* relationships with their aarthis. The 'chit system' is how exclusivity is ensured: if an aarthi discovers that a client attempting to sell through him has borrowed inputs from another aarthi in the mandi, he is obliged to write a 'chit' to the aarthi who is owed money to let him know that he has his man. This has been a mandi rule for as long as anyone can remember. While the chit system effectively made – and still continues to make – instances of non-exclusive dealing rare, older aarthis repeatedly told me that the new entrants had 'hurt the system' because in their eagerness to attract clients they were undermining the rules and not writing chits every time they learnt of a farmer who was violating the unwritten but universal agreement. Further, when loans are small – as they often are in cases of such split-procurement – aarthis may not pursue the farmer beyond a certain point, and farmers know that smaller loans are easier to renege on.

A second consequence of increased competition is that commission rates are more likely to drop in order to attract specific clients. Rates – while standardized across the mandi in that 'everyone knows' 3.5-4% is the going rate this season – vary

depending on a number of factors including norms of reciprocity as operational in the institutions of friendship or family as well as the aarthi's assessment of a farmer's financial health. However, competition is now making aarthis drop commission rates *in order to attract or keep clients*. Having witnessed many instances of haggling between new aarthis and first-time clients, it is difficult to establish exactly how often and how much aarthis conceded, but the existence of haggling itself was remarked upon in ironic manner by an aarthi: 'This bargaining [English word used] didn't exist before. Being an aarthi was something to be proud of, there was honour in this profession. Now, we have to satisfy every zamindar with 1/20th of an acre or he shows us his eyes [shows us attitude].'

The following example illustrates the new reality that aarthis now face: I asked Ahmed – a tenant farmer cultivating 8.5 acres – how he decided which aarthi to go to. His answer was unusually succinct: 'where I will get the most benefit.' He has changed aarthis three times in the last five years, his last move being to an aarthi who undercut his previous one (located – strangely enough – right next door) by charging 1% less commission, i.e. 3%. Ahmed has not returned 80,000 of his 2 lakh rupee loan from his new aarthi and by his own admission, is going to try and keep it rolling over indefinitely and switch again when things get too difficult. Ahmed is an unusual case – most farmers do not switch as often as he does, nor are they as calculative or bold in their risk-taking and articulation of intent – but it is commensurate with the haggling that now characterises the aarthi-farmer exchange.

Third, while it is fairly common practice now to provide one bag of diammonium phosphate (DAP) fertiliser (costing around Rs.4200 in 2012) for every acre of maize, this was not so until five years ago. Again, it is the new entrants that are responsible for this shift say the older aarthis, and they attribute this practice to the former wanting to capture market share. In actual fact however, it is more likely that established aarthis with pre-existing contacts and the ability to take bank loans provided farmers with enhanced credit facilities in the face of competition. Regardless of who first provided the extra input though, farmers can now borrow more in value terms than before and aarthis have had to increase investment in the business in order to stay competitive. This is not an optimal scenario for aarthis because in the past they were confident that the farmer would obtain DAP from his own funds or elsewhere yet the crop would be marketed through them, i.e. the same profits would be obtained on a smaller outlay. And secondly, they unanimously argue that the risk of farmer default goes up as the amount borrowed increases. The average loan package per acre of maize – three bags of urea, one bag of DAP, one bag of seed, and pesticide – now averages Rs. 15,000 and DAP accounts for a third of it.

Finally, while the majority of farmers seeking credit from the mandi are small and medium landholders, it is also the case that aarthis actively discriminate against larger clients who frequently use class and status advantages to evade their debt obligations. 73% of aarthis surveyed preferred lending to farmers cultivating between 8 and 15 acres while 22% of the remaining preferred lending to the small, i.e. less than 8 acres. Not a single survey respondent indicated a preference for large

landholders over 25 acres although I met two clearly successful aarthis who did business mostly with large landholders. One of them said that they only did business with *achey Arain,* i.e. literally 'good Arains', 'good' meaning 50-100 acre holders, and 'Arain' being their own biraderi as I came to learn.

Difficulties of Lending: The Moral-Political

It would be decidedly absurd to assume that people cheat simply because opportunities for cheating exist. The motivations behind human action are at any given time a mixture of the pursuit of power and narrow self-interest but also the pursuit of meaning, habit and social custom, and the attempt to live according to one's moral values (to name a few). I do not want to single morality out as too important, but it is striking how little attention is paid to emotions and values in most explanations of economic behavior. It has become increasingly common to acknowledge that all economies are culturally embedded, but cultural or social norms do not provide a single script or prescribe pre-determined appropriate behaviour for every instance. By contrast, the moral economy tradition – exemplified in the work of E.P. Thompson (1971), James Scott (1985, 1990), and Andrew Sayer (2004, 2011) amongst others – is valuable for its insight into how social convention, self-interest *and* people's morally inflected views of how things 'should' be together structure individual and collective behavior.

In what follows, I build on this approach to suggest that the moral-political consciousness of being exploited in a relationship significantly weakens the moral pressure to keep a promise. This directly impacts the strategies that aarthis adopt to recover their loans. I do not wish to assert that moral evaluation is the sole reason for why farmers may cheat, nor do I have the data to argue that it is the most important – that would involve a fine-grained study of farmers' consciousness that I did not undertake. However, it was difficult to not be struck by what Scott called the 'hidden transcript' of the weak, or their normative ideas of what constituted justice. For example, the following is an excerpt from my fieldnotes in which I am in conversation with farmers waiting at an aarath:

> Me: Are you here to sell your maize today?
>
> Farmer (smiling wryly): No, I've come to gift it to him (indicates aarthi with a nod)
>
> Me: What do you mean by that?
>
> Farmer: What is it if not a gift? My labour, my sweat, his gain (*tofa nahin to kiya? Khoon sada, paseena sada, kamaee is di*).

I had chatted with the aarthi twice so far but he was still wary of me, not sure of who I was or what I was doing. He laughed at the farmer's characterisation of the exchange, more loudly than the other farmers in the room. From behind his steel desk in the tiny, dark, windowless room that was his shop, he explained to me how this was a joke, that farmers like to taunt aarthis even though they know full well how hard the aarthi has to work to keep his money from being 'digested' by them.

I reproduce this small incident from the field here not because it is unique, but because it is quite the opposite: the political consciousness, the feeling, and the moral judgment expressed in the farmer's words were echoed in dozens of conversations I had with those in similar social positions. What is interesting about these expressions is how vividly they illustrate *the transparency of the process of surplus appropriation in the aarthi-farmer exchange*. In half-jokingly saying that he was there to 'gift' the aarthi his maize, the old man demonstrated full consciousness of being exploited. His labour was going to put money in another's pocket as a result of structural inequalities over which he had no control. His words were a clear moral denouncement of existing social relations: he recognized the exchange as forced, unequal, and unjust, not as a neutral social fact. As EP Thompson said of the 18th century food riots by the English poor, 'while this moral economy cannot be described as 'political' in any advanced sense, nevertheless it cannot be described as 'unpolitical' either since it suppose[s] definite, and passionately held, notions of the common weal' (Thompson 1971: 79).

Unsurprisingly, the mandi is teeming with instances that serve to feed the feeling of injustice and unfairness amongst farmers. One of the more dramatic and representationally significant examples of this feeling-formation may be found at the *boli* (auction) itself. The *boli* is by far the day's most important event. Starting at 10 or 11am every day, a seasonally-thick thread of buyers and book-keepers along with an auctioneer weave their way through the yellow mounds on the auction platform, bidding mound by mound. Rarely does it take more than 30 seconds for a

pile to be auctioned – for the farmer, it is these few moments in which his entire season's labour will be valued and his reward determined.

I was at the *boli* in the blistering heat of June, waiting with a farmer at his *dheri* (mound), both of us watching the group of 40-odd men approaching, mound by mound. The *boli* often has spectators that move with it too – farmers, aarthis, accountants, *beoparis*, and sometimes even visitors to the mandi with no stake in the trade but still interested in watching large amounts of money in rapid action. The market was *teyz* that morning – prices were higher than they had been all week – and the farmer was hopeful of selling well. And then, in a flurry of noise and flying chaff, the buyers were upon us. The auctioneer called out the name of the aarthi to indicate who the *dheri* was being sold through, plunged his arm into it, looked at the grain in his hand for a split second, and announced the starting price: 860. Buyers had also taken handfuls of the maize, squeezing the narrow yellow part between thumb and forefinger, chewing and spitting it out. 'What game are you playing at?? 830' one called out. The auctioneer obliged instantly, and bidding began at 830. The lot went for Rs. 850 per 40 kgs within 20 seconds. The *boli* moved on to the next mound. Tariq, the farmer, was dejected and embittered – he had been hoping for close to Rs. 900.

Such an open exercise of power on part of buyers (pakka aarthis) is common at the auction. The auctioneer is an employee of the buyer-dominated mandi association and his continued employment and remuneration is directly dependent upon the

continued patronage of the buyers. It is oft-repeated by farmers and katcha aarthis (commission agents) alike that the *boliwallas* (auctioneers) are in the pay of the pakka aarthis and that this is a buyer's market. However, farmers who feel cheated by the valuation of their produce rarely contest it – they say that if they were to confront the auctioneer or the buyers, the *boli* would move on immediately, leaving their pile unsold, vulnerable to the elements, incurring the risk of drying out further in the heat and thereby losing even more money-value. Further, the aarthi is likely to be annoyed at having to do the work of finding a buyer outside of the auction.

Farmers perceive the immediate, obvious perpetrators of injustice in the price-setting process to be the buyers and the auctioneer, yet resentment at being treated unfairly spills over into how farmers feel towards katcha aarthis. When prices fluctuate wildly – as was the case when a farmer sold 2 acres of wet maize for 860 in the early weeks of the season but then, having dried the rest properly and brought it in a week later, received 744 rather than the 880 or more he had hoped for – or when payments due to them are chronically delayed, the feeling of helplessness in the face of much greater power and organization feeds resentment directed at all those 'above'. Often, in emotionally charged narrations, farmers lumped buyers and katcha aarthis together as belonging to a class that cooperated to gain from the disorganization and powerlessness of the peasantry. The absence of a '*zamindar* union' (the English word was widely used) was frequently contrasted with the existence of the mandi association. An established client of Zamir's observed that while katcha aarthis obviously benefited from high prices at the *boli*, they were

keener on establishing good relations with buyers: 'They're [katcha aarthis and pakka aarthis] all the same. No aarthi wants to get on the wrong side of a *pakkiwala*. Does a son of a bitch bite the bitch? Walking behind them, making them feel important – that's what they do. A man who has lots of money has lots of friends'.

Such demystification of social relations, the tearing off of the proverbial veil, is not uncommon amongst the working poor. Unlike those segments of the urban middle classes that increasingly see themselves through the lens of neoliberal governmentality and hence as responsible agents 'prepared to work within the constraints of a competitive and unstable market economy and within the terms set by the dominant private corporate sector' (Gooptu 2009: 54), the working poor in rural and urban Pakistan frequently condemn individuals and groups appropriating the products of their labour and show evidence of possessing an (embryonic) class consciousness. Martin (2009: 193) observes that landlords' servants in Pakistani Punjab often deeply resent their masters, resorting to individual acts of resistance and revenge such as stealing and throwing punches at their masters' picture. Yet without the means to effectively resist their domination, they must content themselves with individual acts of rebellion.

Weapons of the Weak

My evidence supports the well-known argument that the poor and the weak comprehend their exploitation and in unspectacular, individualized ways determined by existing structures of control, they act to resist it (Scott 1985, 1990). In doing so, they pose definite obstacles to accumulation that aarthis must contend with. Detailing the many strategies that together constitute these repertoires of resistance is not a main focus of mine as my fieldwork was mostly with aarthis; however, I would like to recall Scott's observation of there being two categories into which this resistance may fall, one material and the other discursive. Actions such as time-wasting, delaying repayments, cheating, and lying are material manifestations of resistance, while language is used to undercut the moral authority of those they deem to have transgressed their values and to reward those who they perceive as acting in accordance with them (Scott 1985: 235). Both are thorns – not knives – in the sides of those whom they are aimed at, but that they have definite nuisance-value is apparent from how aarthis aim to avoid, downplay, or minimise their occurrence.

For instance, it is perfectly common for aarthis to go on 'recovery' (missions to their clients villages to recover debts), spend anywhere from thirty minutes to a couple of hours in a single meeting, and return empty-handed. Typically, they will be received with the respect accorded to social superiors, food and drink will be pressed on them, and someone will be sent to fetch the indebted farmer. Usually, the farmer

they have come in search of will either not be there, pretend to not be there, or he will stop whatever he is doing and sit with the aarthi in his *bethak* (the room reserved for receiving guests so that the women's purdah is not violated). How things proceed then varies according to the relative status of the aarthi and the farmer, the length and nature of the relationship (primarily the idiom it is constructed in – friendship, family, purely contractual, or a mix of many), how critical liquidity is to the aarthi, and the legitimacy that each party accords to the other's claims.

The time-wasting, dissembling, and shaming employed during these visits is not immediately apparent. In general, it is not acceptable for aarthis to immediately broach the purpose of their visit – health, family, and previous troubles must be inquired about first. Tea must be drunk. But then business is gotten down to, the outstanding amount is demanded, and the debtor must respond. In most cases, the aarthi will leave empty-handed with promises of repayment at a future date, or with the latter but also a fraction of the sum owed. Debtors will sometimes leave the aarthis sitting in their house and pretend to go in search of money to borrow from someone else. Or they will explain why they don't have the money at this time and make promises to pay soon. They are only delaying the inevitable, but in making the aarthi journey out to the village and return with not much more than he came with, a tiny revenge is exacted, if only symbolic. The aarthi is forced onto the farmer's turf, and while the pressure to return the debt remains – and may be intensified – here the farmer is significantly more in control of the tone, the pace, and substance of the

interaction than he is in the mandi. I saw farmers use this advantage in several ways: pressing excessive and bothersome hospitality on their guests (perhaps in an attempt to shame or soften them), leaving them waiting in their *bethaks* for long stretches, calling in others from the village to support their stories about crop failure, sickness in the family, etc. and give their position greater credence.

Unsurprisingly, aarthis dislike having to make these trips and complain bitterly about their low success rates, attributing them to the moral bankruptcy of the farmers. On the recovery missions I was along for, we sometimes spent whole days driving from village to village, often on dirt roads so that every inch of us was covered with the fine dust of the Punjabi plains. The car took a beating on the dirt tracks and potholed roads, the aarthis sweated and cursed, and the near-constant conflict and argumentation and the protracted and frustrating pace of the debt-collection process took an obvious toll.

Within the mandi, the aarath itself witnesses contestation, accusation, arbitration, flattery, exaggeration, lying, cursing, and lamentation on part of both parties. Every aarath has its own micro-culture deriving from the proprietor's background, class, biraderi, age, and personality. Some are more 'live' than others, characterized by near-constant high-intensity interaction between proprietors and clients. The incessant banter between the two – sometimes friendly, sometimes tongue-in-cheek, sometimes openly (and very loudly) hostile – is a clear window into the complexity of exchange in a marketplace such as this. Other aaraths – usually those

of town-dwelling trading families and richer aarthis – are quieter. Here farmers argue less but also laugh less and conversation and negotiation is more restrained (although still shockingly conflictual for someone used to the polite bourgeois mores of the Pakistani cosmopolitan elite and Western liberal society). But even in these relatively more formal and intimidating settings, one cannot describe most farmers as meek or deferential. Cynically mistrusting of the aarthi and with a sharp eye to protecting their interests, many go to great lengths to establish the urgency and legitimacy of their needs in order to stake a moral claim to the aarthi's good favour. Personal ties are appealed to – ties of family, friendship, biraderi – and long stories are told in which the cast of characters is extensive and the detailed narration seemingly long and rambling, yet these stories are often purposeful and most generally demonstrate the farmers good character, his need, and his social responsibilities. Almost always, there are others listening – farmers, the accountant, labourers, and friends who have dropped by.

Picture 5: Farmers and Aarthi Waiting, Chatting, and Arguing at an Aarath



In establishing his need in the face of the aarthi's ability to meet it, the farmer is drawing on the aarthi's desire to be seen as a benevolent character, a patron who treats his clients well. He is also appealing to the shared ideologies of biraderi, family, and friendship. Aarthis want to profit maximally from their business, but they are – like all human beings – moral beings who also live and work in a society in which generosity, loyalty, hospitality, and charity are highly valued, and in which the institutions of biraderi, family, friendship, locality, and religion are strong and prescribe particular behaviours. They must prove themselves within the confines of these moral values and ideologies while pursuing profit, in part because they themselves believe in the 'correctness' of these ideals and in part because they are concerned about their reputation. And so we see that they are caught between the

imperatives of accumulation on the one hand, and moral and institutional imperatives on the other.

Conclusion

Surplus appropriation always proceeds through concrete social relationships. This chapter took us through some of the factors conditioning the relationship between aarthis and farmers in order to better understand their behaviour as they confront each other in an exchange situation that is antagonistic and not consensually determined. When A is able to make B accept more of A's terms than B accepts of theirs, A is dominating B. As part of our investigation into why aarthis are able to do this in their relationship with small and medium farmers, I examined the set of choices available to farmers as they sought to achieve certain outcomes such as maximize returns – or at least receive a 'fair' price – and minimize costs.

This set of choices is heavily structured by institutions that we have previously identified as important in market exchange[101]. The state in both its formal and informal capacity is particularly important in shaping access to credit as well as the need for it in the first place. Although maize production in Okara has increased rapidly since the mid-1990's, profitability over this period has rarely been high, and according to farmers and aarthis, negative at worst. Further, input use has

[101] We encounter more evidence of the role of biraderi, locality, and friendship in shaping these choices, and those of aarthis, in the next chapter.

intensified as the land has tired, and hybrid maize seeds must be purchased and cannot be reproduced on-farm. Small and medium farmers engaging in a heavily commoditized, input-intensive agriculture therefore need access to money in order to acquire necessary inputs. Personal reserves are frequently not sufficient for this but subsidized institutional credit has been captured by large landowners, and although a more equitable distribution seems to be emerging if the State Bank's press statements and publicized initiatives are to be believed[102], it is still the case that the vast majority of farmers turn to the significantly more costly informal sector to meet their credit needs, even when it is possible for them to borrow from banks, such that approximately 50-70% of those farming 5-25 acres are indebted to aarthis.

Aarthis numbers have surged too and the growth in maize production has led to a multiplication of shops in the mandi. The 30-35% increase in aaraths since 2000 as well as the social differences between established aarthis and the new entrants has meant that aarthis' collective power has weakened. Aarthis that have been in the mandi from before the mid-1990's are wealthier and mostly from migrant Arain or Sheikh biraderis, while most of the new entrants have started up with small amounts of capital and are coming straight out of agriculture. This weakening of the 'system' (as older aarthis refer to it) has increased competition between aarthis. We

[102] For example, in 2016 the State Bank launched a Rs. 1 billion credit guarantee scheme designed to encourage private banks to lend to those farming 5-10 acres and did not have collateral. In the case of debt default, the State Bank would pay 50% of the principal to the bank. See SBP Circular 01 of 2016, available at http://sbp.org.pk/acd/2016/C1.htm.

saw how some farmers use this to their advantage, and the aarthi-farmer relationship duration has decreased at least in part because default and cheating by farmers has increased. Maximizing returns and minimizing costs is now possible by evading sanctions that would have applied previously and commission rates – or the price that farmers pay for market access – have also dropped as the latter have competed to tie supply.

The chapter also argued that there is an additional dimension, beyond profit-maximization, that affects farmers' behavior and how they relate to aarthis. The exchange as it occurs frequently does not meet the formers' implicit standards of fairness. Farmers do not think their contribution or needs are adequately recognized and catered to by aarthis. Katcha and pakka aarthis are the face of the faceless market for them, the point at which their labour and the object it produces becomes a commodity and money value is placed on it. At least some of the time, this valuation is so low as to produce feelings of anger, resignation, and bitterness that animate individual resistance. In the next chapter, we see how aarthis circumscribe this resistance and succeed – or not – in making farmers accept more of their terms than they accept of theirs.

Chapter Six

Contract Enforcement in the Aarthi-Farmer Relationship

This chapter follows directly from the previous one and asks how aarthis prevent default and minimize cheating in an exchange often perceived by farmers as unjust, forced, and unequal. Exchange everywhere and across time is sustained by a complex of values, evolved cooperative practices, and sanctions. The specificities of this complex reflect the nature of power and where it lies – is it coercive, is it also historically sedimented and thereby naturalised, is it accorded a degree of normative legitimacy even by the least powerful? These characteristics are not necessarily mutually exclusive and may overlap so that the 'essence' of power lies somewhere in between the poles of coercion and consent. Unpicking the complex is a means of deriving a map of the underlying institutional structure of society, institutions being both products and producers of power.

Using contract enforcement in the aarthi-farmer dyad as its lens, this chapter argues that coercion – understood as the threat or use of sanctions including force – is central to the aarthi's appropriation of farmer surplus and operates through institutions of biraderi, friendship, locality, and the law. Meaningful consent[103] on

[103] Meaningful consent is usefully distinguished in the following definition: 'We have consent…whenever the right of one man to act in a certain way is conditional upon

part of the farmer is at most tenuous, an argument advanced through a different set of considerations in the previous chapter and with critical implications for how we conceptualise markets and the politics of Pakistan's intermediate classes. It will be seen that, when lending to farmers, recovering debts or enforcing contracts, aarthis unambiguously deploy the second, coercive dimension of power as established by Lukes' typology (Chapter 2). This is essential: in a context where few farmers accord normative legitimacy to the market's valuation of their labour, the fourth dimension cannot materialize. The analysis presented here demonstrates customary institutions and modes of sociability successfully facilitating accumulation and showing no signs of disappearing, only of being 'reworked'. While this has been widely observed in India so that it now forms a well-established premise for much of the work on the Indian economy (eg: Basile 2011, Chari 2004, Harriss-White 2003), Pakistan remains understudied in this respect.

The primary material I draw on is from three of my aarath case studies: Liaqat (better known as the Chairman) who is a peasant leader, tenant farmer, and recent entrant to the business; Zamir Khan, a second-generation aarthi, a Pathan in a land of Punjabis, active in local government politics, and client of a large landlord who is also a successful politician in Islamabad; and Haji, an aarthi who is not politically active. The last two are sons of aarthis and have been in the business all their lives.

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another man's having expressed the wish that he should act that way...The giving of consent is essentially the granting of permission' (J. Plamenatz, quoted in Peter 2004: 3).

Chairman is the joint proprietor of Chairman Commission Shop along with his partner Mehr. In the aarath's first season in early 2008, 80% of the farmers of their books were from the military farms where Chairman was a well-known and admired figure. By January 2013, this number had fallen to 60-65%, but still demonstrated just how much their business relied on the political capital Chairman had accumulated through his successful leadership of the peasant movement. However, at this time the aarath had significant outstanding loans to be recovered from the spring maize crop harvested seven months ago as well as from the winter season just concluded. The partners were hopeful of recovering a significant portion of what was due to them over the coming six months, even if there was a great deal of cursing of the effort involved in chasing the farmers down.

Second is Zamir Khan, an oddity in the mandi because of his Pathan ethnicity, and a local government politician that does not do business in his constituency. In 2013, 60% of his clients had taken loans from him and of these, 80% were from two villages 30 and 45 kilometres respectively from his own where he had extensive contacts. In contrast to the Chairman who arrived with the latest wave of mandi entrants in the 2000's, Zamir is one of the oldest aarthis – his father having started the business in 1950 – and one of the only two Pathans in this mandi of more than 350 aaraths. He estimates that 60% of his 300 or so clients have been on his books for more than 15 years, his oldest client having been with him for 32 years. He had significantly fewer recovery problems than the Chairman and a larger volume of produce coming through his shop.

The third case I draw on in this chapter is that of Haji. Haji is the least politically involved of the three and the least densely networked. He is also the least charismatic personality, not commanding the seeming authority or having access to the avenues of recourse that the other two do. Talking to him, I often perceived a *reluctant* petty capitalist: not hopeful of growth anymore, yet overstretched with a highly diverse business portfolio and a desire to leave something to his only son. He is not closely connected to large political or patronage dispensing figures in Okara or the village he lives in, and is deeply cynical about how things work in the mandi and in society at large.

Like Zamir Khan, Haji inherited the business from his father[104]. Of the numerically and politically dominant Arain biraderi from Jallander, his father migrated to Okara just before Partition and set up the aarath in 1948. Haji and his brother took over the business when their father died, buying their five other brothers out over the years. Haji bought his last brother out 10 years ago and has since run it as his own, citing personal difficulties and conflict as the reason he does not engage in joint ventures with his brothers. Of all the aarthis I interviewed, he is amongst those few who have relatively severe loan recovery problems, in large part because of a

[104] There is nothing 'traditional' about an aarthi training his son to take over the business – in a profitable business heavily dependent on the strength and extent of personalized networks, it is good economic sense to maintain exclusivity and take advantage of accumulated contacts and relationships. Only 18% of aaraths are extra-familial partnerships; the rest are family-owned or self-owned, but 'self' as I came to learn, frequently meant that a son/brother alone handled the business while continuing to contribute to the joint family household.

serious car accident that significantly reduced his ability to conduct and monitor the business. Because he was unable to work as needed for a year and half, many of his loans were declared dead because could not chase them and his debtors felt no compulsion to repay their debts. Compounding his financial difficulties, his accountant also made off with a sizeable sum while he was recovering. Upon his resumption of active management, he entered into a business arrangement with a small *beopari* who lent Haji's inputs to farmers of his acquaintance in return for a percentage cut on the earnings. In 2013, after two seasons of this arrangement, almost all of Haji's money loaned out in this way had yet to be recovered and he was ruing his misfortune.

The evidence presented in this chapter is drawn in equal measure from my observations of how these three conducted their business and from observations and conversations with other aarthis who I knew less well. Often, those who did not know me or know me 'well enough' were suspicious of my motives and their responses were cagier and less trusting. The friendship and opportunities that these three eventually afforded me were therefore invaluable as I slowly learned the ways of the mandi and explored its less savoury sides. Two further points need to be noted before beginning. Firstly, while it would be impossible to ascertain with accuracy because of the secrecy that shrouds aarthi's accounts, aarthis on average recover about 85-90% of their debts within a three-season cycle. These figures are based on estimates provided by the mandi association and borne out in discussions

about the recovery situation 'in general' with aarthis[105]. Secondly, and perhaps in contrast to what might be expected in light of such a high recovery rate, aarthis spend a great deal of their time monitoring and chasing clients all over the district.

Who Shall We Lend To?

When asked how they decided who to loan to, aarthis provided a huge – and at times infuriatingly contradictory – range of responses. According to many, social ties were unimportant; instead, I was told, 'we'll take anyone as long as he gives us a cheque'[106]. The consistency with which this sentiment was expressed was puzzling because it sat right next to the fact that of all the aarthis I met in the mandi, only four had ever taken clients without a guarantor who was personally known to them. Preferences for who to lend to varied, but that social relations and linkages mattered a great deal was clear. In the client accounts maintained by aarthis, there are columns recording who the client's guarantor is, whether he is a landowner or a tenant, and with rare exception, which caste/biraderi he belongs to. Aarthis turned away farmers seeking first-time loans on the basis of their not having a strong enough guarantor or being outside the geographical belts in which they had strong

[105] Recovery is a highly sensitive topic and aarthis are loathe to reveal the state of their actual accounts to each other or to outsiders like myself.
[106] This refers to the practice, common throughout the mandi, of taking signed blank cheques as collateral.

ties, but they never turned someone away because he belonged to the 'wrong' caste/biraderi[107].

That aarthis often said they'd take 'anyone' illustrates a significant point. Given how I had phrased the questions[108], they were saying that taking on a new client was not dependent on whether the latter hailed from a particular biraderi, family, locality, or owned the land he farmed. I asked these questions because these institutions were obviously of great social significance in Okara; however, it quickly became clear that they were of much less importance in the decision to take on a client. 87% of surveyed aarthis expressed indifference to whether their client rented in land or owned it. Biraderi fared similarly. While there are well-established characterisations of biraderis and localities, such as migrant Arains from what is now Indian Punjab labeling local Arains *kamchor* (work-shirkers) and un-enterprising, these assessments – fiercely argued and defended in the face of counter-narrativisation or questioning – did not impinge on migrant Arain's decision to enter into business with local Arain farmers.

With one exception, no aarthi considered biraderi a determining factor in taking on a new client. As I learned, the biraderi column in the account register existed in order to 'know who the man is, who we're going after [to get our money back]'

[107] There may be some self-selection at work here by farmers but I observed that the rare instances of kammi cultivators were not discriminated against and Christian farmers did not seem to be either.

[108] 'Do you prefer lending to members of any particular biraderi?', 'Do you prefer lending to landowners or to lessees?', 'Do you prefer lending to those already known to you?'

(*sanoo patta to hovey banda kon hey, kis dey magar lagna hey*). 'Knowing the man' meant possessing crucial identifiers that would help locate him in the event of a default; however, the social content of biraderi, the meanings it inflected in other contexts, were not relevant here. Relatedly, it quickly became obvious that the institution of biraderi could not serve as an appropriate idiom for the conduct of a two-sided exchange such as this one. The foundational premise of kinship identity is sameness vis-à-vis generalized, different others; when confronted with the opposing interests of two members within it, biraderi ceased to be a viable or relevant framework in which interests could be meaningfully pursued. Family broke down similarly – many aarthis preferred not to loan to family, particularly close kin, because introducing financial reckoning into relationships grounded in cooperation and solidarity rather than competition and conflict had the potential to pose significant problems.

So biraderi, class, and locality do not figure significantly in the initial decision to take on a client. Instead, as the following sections demonstrate, it is either i) reliable personal knowledge of the farmer and/or his guarantors, ii) collateral offered by the farmer, both economic and social, iii) the existence of coercive power and/or authority such that compliance can be expected without (or in addition to) either of the previous measures. Personal knowledge allows, but does not guarantee, an aarthi to believe that a client may feel morally compelled to uphold their stated obligations without the threat of sanctions, but in the absence of personal knowledge, the basis of decision-making shifts and derives more explicitly from

aarthi's assessments of their ability to coerce farmers using a variety of means. Whether this points to a lack of 'generalized morality' and an essentially cultural negation of egalitarian ideals (Platteau 1994) or to the weakness of formal institutional frameworks is a question explored in the conclusion to this chapter.

'Known' Debtors

To demonstrate how the first situation works, i.e. personal knowledge of the farmer and/or guarantor, I present two examples that might be considered typical vetting processes.

Ashfaq, a farmer, came to the Chairman's aarath in the planting season wanting 9 bags of seed. He had been recommended by an aarthi named Nadeem from the fruit and vegetable mandi who had been friends with the Chairman for many years, was also from the military farms, and whom Chairman trusted greatly. Ashfaq was accompanied by another aarthi from the fruit and vegetable mandi who was the father of the man married to the Chairman's father's older brother's son's daughter (!). This relative had come to vouch for the farmer, and after they left with the promise of obtaining the seed the following day, I asked Chairman who he was. He rattled off the long relationship immediately, guffawing heartily at my obvious confusion as I tried to follow him. No cheque was asked for in this case, because the chairman was confident that there was little room for *do-numbri* (fraud).

Probing why he thought there was so little space revealed that in the event of foot-dragging or default by Ashfaq (in debt for Rs. 49,500 worth of inputs for the season), was instructive:

i) The Chairman could use the guarantor to put pressure on him. The guarantor belonged to Ashfaq's village and was friends with him while also being an aarthi and of the Chairman's biraderi and extended family network. He would ostensibly use the norm of mutual obligation embedded in friendship and his relatively dominant class position to put pressure on the farmer, jeopardizing the latter's reputation as a trustworthy and honorable person in the village.

The guarantor could be trusted to do so because a) the guarantor's own reputation was at stake here. If the man he vouched for reneged on his end of the deal, this would reflect poorly on his power and authority, as measured by his ability to induce desired behavior or command obedience b) his relationship with the Chairman meant that he had an obligation to uphold the Chairman's interests in this case. Institutions of kinship and friendship demand reciprocity of effort on moral grounds as much as they might also be products of natural selection and calculative rationality[109]. Chairman has to believe that his kinsman made the best possible

[109] For a functionalist explanation of reciprocity, hospitality, and trust in pastoral societies, see Ernest Gellner (1988: 142-156). The source of trust, for him, is the lack of government. Unable to tax and police nomads, the state cannot exist. In the absence of the state, people must cooperate to realize their own expectations for themselves. In circular fashion, this further reduces the need for government. While

effort at securing his interests. In the absence of this, the relationship would suffer and the possibility of using it as a resource to secure future gains would also be in jeopardy.

ii) The Chairman could tell Nadeem, his aarthi friend in the fruit and vegetable mandi, that Ashfaq was not cooperating. Ashfaq borrows inputs from Nadeem for his vegetable crops and has been doing business with him for some years – inevitably, this would damage Ashfaq's reputation. While it might not lead Nadeem to withhold credit or otherwise punish him (for instance, by deducting a portion of what the farmer owes the Chairman), the threat of this possibility is itself important, as is the loss of reputation that he may suffer.

It is also of course the case that sometimes the farmer himself will be known to the aarthi. For example, a new farmer came to Zamir Khan's aarath with a request for seven bags of seed. Fifteen minutes later, he left with a slip authorising him to obtain his seed from a dealer in town. No guarantor was entered into the books, no cheque was demanded because he was a schoolteacher who taught Zamir's son in the village school ten years ago and he was resident within Zamir's political constituency.

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there is much that is convincing about his argument, it over-socialises morality, determining it in entirely mechanistic fashion. The sources of norms and morality are the subject of wide philosophical debate, less so in the social sciences. See the next footnote for an alternative and less Hobbesian conception of morality.

Zamir's decision to not ask collateral of this new client could inflect any or all of three things:

i) Firstly, it could mean that Zamir imputed honourability and trustworthiness on his new client's part because the latter was a schoolmaster – 'masters' as they are called are highly respected in village society. Indeed, this was the reason that Zamir gave me when I asked why he demanded no collateral. If so, Zamir is not calculating, he is attributing specific moral characteristics to someone based in part on personal knowledge but mostly on his social role, i.e. he does not think he will need to coerce him into compliance because he believes the master *intends* to comply either because the latter values his own honour or because he evaluates the exchange as fair and hence his own moral consciousness would compel him to abide by the contract.

ii) Secondly, it could be that Zamir's previous experiences of the master were such that they led him to believe that he could be trusted. Zamir told me he was a 'good at heart' man who once brought his son home, nose bleeding and clothes torn, after he got in a fight in a neighbouring village. While more than ten years ago, this incident obviously continued to inspire gratitude and good feeling in Zamir. These feelings, formed in another social realm, may be spilling over and warming up the 'icy waters of egoistic calculation' (Marx 2001: 3). The waters are also surely warmed by the fact of theirs being at least a ten-year association which may be weak but is seemingly undamaged by information that would induce bad feeling. This, combined

with the dense sociability of Okara and the implications that this has for how much they may have interacted or been implicated in each other's social worlds, is such that the two men are likely to have formed certain expectations of each other and a certain sensitivity to each other's wellbeing[110]. This may of course be overridden by other factors, but that is not to deny its existence.

The case for trust as also springing from emotional needs and capacities is further borne out by observing aarthis, farmers, labourers, and others who routinely interact with each other. People in long-term relationships of any kind expect themselves and others to behave in certain ways regardless of whether it is in their immediate interest to do so or not, often help each other even though they do not 'have' to, and expect honesty and reciprocity. Even though the aarthi-farmer relationship may be perceived as forced or unequal by the farmer, it is heavily personalized – this personalization lends itself to the production of moral

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[110] I reproduce a lengthy but illuminating quote from Andrew Sayer's argument against functional reductionism of the Gellner variety which undergirds my assumption throughout this thesis that we are moral-ethical beings in addition to being socialised, even if our ethicality is often drowned out by the structural imperatives of the system. 'Actors are, or are capable of being, remarkably sensitive to the emotions, needs, reasoning, and experiences of others, indeed the implications of the Theory of Moral Sentiments is that this fellow-feeling is a fundamental constituent of social order, and that actors could not function without some capacity for it. The self-monitoring and regulation [of their own conduct by imagining its effects and the judgments that an imaginary spectator would make of it] does not exist, as sociologists tend to assume, merely because it is functional for reproducing social order, but because actors also have a psychological need for the recognition of others…Moral sentiments are not reduced to mere social conventions or discursive constructs, but related to human psychology, to our social nature as needy beings' (2004: 7). See Sayer (2011) for an extended, robust critique of social science's difficulties in acknowledging morality and universal needs independent of socialization and the drive to domination.

sentiments that fuel trust. I return to this issue, particularly the delicate management of expectations so born, later in this chapter.

iii) Lastly, to return to a less charitable but equally plausible explanation of human behaviour, it could be that because the master is an employee of a state-run school that is in Zamir's political constituency, Zamir knows that he possesses sufficient power and/or authority over enough people to ensure compliance were it not to be forthcoming.

As a researcher, ranking these possible motivations in order of effect-production is difficult. Using observable action to deduce the intangible of motivation is tricky, the methodological problems involved are many, and I do not pretend to have found a novel way through them. Zamir said that he trusted him because he was a 'good man' but what does this mean in light of his explicitly having stressed the need to be vigilant and suspicious of all those he does business with? Believing all that informants say would produce ludicrous social theory but not believing them produces equally ludicrous universal subjects, blindly acting out a fixed script cooked up by the researcher. Given that Zamir has no strong motivation to deceive me here (except perhaps to show himself to also be a 'good-at-heart' man), I conclude that he imputed 'honourability' to the master, fortified further by the respect he considered due to him based on his social role as well as his own personal experience of him. The conflation of 'good' with 'honourable' is common, and honour is highly valued by those who are thought to possess it.

The important point however is this: in contrasting these two loan decisions, we see clear calculations of recoverability and latent coercive potentialities. Zamir used his knowledge of the master to calculate that there was no chance of the man dishonouring himself by refusing to repay. Chairman, by contrast, could not be sure of this with his debtor but he could trust his guarantor. In addition, he had enough sway over other aspects of the debtor's social and economic life to feel comfortable. He could have drawn on personal relations, intermediaries, and the threat (very real in economic terms) of a challenge to the man's reputation as a worthy creditor to enforce repayment. The possibility of sanctioning debtors is in active play here, not a reliance on their generalized good will and consent.

What happens in situations where neither the borrower nor the guarantor is well-known or trusted by the aarthi? Unsurprisingly, reliance on the capacity to exercise coercion in various ways in particular figure even more prominently. In what follows, I move between the intimately connected issues of trust and the actual mechanisms of contract enforcement and debt recovery.

Banking on Fear

In the absence of consent, unequal relations of exchange require that the power of the dominant party in the exchange relationship either be clearly visible and

thereby pose a credible threat or be doxic, i.e. power is so heavily institutionalized as to effectively be 'hidden' while still obtaining the same outcome. Law often exemplifies the latter, normalizing relations of domination and rendering them unremarkable aspects of the received landscape. However, recourse to law and the formal processes of the state is rare in the mandi and particularly rare in aarthi-farmer exchange. Even when lending to marginal farmers aarthis do not invoke the state because the process a) takes too long and is costly and arduous b) 'looks bad' because it shows aarthis to be operating outside of commonly accepted dispute resolution mechanisms and hence not as deeply entrenched within collective social discipline, and c) is not predictable because 'there is no law', i.e. rules are malleable. Instead, aarthi's assessments of their own relative capacity for exercising both types of power – openly coercive and doxic – are key to their decision to loan inputs to a client. All mechanisms operative here involve an assessment of the probability of compliance and the ways in which and the extent to which the debtor can be shamed or coerced should he renege on his commitment. Either collateral is demanded, or the aarthi relies on the power and/or authority that he or someone very close to him commands over a population.

The Rare Recourse to Law

Malik sahib, an aarthi of average size in the mandi, once lightheartedly explained his business strategy thus: 'We like to be self-sufficient: one retired army officer, one

lawyer, now all that's left is a *policewalla*! But he [the lawyer] has good relations with the police and so that work gets done by him'. He was referring to his two partners, friends who had invested in the aarath and shared in the profits. Malik sahib's family had been allied with the PML-N since 1985, his father-in-law was an MLA in the early years of Pakistan, and he proudly declared that '*hum ney jab sey siayast shuroo ki hey to iqtidaar mey hi rahey hain'* (we've been in power ever since we started politics). His cousin's son was an MPA at the time of fieldwork, and the chairman of the DMC was also family. After our meeting, he was going with his business partners to see the chairman for 'political work', details of which he did not see fit to share with me.

I was intrigued by the concept of 'self-sufficient'. What needs of his were met through a retired army officer, a lawyer, contacts in the police, and family and biraderi connections? What was actually exchanged, what was the substance of the flows between aarthis such as Malik sahib and their patrons? And what where the drawbacks of not being self-sufficient? Malik sahib did not provide many answers as he bustled out after politely showing me the door, but observing others was instructive.

One of the rare instances in which legal sanctioning through the state is directly invoked by aarthis (as opposed to when they rely on personalized state access outside the ambit of official procedure) is in the practice – common throughout the mandi – of demanding collateral in the form of a signed, un-dated blank cheque

either drawn on the farmer's bank account (if he has one) or on a close relative's[111]. This relative must usually be present at the time when the cheque is handed over to the aarthi unless the latter has some existing personal knowledge of the new client. In the event of a default by the farmer, the aarthi will cash the cheque for whatever amount he deems appropriate.

However, accounts are often empty and cheques bounce. When this happens, standard procedure requires that the aarthi obtain a note from the bank confirming insufficient funds to honour the check and a First Information Report (FIR) is then registered with the police under Section 489-F of the Pakistani Penal Code. A bribe to the Station House Officer (SHO) helps register the FIR – as I was told with no small bitterness, *'Do jaga, eik hasaptal to eik thana, langney nahin deyndey chamri udharey bagheyr'*, i.e 'two places you can't set foot in without being skinned alive: the hospital and the jail'. A criminal case is then filed against the account holder and the police go and round up the accused. At this point, aarthis can either hope for their money back (often helped along by further bribes to the police) or they can continue to press charges. The offence is non-bailable and can mean up to three years in jail and a fine[112].

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[111] Land is never used as collateral in the mandi. The costs of transferring ownership are too high – the process can take years and involve time-consuming and expensive litigation. Selling it would also involve significant costs, and cultivating it is usually out of the question. Harriss-White (1996) also finds the issue of fungibility affecting what is considered acceptable collateral in Tamil Nadu.

[112] Section 489-F was promulgated in 2002 by Presidential Ordinance during General Pervez Musharraf's martial law. Previously, the penalties for a dishonoured cheque were significantly lower, and before Nawaz Sharif's second tenure it was not considered a criminal offense. It became a criminal offense in 1997 but only for

Given the tedious and obstacle-strewn nature of the bureaucratic apparatus, this option is very rarely pursued. It may also reflect the weakness of the aarthi's social networks as well as make him appear less of a benevolent figure, the latter being an image that aarthis like to cultivate with their clients. Still, in spite of almost never acting on it, aarthis rely on the *threat* of legal action to intimidate famers into upholding the terms of their contract. Blank cheques are demanded because the penalty for dishonouring larger amounts is higher: 'Even if we have to recover only Rs. 50,000, we'll fill in 150,000 you see? Then the pressure on the farmer will be higher because he faces a longer jail term', Haji explained to me. A cheque is a second-tier safeguard against default, biraderi and village function as essential social and physical identifiers, and a guarantor with stakes in his relationship with the aarthi is crucial social collateral. This particular set of prerequisites is common throughout the mandi in those cases when neither the farmer nor the guarantor are well-known to the aarthi.

Haji has invoked the law more than either Zamir or Chairman: '3 times, and I've lost a full year's sleep and too much money from my pocket because of it'. During my time in the mandi, an on-going debt recovery case he was embroiled in turned sour.

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cheques made out to banks and financial institutions, not for cheques issued from one member of the general public to another. Obviously, aarthis were very pleased with the 2002 change in legislation, which allowed them to wield the threat of imprisonment (extending up to three years), or a hefty fine, or both, for a bounced cheque.

One of his clients had not returned the sum of Rs. 1,42,000 that he borrowed from Haji for his crop four years ago. The arrangement worked out between the two eventually was that the farmer would give his 8 acres of land to Haji on lease for 2 years, the period beginning June 30th 2010. Land rent at the time was Rs. 25,000 per acre and so Haji also rented 22 acres around it from others in the village, because in his estimation it would not have been profitable enough to farm the 8 acres on their own. According to Haji, he and the farmer then signed an agreement just before the 2012 spring planting season confirming that the account had been settled. But days before the harvest, the farmer claimed that Haji still owed him Rs. 100,000 in land rent. Haji's standing crop and tractor were on his land, and the farmer got a stay order from the civil court preventing Haji from harvesting his crop or moving anything off the land.

Haji procured a stay in response, alleging that the landowner was wrongly holding his crop and he feared theft. He then went to the police, asking for an investigation. Simply accessing the Station Headquarters Officer (SHO) cost him Rs. 2500 (paid to the lower staff for providing information on the SHO's whereabouts, finding out what needed to be done, etc.) and the investigating officer then required Rs. 5000 to agree to conducting a *panchayat* in which both Haji and the farmer would be present. I attended one of the *panchayat* meetings at the police station – Haji's position was weak. Not only did the farmer have 10 people with him while Haji only had 2 (excluding me), but Haji and his companions seemed to command little authority in that meeting. The farmer and one of his companions in particular were

very articulate, as was the investigating officer who conducted the panchayat in a well-rehearsed and fair manner. No resolution was reached – Haji did not have the paper he claimed they had signed, and the officer determined that in the absence of proof he had to accede to the other's demands. Haji should put the money in the mosque, decided the officer[113]. Haji agreed, reluctantly. But the farmer would not accede to this – he wanted Haji to admit to the debt.

Ultimately, Haji was forced to settle with the farmer, giving him Rs. 80,000. He had tried to find a way to get the initial stay order nullified through a relative of his who knew the judge who had issued the stay. That did not work, rain was expected, and the 22 acres of land adjoining the farmer's 8 acres were all from the same village and belonged to the same extended biraderi network as the farmer. Haji despaired of losing his total investment on the crop. He subsequently said he would never rent in land again. 'I'm tired', he told me, 'all the time there is tension. Only trust that which is in your hands in this country. The police and the courts belongs to the

[113] Although *panchayats* are generally successful in arbitrating matters, it sometimes happens that even after several sessions, neither party will accept the other's claims. The *panchayat* may then suggest that the debtor deposit the claimed amount in the local mosque. It would then be up to the aarthi to enter Allah's house and be seen by Him. He could either take all the money, some of it, or none of it. As I came to understand however, there was a tangible social disincentive to take money so offered because it could become a source of shame and ridicule: '*tu masjid sey paisey chanda hey*', i.e. you are so unscrupulous that you lie even to Allah. According to Haji, if a man were to actually take money from the mosque people would not forget, would doubt his claim, and he would be humiliated: 'Money is money. Some people take it, but it looks bad. You have to listen to it for years afterwards'. No aarthi admitted to taking money from a mosque, which may indicate that this transpires relatively infrequently. Also, when *panchayats* fail, recourse to further legal action remains the only remaining option, and both parties strongly prefer to avoid formal legal procedure in such matters.

badmaash (strongest), there is no justice. This country can only be fixed by the Taliban stringing people up in the streets'.

The previous two times he had relied on the courts had been resolved more to his liking than this, but at great cost to himself. In one he had managed to recover all of what he was owed by a *beopari*, and in the other he had forced his accountant to flee Okara (although not recovered the money that the accountant had made off with). The accountant's enforced departure was some consolation for Haji, although not nearly enough to compensate for the pain of money lost. It is difficult to say how typical his experience is, but most aarthis – unlike the perpetually politically incumbent Malik sahib we met earlier in this section complete with his retired army officer and lawyer aarath partners – are obviously reluctant to involve the state in their business dealings. Those who are well-connected with local state and political figures, like Zamir, are more likely to expect success, but even they are wary of the time, expense, and hassle that invoking the state involves.

Social Sanction

To students of development, the selective application of the law by state officials, corruption, and the privatization of activities formally within public purview will come as no surprise. The literature on informality in South Asia and Africa demonstrates the stability and robustness of networks of social relations and

institutions that, together with the state, co-regulate the economy (Basile 2011, Hart 1988, Harriss-White 2003, Meagher 2010, Nadvi 1999). While there is great diversity in their constitution and operation, they rely at base on social ties and membership of particularist groupings. Small-town Pakistani Punjab is no exception to this, and so it is that social sanctioning – as a mechanism of social regulation – is of enormous significance in contract enforcement. Indeed, mobilizing social sanctions against defaulting farmers is by far the most common practice through which aarthis recover loans. As a disciplinary mechanism, threatening personal reputation and honourability, shaming is effective across class, with the relatively weak also – in certain circumstances – capable of shaming the dominant for whom reputation is arguably more important. As an example of how coercion through social sanction works 'up', one of the few aarthis in the mandi who did business with large landlords said he only did so when he knew at least 20-30 people in the village beforehand, and his hand was strengthened if many of them belonged to the same biraderi as the landlord. In the event of a problem with repayment, he let it be known that the landlord was a 'defaulter' and because '*barey log izzat chaande ney*', i.e. 'big people want to be respected', the landlord would be under pressure to comply.

With smaller farmers, coercion is typically more violent. As an example, a farmer named Rafique borrowed inputs worth approximately Rs. 14,000 from an aarthi and then sold his crop elsewhere. The aarthi called the guarantor, related to Rafique by marriage and living in a nearby village. The guarantor was linked to the aarthi

through *jaan pehchaan* (shared networks of acquaintances). He went to Rafique's house, '*jhagra kiya*', i.e. confronted him, and the neighbours gathered. He returned home with Rafique's motorcycle, and the neighbours had been supportive of this measure. 10-12 days later, Rafique showed up at the guarantor's house with the money to get his motorcycle back, and the guarantor then delivered the cash to the aarthi. The aarthi recovered the value of the inputs he had loaned (including markup), but lost out on the commission of the sale that he would have made had the harvest been marketed through him.

When the guarantor's efforts to mediate between aarthi and farmer are unsuccessful, disputes are often taken to village *panchayats*[114]. *Panchayats* with well-established norms of conduct and procedures are frequently convened at the aarthi's request and aarthis exercise varying degrees of influence over who sits in arbitration over the matter. The guarantor – as witness to the verbal contract between aarthi and farmer – is a key figure in this process and usually included as a member of the *panchayat*, along with biraderi leaders of the village, men of repute, and family members. The relationship of *panchayat* members with the two parties is of great significance, and closer observation would provide rich insight into local inter and intra-institutional distributions of power.

[114] These are informal (i.e. not state-sanctioned) village councils set up to resolve disputes. *Panchayats* are very common in areas of small and medium landholding across Punjab.

All *panchayats* consider carefully the reasons for a farmer's default – was it because of crop failure or matters judged outside of his control? Did he intentionally violate the terms of the agreement? The timescale, amount, and method of repayment for the farmer are decided, sometimes over many sittings. I learned of only three *panchayat* decisions in which aarthis sustained significant losses. These cases featured, respectively: no guarantor, an aarthi having lost his account books and therefore unable to furnish evidence of his claims (the Haji example we encountered earlier), and allegations of seed fraud on the part of the aarthi. In all three instances, aarthis were unable to recover most of what they had loaned out, but these were exceptions to what otherwise seems quite an effective mechanism for defending their interests. They often lose the 3.5-4% commission on the sale that was contracted to go through them and may also have trouble paying their own creditors (mostly input dealers and for some, banks) on time. However, the principal and markup – which for the spring maize season of 2012 averaged about 50% and 60% annually on urea fertilizer and the major multinational brands of hybrid maize seed respectively – are recovered in the vast majority of cases.

Displaying Muscle

Three means of compliance have been identified so far: appeals to and expectations of ethical behaviour, the threat of legal action, and the mobilization of social sanction. But according to aarthis, clients (and potential clients) must know that a

breach of contract or transgression from agreed upon terms will be met with consequences; hence, aarthis make their power visible as a deterrent to non-compliance. The more sure they are that debtors *perceive* their power to punish, the greater their confidence in the latter complying with the contract. Consequently, displays of social power are common and take multiple forms. Again, I draw on examples to illustrate:

During an interview with an aarthi in January 2012, I noticed a large blue empty trolley parked directly outside the shop that day. The mandi was quiet, it was off-season and farmers were only just starting to make initial trips to procure seed for the upcoming planting. It emerged that the trolley belonged to a farmer who had absconded with a loan of Rs. 337,000 taken in the spring. When the farmer did not show up with his maize and would not answer his telephone, the aarthi went to his village and a *panchayat* was convened with the village *lumberdar*[115], the farmer's father and brother, and others from the village. The *panchayat* decided that he had to return the money or give something of equal value. The aarthi demanded that the farmer sell his tractor, but the farmer preferred relinquishing his trolley in the moment with the promise to raise the cash in the next three days. If the farmer didn't show up with the money within the stipulated time, the aarthi was very clear he would sell the trolley. It would offset his loss, but not completely, and he had lost out on the 5% commission and his 'circle' had been disrupted.

[115] The *lumberdar* is a state-appointed person (although now the position has become almost entirely hereditary) responsible for liaising between state and village. Usually, the *lumberdar* is either the largest landowner of the village or is amongst the largest.

'Why is it parked here?' I asked. The response was illuminating: Firstly, it was simply more convenient because his village was on the other side of town from the farmer's village. Secondly, he spoke of it serving as a warning to other clients: 'I don't need to do this – all my *zamindars* know me well, they know I won't tolerate any *do-numbri* [fraudulent business] even for a minute. But *zamindars* have thick minds, they are illiterate, I have to remind them. By the grace of Allah, we only have 5% recovery remaining from last season, we can handle our business. But it is important to show how far we will go, always, to get our money back'.

Storytelling is also a frequently used and important means by which to 'show how far we will go'. In the oral culture of Punjab, lengthy and detailed storytelling is a part of everyday life, and telling effective and relevant stories appears to be a vital quality of social power. An aarthi in the fruit and vegetable mandi once narrated a long story of how he recovered a loan worth Rs. 200,000 from a client. There were 8 or 10 farmers present in the small room that served as his office, all listening as he detailed the twists and turns, the many *panchayats* held and decisions not respected by the 'shameless' farmer. The story concluded with his having filed his first ever lawsuit in 17 years of doing business, and he extended his hand out in front of him and made a gesture with two fingers that corresponded to his words: 'At the end, we gouge their eyes out (*last mey hum aankheyn nikaal deytey hain*)'. How much of this was for me and how much of this was for the farmers who were sat there listening? Hundreds of such stories and performances are in some stage of development and

narration throughout the mandi at any given time, curating profiles and setting expectations.

Authority, Legitimacy, and 'Judicious Restraint'

Striking fear in the hearts of debtors is not always necessary however. Commanding a degree of authority over a population can make the exchange less seemingly antagonistic and often leads an aarthi to feel more trusting of a debtor from that population. If domination is 'the ability to constrain the choices of others, coerce them, or secure their compliance by impeding them from living as their own nature and judgment dictate' (Lukes 2005: 85), then the production of legitimacy and willing submission are an integral dimension of durable domination. Weber developed the concept of authority – charismatic, traditional, and legal-rational – to understand why people voluntarily submitted to power and granted it legitimacy[116]. Gramsci elaborated the concept of hegemony, casting it as 'the cultural, moral, and ideological leadership' of the dominant classes made possible by incorporating some of the needs of the dominated and thus securing consent for an unequal social order. And as evidenced in his theorization of symbolic domination, Bourdieu was of

[116] Weber's problems with distinguishing voluntary submission are noted by Blau (1963) and Graftstein (1981). Both argue that voluntary compliance as Weber understood it obtains when, in the absence of explicit coercion, compliance is easily forthcoming and commands are always – or almost always – obeyed. This is not the same as consent and may simply reflect a choice to comply. When people make a choice to comply, nothing is revealed about how they evaluate the constraints within which they make that choice. Hence, to call it voluntary – with its connotations of consent – is misleading.

course intensely interested in why the dominated seemingly voluntarily submitted to their domination. Weber and Gramsci's explanations lay within the realms of the conscious (rational and emotional), while Bourdieu stressed the role of the unconscious and viewed all action to be produced by the interaction between an individual's habitus (a set of generative dispositions inculcated unconsciously from birth) and his social circumstances.

While aware of the difficulty of determining meaningful consent, it nevertheless seems plausible to me to suggest that people may submit to the terms of a contract because i) they may assess its justifications as just and believe in their correctness; ii) they may feel an obligation to reciprocate because they have benefited and continue to benefit from the 'regime' or larger group that the more powerful party is associated with; iii) they may belong to a collectivity that owes its wellbeing at least in part to the regime or its representative and so obedience is necessary in order to avoid social sanction by others members of this collectivity; and iv) power may appear so fully naturalized or 'given' that the question of challenging it does not arise. Bourdieu calls this latter phenomenon doxa: 'When there is a quasi-perfect correspondence between the objective order and subjective principles of organization…the natural and social world appears as self-evident. This experience we shall call *doxa,* so as to distinguish it from orthodox or heterodox belief implying awareness and recognition of the possibility that of different or antagonistic beliefs' (Bourdieu 1977: 164). Except for the first instance in which a person believes in the correctness of the decision or demand with which they are complying, there seems

to be precious little freedom in these seemingly voluntary actions of compliance. 'Submission to authority is then', as Blau says, 'about as voluntary as our decision to wear clothes' (Blau 1963: 313).

I found that the source of authority and striking a balance between selflessness and selfishness mattered hugely in the mandi. Farmers were more likely to openly question the authority of someone 'like them' in class terms who had been elevated by their votes, loyalty, or support than someone who was socially 'above' them and where the causal links between the person's elevated position and the subordinate population were less direct and/or obvious.

This situation is best illustrated by the contrast between the Chairman and Zamir Khan's cases. The business strategy adopted by the Chairman was the 'loudest' use of personal authority that I came across in the mandi. The name of the aarath itself – 'Chairman Commission Shop' – is a proclamation of respectable social power. This name is printed on the shop sign and on business cards with the AMP's insignia alongside, making known the proprietor's status as chairman of the AMP. As mentioned earlier, 60-70% of their clients are from the military farms, i.e. the villages forming the core constituency of the AMP. Liaqat never minced his words about why this was the case, saying that his position as leader of the movement meant that he was known and respected by many people here and this made doing business much easier for him. Collateral requirements from military farms tenants are lower at his aarath than they are for farmers coming from other areas, not just

because of solidarity with 'my people', as Liaqat often calls them, but also because he knew they respected him and his role in the movement, making it less likely that they would cheat. One way of interpreting this would be to understand it as tenants' collective dependence on the AMP generating feelings of loyalty for the leadership. Of course, Chairman also found it much easier to monitor and chase debtors in the AMP villages because of how well placed he was in the social and organizational hierarchy. But over the years, as we explore further in Chapter 7, this has not worked well for him. His business has suffered precisely because 'his people' expected their leader to care more for them than others would, and resentment related to his charging of interest has damaged his reputation. He may have trusted them to accept the terms of an exchange in which he profited disproportionately, but his socially-sanctioned power as movement leader has not successfully translated to power in the sphere of self-seeking market exchange. His fellow movement members and followers now seem to trust him less than before to consider and care for their needs and interests.

Similarly 'loudly', Zamir's shop signboard and business cards also proclaim his status as ex-union council *nazim*. He is a religious man, prays regularly, fasts, and has an aura of middleclass respectability about him. Farmers who do business with Zamir knowing his ex-*nazim* status expect him to have contacts with the police, the District Commisioner's Office, *patwaris* (land revenue officials), lawyers, and various state functionaries. Farmers and aarthis know that he enjoys the favour of an

influential landed magnate who is also a successful national politician and a *pir*[117]. Zamir's social power therefore stems from being a client of a powerful family, a patron in his own right, his relatively recent inhabitance of the local state machinery, and his class position as indicated by ownership of 75 acres, a large and expensive house, a car, etc.

Like the first example of the blue trolley parked outside as a warning precedent, Zamir and the Chairman are making known their relative power, but they are also proclaiming their legitimate authority. The authority that may emanate from being a patron, holding an elected social position, or being a peasant leader is rooted in the collective dependence of a population upon them, and most importantly, in how they treat that dependence. A delicate balance must be struck between inspiring respect and likeability for their persons on the one hand, and using that position to dominate and further their own interests on the other. As Blau says, 'In general, a situation of collective dependence is fertile soil for the development of authority, but its development is contingent on judicious restraint by the superior in the use of his power. If he alienates subordinates by imposing his will upon them against their resistance, they will obey only under duress and not freely follow his lead. If, on the other hand, he uses some of his power to further their collective interests, the common experience of dependence on and obligation to the superior is apt to give rise to shared beliefs that it is right and in the common interest to submit to his

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[117] *Pirs* are descendants of Sufi saints and have historically presided over a network of religious authority. They are also an important part of Punjab's landed and political elite.

command, and these social values and the corresponding social norms of compliance legitimate and enforce his authority over them…' (Blau 1963, 313).

Aarthis' explained their 'judicious restraint' to me in their own words at different times. They were conscious of how far they could push, how much leeway they had with each client and how much leeway each client had in reverse with them. Treating clients well, making them think they were receiving special treatment and that their interests and wellbeing were important to the aarthi and a large part of the job. When asked about what it took to run a successful business in the mandi, almost three quarters of *aarthi*s surveyed said that their 'good treatment' (*acha sulook*) of the farmer was the most important of factors. If the aarthi treated him well, then the farmer would be less inclined to cheat, but if he were 'too good' to him, then he would get taken advantage of[118]. Farmers in their turn also stressed good treatment and spoke about the importance of the respect and consideration that aarthis accorded them (or not).

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[118] There is of course plenty of space for deception and fraud while still making the farmer feel he is being treated well. For example, if a lot sells for Rs. 900 at the *boli* and the farmer feels it is too low, he sometimes asks the aarthi to get him a better price. The aarthi will go to a buyer who was bidding at the higher end, ask him to raise the buying price by Rs. 10 per 40 kgs, and sell it to him. He then comes back to the farmer and says he persuaded the new buyer to raise the price with great difficulty, just for him, and that he has managed to get the price raised by Rs. 5 per 40 kgs and he must sell now because of all the effort. He pockets the extra Rs. 5 per 40 kgs at the same time that he makes the farmer feel obligated to him for his effort. I run the risk of being seen to be instrumentalising 'good treatment' here and denying space to moral motivations for treating people well. That is not my intention. Moral motivations exist, they are also – as pointed out earlier – often overridden.

Zamir once eloquently described the difficulty of doing business in the current competitive environment: 'Dealing with farmers is an art (*fun*), not everyone can do it. You have to keep them feeling satisfied, taken care of, and these days you have to hear a lot of backtalk from them too. A businessman must keep his temper, he must erase himself (*apney aap ko mitaana parta hey*)'. Consider how closely this resembles what Georg Simmel said in making a case for the socially integrative effects of markets: 'Competition compels the wooer who has a co-wooer… to go out to the wooed, come close to him, establish ties with him, find his strengths and weaknesses and adjust to them, find all bridges or cast new ones, which might connect the competitor's own being and doing with his'[119]. This argument has undergirded the case for the socially integrative effects of markets from Adam Smith to Jean-Philippe Platteau (1994) but as this chapter has shown there is much that counteracts the tendency to self-regulation and increased welfare for all. Exchange in a competitive market host to long-term exchange relationships necessitates honesty, demonstrations of good intent, and reliability but it also makes it possible for the wealthiest, strongest, and most socially powerful to reinforce their dominance.

[119] Quoted in Ruthven (2008: 20).

Conclusion

Through a study of the micro-politics of the aarthi-farmer exchange, I make a single main argument in this chapter: when lending to farmers, recovering debts, or enforcing contracts, aarthis unambiguously deploy the second, coercive dimension of power as established by the Lukes typology. I have argued that the capacity of the aarthi to directly coerce farmers or exact a degree of submission based on authority is of prime importance in recovering debts and ensuring that farmers abide by the terms of the contract. Personalisation is extensive, complicating appropriation but not necessarily impeding it. Indeed, the thickness of social relations – by which I mean the extent to which people are imbricated in each other's lives – is the primary weapon aarthis wield in the battle over surplus. In the partitioning between negotiable and non-negotiable matters, the right to own and protect private property is non-negotiable, i.e. relations of domination in this form are generally accorded social legitimacy and are doxic. With this fact forming the springboard from which they launch their efforts, aarthis successfully use the norms of reciprocity embedded in biraderi, friendship, family, and locality to coerce farmers into returning debts. As institutions in which both the dominant classes and the dominated participate 'voluntarily', they ensure that the interests of the dominant are, to varying degrees, accepted by those less powerful. This has the effect of transforming particularistic interests into more generalized ones, a key feature of the corporatist regulation of capitalism in India (Harriss-White 2003, Harriss-White and Basile 2004). Regulation by social institutions does not obviate the need for

coercion or sanction though, because the hegemony of an ideology such as corporatism is never complete and alternative visions of a social order or social relationships and outcomes are never completely sealed off and rendered unthinkable. And so, the threat of humiliation and damage to reputation in a society where membership of these institutions and personal and familial honour matter a great deal is a key enforcement mechanism. Aarthis are themselves the objects of this discipline too of course, yet it appears that their greater mobility, significantly more extensive networks, and relatively dominant class position can insulate them to significant degree against loss.

There are strong parallels between my observations of Okara's mandi, John Harriss' (2003) ethnography of trust in two cities in India and Garrett Menning's study of the same amongst cloth merchants in Surat (1997)[120]. Both studies find trust, broadly understood as belief in the reliability of others, originating in reputation and ties of caste, kinship, and family. This 'selective trust' (Harriss) or 'personalised trust' (Menning) is attributed to the weakness of India's formal institutional framework and to the fact of these mechanisms being well-adapted to the regime of flexible accumulation that characterizes contemporary capitalism. Taking a minority position in the forest of literature that sees trust in moral or culturally essentialist terms, Harriss argues that the language of trust often veils the operation of power,

[120] These are studies of inter-firm exchange but form appropriate comparative cases because the relationship between transacting parties is long term and iterative as it is in the mandi and, given the fusion of capital and labour in the household and heavy dependence on markets, small farmers producing a surplus could be said to be engaged in petty commodity production (see Harriss-White 2012 for further discussion).

while in similar vein Andrew Sayer (2001) and Ben Fine (2010) note the lulling effects that the metaphor of 'em*bed*dedness' (Sayer 2001: 698) has had in economic sociology and network literature. Economic survival for firms under conditions of capitalism depends on the difference between costs and revenues they argue – what looks like reciprocity, mutuality, and consensuality is frequently firms reducing the possibility for malfeasance and opportunism through building long-term relationships. Although I have looked at aarthi-farmer exchange rather than inter-firm trade as Harriss and Menning do (and as Sayer alludes to), the same is true in the mandi: custom is supporting contract, and although the contract is not always perceived to be equal yet it is honoured by the weaker party mainly because out of fear of social sanction or some degree of legitimacy accorded to those exercising authority. Accumulation appears well-supported by identity-specific institutions.

Chapter Seven

The Politics of Business and the Business of Politics in Okara

'[i]n India, friend and protector are expected to help a man whether he is right or wrong, indeed, more than ever, when he is wrong for friendship and protection are matters not of morals but of needs'[121].

Malcolm Darling (British colonial administrator)

In a sense, the history of class formation is a history of the shifting dynamics of patronage. As we saw in previous chapters, the literature on colonial political and economic development, post-colonial state and class formation, elections and voting behavior, devolution and local government, and corruption finds the practice to be ubiquitous. Networks in which friendship and instrumental gain are entwined run right across the social spectrum and are a persistent feature of the landscape. These relationships of mutual benefit have helped the military expand its social base beyond its historical recruiting grounds of Northern Punjab, fuel the political rise of

[121] Quoted in Saghir Ahmad (1977: 95)

new groups such as the *ulema* and the trading classes rural and urban and – as Hasan Javid (2102) argues – allowed landed elites to maintain their economic, political, and social positions. Now this chapter takes us into the realm of the local state, party and non-party politics, and aarthis' business strategies. Curious about how and when personalization and patronage relations are manifest, it asks how enmeshment in these relations affects an individual's objective social position and the operation of existing institutions. Which social solidarities does it shore up or erode, and how? And how do people understand these mutually advantageous but unequal relationships?

In pursuit of these questions the chapter traces the vertical linkages that aarthis maintain. We therefore encounter the local state as well as the town's politics and political elites and see how critical vertical cross-class exchanges are to business and politics and observe 'state capture' and the subordination of local bureaucracy to powerful local economic and political interests. But market power and political power are not always compatible. Through two contrasting case studies of aarthis in local politics, the chapter shows that although patronage successfully legitimates accumulation by masking the acquisitive ethic in practices redolent with morality, at times it fails to do this and exposes the contradiction between selflessness and self-advancement that lies at the heart of the ideology itself. Drawing on insights gleaned from this comparative analysis as well as a look at how local and national party-political power is built up, it also argues that the relatively dominant and the subordinate classes evaluate their patrons differently. Because fieldwork for this

thesis was largely with non-poor intermediate classes, there is less empirical evidence available demonstrating how subordinate groups and classes view their relations up and down the social scale; however, using conversations with labourers and small farmers, we cans draw meaningful inferences about the difference in how the poor and the relatively dominant might assess their relationships 'up' the social chain. More research is needed to establish this conclusively, but it is a question that goes to the heart of how we normatively assess patronage and formulate political strategies in a society thoroughly permeated by it. Finally, the chapter demonstrates that the circle of elite political association has expanded as wealth and conspicuous consumption have increasingly become markers of status in their own right. This has had the effect in some cases of weakening the relationship between class and caste/biraderi, allowing class to emerge more strongly as an idiom and structure of social life while still continuing to function as a barrier to entry in politics and business.

Patronage and Politics in the Everyday State

We begin with the local state. Unfortunately, the story is a familiar one: control of local state organizations by dominant economic and political interests means that they function to selectively promote and defend the latter's interests over others[122].

[122] There is good research on this now. A central pillar of Martin's (2009) analysis of the landowning Gondal elite's dominance in rural Sargodha is their control of the local state, in particular the police and courts. Jeffery and Lerche (2001) show Jats

Corruption is common, personalization is the norm, and a great deal rides on the 'lop-sided friendship' between unequals as well as friendship between those of similar status. In this section, we look at two state bodies of great import to mandi affairs: the District Market Committee (DMC) and the District Commissioner's Office (DCO). Readers will recall from Chapter 1 that the DMC is the immediate regulatory authority in charge of mandi affairs. Equally important is the DCO, aptly characterized by a local politician as '*ziley ki ma*' (mother of the district) because of how central it is to the everyday business of big and small alike. For provincial and national politicians, the DMC functions like free loot to be distributed to supporters in a strategic power game while dynamics observed at the DCO's office lend credence to the argument by Cheema et. al. (2005) concerning the shift in the institutional balance of power away from the bureaucracy and towards elected representatives. Both institutions are hostage to powerful local interests even as the influence and control of politicians and lobbies is contested and resisted by those within these institutions.

The DMC is responsible for enforcing the Punjab Agricultural Produce Markets Ordinance (PAPMO) 1978. PAPMO is a slightly amended version of the colonial Agricultural Produce Markets Act 1939, and its foundational feature is the demarcation of the province into 'notified areas' in which only licensed traders operating out of publicly owned and managed wholesale markets are authorised to

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co-opting and colonising the local state in Uttar Pradesh through bribery, political influence, and securing public sector employment and ensuring that disputes involving the law and the police were settled to their advantage. See Blundo and Sardan (2006) and Bayart (1993) for the African context.

buy and sell produce[123]. Each notified area is overseen by a DMC responsible for establishing and maintaining mandis within its jurisdiction and enforcing the rules set out in PAPMO, the explicit purpose of which is to ensure a fair exchange for farmers and regulate wages for labour[124].

At the bottom of the Punjab Agriculture Department's organisational pyramid, DMC's are four removes (in reporting/supervision terms) from the Secretary Agriculture headquartered in Lahore. However, they receive no funds from the provincial government and are expected to meet their expenses through fees levied on produce sales. Fees remain at 1978 levels of Rs. 1 per quintal (100kgs) of all commodities except fodder, even as inflation has hugely outpaced the increase in total output and the ratio of money value to weight varies enormously by commodity. Fee collection is extremely low because of widespread underreporting by aarthis and processors as well as corruption on part of field inspectors responsible for collecting fees.

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[123] Although the phenomenon of village hubs is now commonin which small traders, middlemen, and ancillary service providers (eg: tractor mechanics, vets, etc.) cluster together, usually along metaled roads linking villages or town and village.

[124] A political-historical interpretation of the 1939 Act would require us to understand it in the context of Punjab's politics at the time. Chowdhry writes that the Mandi Act, provoked 'wide protests [by non-agricultural classes] and … consequently hardly ever became operative' (1984: 277) and that '[t]he attempts… were not so much to protect the economically poorer agriculturalists… but to safeguard and promote the interests of the comparatively stronger landowning strata in Punjab' (ibid: 292). This is borne out in Gilmartin's (1988) account of Unionist politics and legislation. Hence PAPMO does not have the noble history or origins that DMC officials and a surprising number of older farmers were nostalgic for. The latter apprised me of Unionists leader Chotu Ram's role in protecting their interests, something that I was not expecting to hear.

As a result, of 135 DMC's in Punjab, only 27 are Class A, i.e. have an annual income greater than Rs. 16 lakh ($16,000). Okara's DMC is Class A and has 6 towns in its jurisdiction: Okara, Basirpur, Hujra Shah Muqeem, Haveli Lakhan, Dipalpur, and Renala Khurd. However, its revenue collection record is abysmal and it systematically fails to meet even very low revenue targets. In 2011-12, planned collection was Rs. 80 lakh ($80,000) against which Rs. 52 lakh was collected. By contrast, the volume of maize moved through the Okara grain mandi in 2011 (a very good year for maize) was 3,400,000 bags[125], meaning that the DMC could have obtained a little over Rs. 30 lakh from just one commodity in one of the many mandis under its jurisdiction. It only collected a little over half of that from the grain mandi, and when we consider that the value of this maize was about $72 million, the failure to collect less than $20,000 in fees is striking.

In 2012, Okara's DMC had 35 employees on its payroll and was woefully overstaffed and underfunded. The office itself was located almost exactly between the town's two mandis, no more than 150 metres from each. Yet, rather than authoritatively dominate its wards from its commanding position, it seemed to slink away and hide. A state of decay was apparent as one entered the premises and encountered the ramshackle landscape within. Like all government offices in Pakistan, it is full of

[125] According to the mandi committee's records. I was unable to get the corresponding figures from the DMC, but I am fairly certain the official record would be lower because due to underreporting and an 'understanding' between field inspectors and aarthis. 'Arrival' figures as they are called in the mandi are sensitive information. It was not until I had established myself in the mandi halfway through my fieldwork that I was able to get access to them, and my early questioning set off alarm bells for the mandi committee's office-holders who long wondered whether I was an undercover agent for the Federal Board of Revenue.

steel desks, dusty chairs, stacks upon stacks of paper, and office 'boys' endlessly ferrying biscuits and cups of tea back and forth. In 2011, a national newspaper reported that in Punjab 'the offices and facilities of the market committees are being used in some areas as party offices for the ruling PML-N, according to sources familiar with the matter'[126]. At the Okara DMC, this seemed to very much the case as the main activities taking place in the building were well outside official remit. Public funds paid for food and drink, air-conditioning, and even the transport expenses of PML-N loyalists who regularly converged in the Chairman's office for *panchayats*[127], meetings, and get-togethers. The privatization of public resources proceeded unabashedly, and I myself was lavishly fed and watered by the DMC Chairman and/or his staff on each of my frequent visits to the premises.

How the DMC is organized and staffed reveals a great deal about how it operates and who it works for. At the apex of the DMC hierarchy sit the Chairman and Vice-Chairman, ostensibly elected by the Executive Council but in practice appointed by the Punjab Chief Minister and his coterie of managers. The DMC's Executive Council in turn is appointed by the elected district council or in the absence of that – rather vaguely – 'the Government of Punjab'. It is required to comprise nine farmers, five traders, one mandi labourer, and one person who is neither a farmer nor a trader. The sitting Executive Council at the time of fieldwork had been 'made' by Hamza Shahbaz, the Punjab Chief Minister's son, because 'the Chief Minister was too busy'.

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[126] 'Ineffective Disintermediation: Punjab's Agricultural Market Committees Rendered Dysfunctional', Express Tribune, August 15, 2011.
[127] Council for resolving disputes

The main consideration in its formation, I was told, was accommodating local elite factions currently loyal to the PML-N and the positions of Chairman and Vice-Chairman were allocated accordingly (and delicately, keeping in mind the competition between factions). The Vice-Chairman was a large landowner and extended family member of current Member of Provincial Assembly (MPA) Nadeem Abbas Rabera (PP 189 - Okara V) while the Chairman was a large landowner and close associate of current MPA Yawar Zaman (PP 191 - Okara VII). The Vice-Chairman made occasional appearances in the office, content with a sinecure that added to his list of positions that already included being the Okara coordinator for Transparency International, chairperson of a local education NGO, and member of the Liberal Forum (a German-funded NGO). Over the last decade and a half, he had moved between the PPP, PML-N, and PML-Q, but was now back with the PML-N again. The Rabera family had switched parties in this order, and the extended family followed suit because 'we cannot go against biraderi' (*biraderi ko to hum nahin cross kar saktey*).

Membership of the Executive Council was similarly determined by the political elite's need to bargain with and incorporate local interests. Powerful, well-networked men were given space on the Council: all 'farmers' owned at least 75 acres of land, there was no labour representative[128], and traders were large and

[128] My question about why there was no labour representative was posed to a gathering of Council members. The question met with laughter and one of the members jokingly motioned at a (large landlord) member across the room, saying 'there's your labour, he's sweat more than anyone in this room today'. This provoked uproarious laughter from the group. The incident indicated to me the

included the president and vice-president of the Okara fruit and vegetable and the grain mandi associations respectively. Seen from the latter's perspective, membership of the council was personally advantageous as well as an opportunity to advance collective economic interests. According to the DMC employees I spoke to, members used their positions to intimidate low-grade government employees like themselves who were trying to do their jobs and lobby the district and provincial administration for personal favours such as construction contracts and employment for relatives. It also explains why, for example, less than half of the DMC's already very low revenue target was met – dues are much easier to evade when one is on the board of the collecting authority.

Politicians obstructing the rule-based functioning of the state is a ubiquitous complaint at every level of the bureaucracy[129]. From the district to the province to the federal, bureaucrats I spoke to were frustrated with ad hoc interference by elected representatives and what they often termed 'pressure groups' (in English). Speaking passionately about it given an opportunity, some outright opined that military rule was preferable to the dysfunction that democracy created. A Grade 16 DMC officer recalled the last military regime wistfully: 'we will never forget those times' (*hum to voh bhool hi nahin saktey*) he said. Under Musharraf, the positions of DMC Chairman and Executive Council were abolished and replaced by a single Administrator and military monitoring cells were set up across the various

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absence of the need to make even a purely discursive concession to the interests of labour in this space.

[129] As it is in India. See for example Berenschot (2014).

departments and ministries to oversee civil administration. Fee collection improved markedly during this period and DMC employees characterised it as a time of 'peace' (*sukoon*), 'proper functioning', and returning to the Grade 16 DMC employee quoted above, 'I can't even begin to tell you what a great time we had those 4 years' (*4 saal jitney mazey kiye, mey aap ko kiya bataaon)*[130]*.*

Nostalgia for military government in this case emerges from a context in which the DMC Chairman's 25 year old son can humiliate a Grade 17 Secretary 30 years older than him and throw his weight around the office with impunity. The following exchange took place during a highly charged altercation between the son and myself at the DMC office after he accused me of having been sent by his rival in love to spy on him (!) and lambasted the Secretary for 'leaking' information to me:

> Son (to me): This is MY office and you cannot interview anyone here!
> Me: This is the DMC office, and your father works here. It is not your office.
> Son: It's my office as much as it's my fathers!
> Me: No it's not. You need to apologise to both the secretary and myself for speaking so rudely. You have no right to speak to us this way!
> Son: This is MY secretary! I don't need to apologise to anyone. I'm going to have you arrested…

[130] He was stationed in Basirpur at the time, one of the smaller mandis in Okara district. Dues of Rs. 1,32,000 were outstanding from the mandi. The monitoring cell provided him with one armed and one unarmed soldier and he collected the entire sum in one day, an impossibility under political authority. On a later date, he used the same tactic of an accompanying military guard to remove encroachments next to the mandi's mosque. This time, 'they tore it down with their own hands'. He was full of praise for the soldiers deputed to him on his missions: 'They didn't even drink the water aarthis offered them. We told them that they should, that it was because of our common humanity that they were offering it. But they refused'.

And so it went on for ten minutes or so until more people had gathered in the room and he was repeatedly exhorted to calm down. The Secretary was insulted and humiliated repeatedly, yet, he did not say a word in his defense. An hour later, in private, the son apologised to me but not to the Secretary. On my next visit to the DMC a month later, the Secretary had been transferred to the smaller market town of Gojra. This in itself was not a surprising event: between April 2010 and December 2011 the Okara DMC secretary post was subject to 5 transfers.

Clearly, the DMC's autonomy – as gauged by its ability to remain separate from powerful political and economic groups – is significantly curtailed. The collective interest as defined in PAPMO is not being served, the heavily personalized logic of patronage pervades its operation and provides ideological cover for corruption and selective interest advancement, and the small and medium farmers and labourers whose interests the DMC is officially designated to protect expect absolutely nothing of it. Political incumbents treat the DMC as loot to be distributed to loyalists because state employment is highly coveted and rents gained through selective implementation of the law provide significant income for state officials.

The literature on devolution and political change (eg: Cheema et. al. 2005, Mohmand 2008, Zaidi 2005a) notes the shift in the relative balance of power between the district bureaucracy and the political classes. Most recently, this was reinforced by the rollout of local government in 2001. Previously, the head of the district – the Deputy Commissioner – reported to un-elected provincial bureaucrats; after 2001 –

renamed the District Coordination Officer (DCO) and stripped of magisterial powers and revenue collection duties – he was bound to report to the elected District Nazim. Manning et. al. (2003: 51) argue that in Pakistan's previous local governments, elected representatives did not exercise control over appointment and transfers of local bureaucrats, particularly over senior local administrators such as the DCO's and the EDO's. 15 years later however, this conclusion needs revision in light of the shifts in institutional power that have taken place in the realm of high politics and the growing power of local political forces. In 2005 the well-respected head of the Human Rights Commission in Pakistan, I.A. Rahman, observed that 'chief ministers are … working overtime to ensure that local government elections are won by their protégés and favorites, as if their future depends on this. (They may well be right)'[131].

During fieldwork, I made frequent visits to the Okara DCO offices to interview and meet officials in charge of mandi affairs. In an early interview with a senior administrator, I had an opportunity to observe and explore the relationship between local political and state elites. Before the interview, the administrator rang his personal assistant outside and instructed him not to put any calls or visitors through for half an hour. A few minutes into our conversation, he was characterising the town's business associations as 'mafias' and accusing politicians of cultivating their vote-banks by siding with associations in face-offs with the administration. His powers were much greater before devolution he said, but now he felt himself to be

[131] I.A. Rahman, quoted in Zaidi (2005: 52-53)

emasculated because 'role of husband and wife have been reversed'. Today's district administration is no more than 'the school teacher who takes children by the ear and says '*chalo idher chalo, ghalat kaam kiyon kar rahey ho*'' (you come here, why are you doing this?). Just then, the door swung open and an MPA strode in with a retinue of 8 people including an armed guard. The senior administrator was out of his seat like a shot, shaking hands and smiling. The MPA had come about a land dispute one of his clients was involved in – he wanted the official to check if the land in question was public or private, and to 'adjust' the paperwork if it was the latter. There were a handful of other requests too, also mostly to do with land records.

After they left, I learnt that the MPA was this officer's *laanewala,* literally 'the one who brings': 'If 3 MPA's don't go to the Chief Minister, no posting can happen' he told me. 'Did you see what I did with him? He wanted me to do this job for him, but I know it's not right. I also can't refuse flat out though. So what do I do? I pretend to move one step closer to where he wants to be. I asked for papers to be pulled out and brought here. If I wanted to, of course I could do it, it's nothing for me, but I don't, so I'll just keep delaying things. I'm glad you just got to see all this. Democracy is a real problem for us. It means work doesn't get done the way it should'[132].

[132] A stance of moral superiority is as ubiquitous as the complaint about political interference. Bureaucrats were quick to proclaim their honesty, citing their helplessness in the face of the system, and making it a point to stress that their moral compass was intact. A senior bureaucrat at the Federal Board of Revenue who requested anonymity spoke feelingly of the psychological 'torture' that his job inflicted, leading to sleeplessness and loss of self-respect. 'Even my teeth sweat' he said, describing with poignancy the bind he felt himself to be perpetually caught in. The quote from the Okara district offocials also conjures up, ironically, James Scott's (1985) 'weapons of the weak'. A senior district administrator such as the one here

Again, the patronal role of political incumbents, their capacity to determine the fate (and by implication, fortunes) of state officials, and the promotion of narrow sectional interests is clear. Together, the examples of the DMC and the DCO show us patronage operating through faction, party, extended biraderi networks, locality, and friendship; family too features in the process of resource allocation and interest advancement. Seen in this way then, the state appears to have no project of its own that is distinct from the society it is anchored in. We expect it to have such a project because it is uniquely imbued with the responsibility to define and ensure the *collective* interest of its citizens. But as those writing about the everyday state (Bayart 1993, Bénéï and Fuller 2001, Blundo and Sardan 2006) and the state as a strategic relation (Jessop 1990, 2002) argue, to expect the state to be 'above' society or insulated from it is a mistake. The strategic-relational argument is that states are not neutral arbiters of interest, instead they always favour some social forces, interests, and identities over others; which forces, interests, and identities etc. are favoured is the product of the interplay between structure and individual agency. There can thus be no state separate from society, yet it sets itself up as exactly that. Jessop points out the paradox thus: '[T]he state is an institutional ensemble and not a subject; even where consensus emerges around a conception of the common good, it is always a particular conception with partial implications; and the exercise of the state's powers always come up against structural constraints and resistances which inevitably limit its ability to master the social formation. It is this complex mix of political fiction and political reality which continually reproduces both the hubris

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can hardly be thought of as weak, yet his obvious client role did make him so in that relationship, shuffling papers and dissimulating in front of his superior.

and the tragedy of the state' (1990: 361). Observing that the state is permeated by society and that its actions are strongly governed by a particularist patron-client logic does not therefore lead to the conclusion that the state is weak (cf. Cheema 2003, Lyon 2002). Rather, as this chapter goes on to show, it is a powerful actor amongst others including trade associations and cross-class political factions that together regulate social, economic, and political life.

The Politics of Business

Perceptions of local state officials as being subordinate to politicians also have a basis in the mutually advantageous relationship between politicians and trade associations. Of course local bureaucrats are not excluded from this, but they increasingly have to contend with organized social forces, 'talk back' as one bureaucrat put it. An incident illustrating this occurred in 2012, when the newly arrived Assistant Commissoner (AC) of Okara conducted a raid on a seed dealer in the mandi. A farmer who was also a lawyer had filed a complaint that the dealer had cheated him by supplying inferior seed. Seven other complaints had already been received against this dealer. The AC raided the store, impounded evidence, and took him into custody on suspicion of fraud. Within two hours, angry members of the seed association and Anjuman-e-Tajiraan (Okara's federation of trade associations) had gathered outside the AC's office, upon which the lawyer's District Bar Association also showed up and punches flew. It was only when the incumbent PPP

MPA with links to both associations arrived that matters were settled and a deal was brokered in which the dealer was released and the lawyer compensated. The MPA's political power was reinforced through the demonstration that he was the figure – not the formally authorized senior state official nor the MPA's constituency rivals – that commanded the loyalties of the warring parties. The warring parties in their turn gained an out-of-court settlement and their standing was also reinforced as it was clear they belonged to important lobbies that mattered to the politician. 'Their faces are always turned towards the big men', the AC told me with bitterness, 'we [district administrators] are much less powerful than we used to be…. In five years, mark my words, five years, these associations will be dragging us out on the streets'.

Incidents like this are the norm in Okara, and are of course not limited to associations. Politicians are called upon as a matter of course to bend the rules, broker informal deals, and generally secure advantages for their supporters. 'Approach' (in English) is a term used by illiterate labourers and high-level state officials alike in Okara. To say '*uss ki approach hey*' – literally meaning 'he has approach' – means the person has the contacts, stature, or direct personal relationship necessary to petition someone in a position of power. Unsurprisingly, given how important personal relations are to getting things done – be that in conformity with or contrary to the law – no intermediate or large capitalist is without an approach to those that matter, with the larger ones often cultivating multiple relationships to this end. In the competitive political environment existing in Okara, contributing to competing candidates' campaigns during elections and not

openly taking sides in disputes is common practice. In contrast to how rural politics is conducted with overt displays of loyalty on the part of voters and village-level leaders during elections, large traders and industrialists of Okara are much less inclined to proclaim their exclusive loyalties, even if – or precisely because – they often have high stakes in the outcome of political games. As a large fertilizer dealer said, 'Okara is a small town, everyone knows everyone else. So we keep good relations with everyone'. This however does not prevent them from backing specific candidates. It is common to hear of large traders and high-level association office-holders referred to as a politician's 'investor', meaning they have donated in cash or kind to individual politician(s) and the most far-sighted investors are those who bankroll politicians with strong links in the bureaucracy so that even if they lose the intra-party or electoral race, they still gain valuable contacts[133].

Repeatedly, it was impressed upon me that what mattered most in both business and politics were personal relations with powerful men. The case histories of the largest aarthis highlight, above all, the returns to cultivating good personal relations. For example, Arshad sahib is one of the biggest buyers in the mandi having worked his way up from a petty trading family background. In addition to his aarath, he has two very lucrative poultry 'control' sheds, each representing a capital investment of Rs. 1.5 crore ($150,000). In 2012, he was turning a Rs. 12 lakh ($12,000) profit per

[133] Former Chief Minister of Punjab Chaudry Pervaiz Elahi was considered to have mastered this strategy, if in slightly unorthodox fashion. From three separate sources I heard that he had arranged for the education and upbringing of young girls from his area in order to later marry them off to high bureaucrats and thus strengthen his networks.

shed every 40-50 days when poultry prices were good. Belonging to a non-agricultural *kammi* caste, his father had been a beopari in pre-partition Punjab and came to Okara from Jallander. Arshad sahib went on to join the army, retiring in 1990 as a low-ranked uncommissioned *subedar*. In the two years immediately afterwards, he was 'much busy, no work [sic]' making contacts in town and country before taking up the beopar work his father had done. He rented a storehouse and started stocking small quantities of mustard seed, paddy, cotton and other non-perishables, bringing them into the mandi when prices were high. Having built up a small amount of capital, Arshad sahib put his new networks to use and started buying at the auction and selling to mills and factories. Margins were higher in the days before the mobile phone, and he was able to secure recurring supply orders. 'My success was that I understood this country early on. I didn't have a lot of money, but in Pakistan social contacts are most important. If you have them, 80% of the work is done'.

And money has followed from shrewd investments made possible by knowing the right people. In total violation of formal procedure, a senior officer in the public electric distribution company put in seven massive electricity pylons to connect Arshad sahib's poultry farm to the main grid – Arshad sahib had previously leveraged his contacts with the District Commissioner to help the officer with a land encroachment dispute and maintained a strategic 'friendship' with the latter. A similar friendship with the former Defense Minister and intense lobbying with high-level officials in Lahore led to the siting of the new grain mandi right next to his

village. The land was leased to the army and the Defense Minister was able to issue the No Objection Certificate with relative ease. As soon as Arshad sahib learnt that it was going ahead as he had hoped, he started buying land in his village along the main road as well as on the outer perimeter adjacent to the future mandi. The mandi map-maker was bribed to add a gate connecting Arshad sahib's recently-acquired agricultural land to the mandi: 'The mapmaker said 'there's no gate here in the original design'. I said, don't look at the map man, look at this wad of cash in your hand and just put two lines there as I say!' The value of land in his village has shot up 300% in four years, and Arshad sahib has many plans for what he will be doing with his property there, foremost amongst them being the construction of a storage facility.

Arshad sahib is not the only successful mandi capitalist to have emerged from a *kammi* biraderi. Rehmanis – from the Kumhar caste (potters) – have made big strides in commerce and local politics in the last two decades. Mocked by the landowning Rajputs and Arains ('*kammi badshah ban gaey ney',* meaning *'kammis* have become kings'), some have nevertheless become city union councilors, made major inroads in cloth retailing and wholesaling, and are a dominant fifth biraderi in the mandi[134]. Like Maliks who were formerly Teylis (oilmakers), Rehmanis were

[134] A similar case of social mobility is observed by Arif Hasan, who writes that '[c]ertain clans of the Mianwali district of the Punjab were traditionally transporters. They owned and operated camel caravans. In the 1960s, they migrated to Karachi with their camels, since they heard there was a demand for their service in the city, and took over the movement of goods from the Karachi Port Trust warehousing. They first used camels, then camel carts and eventually purchased trucks and now transport containers from Karachi Port to all areas of Pakistan'

formerly known as Kumhars (potters). The Islamization of caste and biraderi names as an accompaniment to upward social mobility and economic success is common practice, but they are yet to break into provincial or national politics and their caste/biraderi origins work against them. There were murmurings of low-caste cooperation in the form of a 2008 election panel composed mainly of Ansaris, Gujjars, Maliks, and Rehmanis against the traditionally dominant Arain-Rajputs, but this failed to materialize.

It may be the case that individuals from *kammi* caste groups rely more on the cultivation of cross-biraderi upward relationships, but actively cultivating useful personal links through gifting, funding, organizing dinners, marriage ties, and repeated social contact is the norm amongst the largest traders of all castes and biraderis. For example, the Arain president of the fruit and vegetable aarthi association is infamous for his ability to ingratiate himself with powerful persons ranging from High Court judges to bureaucrats in Lahore. He is said to regularly send crates of fruit to dozens of higher-ups and make gifts of mobile phones to police officers etc.[135]

(2009: 22). It would be fascinating to learn how the Rehmanis have advanced up the social and economic ranks. The story I consistently heard from both non-Rehmanis and Rehmanis is that they used to work as beoparis, transporting agricultural produce to home and market from the field in carts. When the mandi boomed in the early 2000's, they invested savings from the trade and set up shop. I did not probe individual business histories of Rehmanis in the mandi however and the question of how they obtained the capital and the nature of their (distinct?) strategies remains an interesting and important one.

[135] While purportedly embezzling mandi funds, charging petty traders an illegal tax for allowing them to do business in temporary stalls around the premises of the mandi, and engaging in all manner of fraud.

Talking to him Arshad sahib, and others, I learnt that district bureaucrats were valuable contacts for traders but were transferred too frequently; politicians on the other hand stayed put and were a better investment, especially now that they – as we learnt from the senior district administrator we encountered in his office earlier – informally held sway over bureaucratic appointments[136]. But although politicians were valuable, parties were less so. Party loyalty was more common in the foment of the 1970's when it was important to join ranks against the PPP, and again in the political competition of the 1990's, but in the Okara of today, party matters less than it ever had before. 'Businesspeople have no party madam!' (*karobari logon ki koi party nahin hoti madam!*') exclaimed an aarthi. 'We liked Nawaz Sharif, one of the first things he did was finish the *choongi* system[137] and the *zila* tax[138]. A Rs. 1000 tax would turn into Rs. 2000, 3000, because the person collecting it would ask for whatever he thought he could get away with. It was a real problem for us…Nawaz Sharif understood this because he's our class, he knows all the problems'. Does this mean that he supports the PML-N then? 'No, I supported Rao Sikander [of the PPP-Patriots] in the 2002 elections because we had good relations. Look, it's all about personal relations. No party, no association is strong. It's only as strong as the people in it.'

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[136] Cheema et. al. (2005: 28-29) also note the decreased power of the local bureaucracy relative to local government and constituency politicians. The power of political elites and district bureaucrats has been inversely related since 2001, with the latter's relative position weakening over time.
[137] A tax on goods entering a city.
[138] A tax on goods leaving a district.

The Non-Ideological Bases of Party Loyalty

And indeed, party-hopping is widespread amongst businessmen and politicians alike. In 2013, responding to a survey question about party affiliation at the time, 50% of sampled aarthis claimed to support the PML-N, 33% maintained political neutrality or professed a dislike of politics, and the remainder were distributed between the Jamaat-e-Islami (JI), Pakistan Tehrik-e-Insaf (PTI), and the political maverick and Islamic preacher Tahir-ul-Qadri who at the time was leading an anti-corruption movement much hyped by the media. The largest mandi traders – and particularly those belonging to the Sheikh biraderi – were usually careful not to declare open support for any one party. Often, my question about party support was met with another question: 'these days?' or statements such as 'my heart is with Nawaz Sharif, but…'. Occasionally the 'but' was dissatisfaction with policies and problems such as energy shortages, 'excessive' taxation, and the lack of interest the Sharif's had shown in developing agriculture. More frequently however, it was born of the fact that their local patrons had switched parties.

A glance at the dynamics of NA-144 – the all-important city MNA constituency – illustrates the problem. From 1985 to 2008, NA 144 rotated between the Arain landlord Mian Zaman and the Rajput landlord and lawyer Rao Sikander. Mian Zaman and his son have not yet moved – or had to move – beyond the PML-N juggernaut, but Rao Sikander's political career began with Zulfiqar Bhutto's PPP and continued with Benazir. As the PPP waned in Punjab, he joined the military regime-

allied PPP-Patriots in 2002 and was rewarded with the post of Defense Minister. He then merged with Musharraf's PML-Q in 2008. Upon his death, his wife and son took up the political mantle and joined the PML-N. However, having failed in their bid for the 2013 party ticket, they are now in the PTI.

The constituency witnessed a shakeup in 2008 when a relatively unknown covering candidate for PPP's Arain Chaudry Arif (who was disqualified by the Election Commission at the last minute) defeated both Rao Sikander and Mian Yawar Zaman by a huge margin. From 2008 to 2013, Chaudry Arif was defacto MNA in Okara and won the 2013 elections comfortably. He began his political career in local government in the 1980's, contested provincial elections in 1993 as an independent, and in 1997 was awarded the PML-N ticket and won the city MPA seat. He has since been in the PML-Q, contested the 2008 and 2013 elections on a PPP ticket, and recently returned to the PML-N in 2012.

Each of the district's remaining constituencies – eight provincial and one national – exhibit similar patterns. Party defections have become increasingly common across the country. With the PPP waning everywhere but Sindh and the dramatic arrival of the PTI in 2011 as a thorn in the sides of the firmly established PML-N in Punjab, political elites have been shopping around avidly[139]. But this represents no problem for businessmen; on the contrary, it points to the ideological compatibility and similarities of practice between Punjab's two largest parties and suggests that the

[139] See for example newspaper reports such as 'Punjab PPP Rocked by Major Defections', Dawn, July 2, 2015.

political sphere is now more than ever the preserve of the dominant classes. Wilder noted a correlation between class and voting behaviour in the Punjab of the 1990's and indeed, there are vestiges of PPP loyalty still in Okara's poorest settlements such as Samadpura and Ahmadabad. However, there is increasing evidence that even the pretense of class contestation in the electoral realm is falling by the wayside[140]. A keen observer of Punjabi politics, Umair Javed, writes that in 2013 'the two big parties, PTI and PMLN, get votes from all kinds of locations and from all segments of the population. In Lahore, Rawalpindi and Multan, both parties have done well in affluent areas and equally so in less prosperous constituencies. Even in rural areas, their support cuts across income divides: both landless labourers and landowners alike have voted for them' (Javed 2015). Akbar Zaidi (2005) observes this homogenization taking place nationally. Whereas previously the PPP and the ANP had successfully pitted themselves against the explicitly conservative, Islamist, and capital-friendly PML, the 2013 elections saw Pakistani voters embrace two conservative, Islamist, and business-friendly parties. Elections were won on local issues, a rhetoric of reform and technocratic fixes, and on patronage. In a story that began with the 1985 elections, it seems that Pakistan's major political parties have become little more than aggregations of individual power holders in any given locality, united in their support of capital-friendly policies and cultivation of the intermediate strata of society. The question of how these individuals get their power is therefore all the more important and interesting.

[140] See Zaidi (2013) and Javed (2015).

The Paradox at the Heart of Patronage

Based on the fact that Okara is a market town, that some of its most famous politicians have come from aarthi families, and that the trading classes have steadily been establishing a foothold in politics across Punjab, I had expected at least 10 or 15 of the mandi's 300-320 aarthis to have been formally involved in local electoral politics at some time. In Pakistan's most recent general election, traders in Lahore and Multan were demanding that the PML-N allocate 10 percent of the party's provincial assembly tickets to them[141] and the Tajir Awam Movement – the first and (to my knowledge) only political party claiming to represent traders in Pakistan – was formed in Multan in 2013 to contest provincial elections[142]. I was surprised to discover, therefore, that there were only four former local politicians and one ex-MPA in the mandi[143]. Unlike other retail or wholesale trades in which the cultivation of large numbers of downward linkages is unnecessary to the business, katcha

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[141] 'Small Traders Call for 10% Quota in Assemblies', Pakistan Observer, March 11, 2013.

[142] A month before the polls it merged into the PTI, an indication that its formation was a strategic ploy to enhance its leaders' leverage in a divided district where the PML-N and the PTI were head to head.

[143] The ex-MPA president evaded all of my many attempts to meet with him. He was president of the mandi for 35 years, and cultivated multiple distinct communities across the town as an Arain biraderi leader. His father and grandfather were both aarthis in Jullunder, making them one of the few Muslim commercial families in pre-Partition Punjab. His father set up a cotton ginning factory in the 1960's – one of six in town at the time. Ikram entered politics in the non-party elections of 1985 and was elected MPA from Okara city. He sought the seat many times subsequently, never winning again but nevertheless establishing himself firmly as a member of the town's political elite. His 1985 victory also provided a significant boost to his aarath, which at the time was mostly doing *katchi* work; as one older aarthi recalled 'farmers all wanted to go to his shop because they thought 'I'll get to meet the Chaudry, shake his hand'. When he died in December 2012, many stories died with him. Such are the woes of the researcher.

aarthis do need to maintain extensive downwards links to aid debt collection and tie supply (Chapter 6). But the conflict between the logic of profit-making and the mutuality and care implicit in the ideology of patronage can and does come to the fore when katcha aarthis engage directly in business *and* politics.

The nature of the aarath business renders it a difficult fit with political success. As Chapter 5 demonstrated, input-lending aarthis are frequently branded *banias*, cheaters, and profiteers by their clients for charging high interest rates, delaying payments, not providing receipts, etc. As a consequence, politically active aarthis generally do not do business in their constituencies. This exposes clearly the contradiction between the imperatives of accumulation on the one hand and the moral and consensual aspects of the relationship tying patron and client, the leader and 'his people'. This contradiction need not be exposed if the aarthis in question have other resources they can use to cross-subsidise the granting of concessions to farmers and increase tolerance of loan default etc. or if they do not do business with their political support base. But when business and political bases overlap and there is no possibility of cross-subsidization, both business and the command of loyalty are likely to suffer, demonstrating the legitimizing function of patronage as an ideology obscuring the relations of domination and exploitation that make unequal power possible in the first place.

I undertook two contrasting case studies of politically active aarthis. The first did business with his political supporters whereas the second did not. There are

significant differences in the politics that both men pursue: whereas Zamir participates in local government politics, the Chairman is the leader of a powerful peasant movement that pitted itself against the military in its bid to resist eviction and gain title to land. Clearly, their followers do not expect or demand the same things and the idioms in which they relate to them are very different. Yet they are comparable because both depend on popular endorsement from below for their political positions and because *all* leaders – be they insurrectionary or status quo – are expected to possess certain characteristics that include selflessness, generosity, and moral uprightness above all else.

Chairman

Readers may recall from Chapter 6 that Liaqat – or the Chairman as he is widely known – is the joint proprietor of Chairman Commission Shop, a katchi aarath begun in 2008. He is also Chairman of the Anjuman Mazarain Punjab (AMP), representative organization of the largest peasant movement in post-partition Punjab. The AMP represents 18 military farm villages in Okara with a population of about 150,000 people, and about 60% of Chairman Commission Shop's clients are from these villages. While the AMP has never held internal elections to its offices and tenants do not vote for their representatives, their support and endorsement is a critical source of legitimacy and existential continuity for its leaders[144].

[144] It is not the only source – the AMP has been organized behind one main leader and maintaining his backing is key to continuity in a central leadership position.

Prior to the movement Liaqat was not an important figure. Son of an Arain tenant farmer on the Military Farms, he had spent almost a decade working as a labourer in Karachi's fruit and vegetable mandi, returning to Okara in the early 1990's when Karachi exploded into ethnic violence and he, as a Punjabi, no longer felt safe there. Back in Okara, he took up tenant farming for the first time as an adult, working the four acres whose tenancy he had inherited. Chairman and his partner Mehr began business by loaning inputs to farmers in 2008. By then, confrontation with the military had waned and tenants had established de facto control over the land.

Occupying a central leadership position within the AMP followed by owning an aarath catapulted the Chairman to a wholly new social and economic position. With income from the aarath, his family ate and dressed better, he bought a motorbike, shared the cost of a small used Suzuki car with Mehr, and added to his existing livestock. His position as spokesman and organizer within the movement afforded him numerous travel opportunities to Islamabad, Lahore and Karachi and in a famous appearance on Pakistan's most popular political talk show on Geo TV, his bravery and eloquence in confronting a military general won him enormous respect. For the 3-4 year period of intense agitation starting in 2001, he was a name and face known by hundreds of thousands of people in Okara and beyond.

The change in his circumstances was reflected and reinforced by many aspects of his life, including the role he performed in his village. Now, as an established leader, he started to adjudicate in all manner of disputes within his biraderi, village, and

indeed the whole of the military farm area. In part this was because a very large number of tenants had been under direct threat from the state and were dodging arrest warrants. Forced to eschew legal adjudication completely, they relied instead on movement leaders to advise, mediate, and make decisions. Even after the conflict abated in 2005, the AMP leadership continued to mediate on matters ranging from land disputes to marriages and the undisputed supreme leader of the movement, Mehr Sattar, has unsuccessfully contested two MPA elections, one on a PPP ticket and one as an independent candidate. As the conflict has abated, he has increasingly engaged in the standard mode of rural politics that involves *thana katchehri* (police and court) work, in no small part driven by the demands of the tenants themselves. Although the Chairman's authority is derivative also of his association with Sattar, Chairman does not cultivate networks reaching into the state and is not a political entrepreneur. Of all the leadership, he has been the most outspoken and radical critic of the state and social convention, seamlessly rendering complex political analyses into concrete local idioms, inspiring respect and generating his own following.

Chairman was the only aarthi I encountered in the mandi who did most of his business in the villages that were also his political support base. In Chapter 6 I discussed how he deployed his political authority and networks in the process of lending and debt recovery and showed him enforcing contracts using his political capital. However, the cumulative effect that this has had on his business and his social and political standing has been negative. In 2011-12, farmers from the

military farm villages were unhappy with his charging of 'due' (i.e. interest of up to 30% for three months on inputs that frequently, but not always, went to the Chairman's creditors), judged him to be exploiting their vulnerability, and his aarath was one of the few facing severe loan recovery problems in winter 2012 even on the back of a good spring maize season. His reputation had unambiguously suffered, and whereas perceptions of him as a brave and sacrificing leader who had done a great deal for the collective were extant and readily relayed if one asked about his role in the movement, there were grumblings about the fact that he was self-serving, over-charging, and without care for his people (*sada khyaal nahin hey*). I witnessed many altercations between him and his clients and the tenor of the negotiations and arguments was decidedly different than those taking place in Zamir and Haji's aaraths. It is highly plausible that his clients were less deferential because Chairman was 'one of them' – a small tenant farmer – and it was clear that he had been elevated to his social and economic position through their political support. When hierarchy is thus denaturalized, domination becomes much more difficult to sustain. Tired, and sensitive to the loss of his social and political position, Chairman has become increasingly less involved with the aarath since 2014, saying it is a 'headache' and that he does not want to fight with or chase people all the time.

Zamir Khan

By contrast, Zamir Khan has chosen not to do business with his constituents. Zamir is a Pathan, one of the very few in the mandi. His father started the aarath in

1952, and Zamir took sole charge in 1989. In spite of being a Pathan in central Punjab and therefore being an ethnic minority, he was elected union council *nazim* in 2001 and lost the local government elections in 2005 by only a small margin[145]. Before him, in the 1980's, his father was also a successful local politician. Zamir was unequivocal about not wanting to take his voters on as clients at his aarath. He considered it a blessing that the villages in his constituency were at the tail end of a canal and that the groundwater was brackish. This meant that people did not grow much maize – which is a water-intensive crop – and so did not hope to market their produce through him. If he were to do business here, 'they'd be at my house at all hours of the day saying 'this fertilizer's not right', 'I've got an emergency' or some such thing. Every man's honour is dear to him; if I want to live in the village and be thought well of, I can't lend money there'. The aarath and politics clearly did not overlap for Zamir, a sentiment also clearly expressed by another ex-*nazim* who who did minimal business in his constituency: 'As long as these farmers think I am against them because I am taking something that is theirs, even though I am actually *helping* them, then I will not get their votes. These people are illiterate, they don't understand anything about business. In Pakistan, you only win if people think you will help them'. Of course the contacts, material advantages, and prestige that Zamir gained from his position are useful to his business and he explicitly employs his ex-*nazim* status as an asset in his dealings. His clients mostly hail from two villages in Dipalpur where his father had social contacts and had been doing business for

[145] 'Union council' is an administrative division of a district. It is the third and smallest tier of the three-tiered local government system that comprises the district, tehsil and union.

decades. Zamir has built on these, and a crucial sign of his success was that over the last five years he has reduced the amount he loans to farmers while increasing the volume of maize he trades. In early 2015, I learnt that he had also expanded to pakki work, i.e. buying at the auction.

These two contrasting cases – the demise of Chairman and the rise of Zamir – illustrate the paradox that lies at the heart of patronage (see Gilmartin 2014). It has brought about the Chairman's difficulties but Zamir has been insulated because he does not do business with his political clients. The paradox is clear: in order to maintain their positions as leaders, patrons, and 'big men', both men must be seen as selfless and generous, caring for 'their people' in material ways; on the other hand, they must position themselves at the centre of resource flows which inevitably means accumulating wealth and power and thereby dominating and exploiting others.

Frederick Barth's (1959) classic ethnography of political maneuvering in Swat demonstrates this well. Barth observed that Pashtun landlord patrons frequently faced a trade-off between securing their economic base and maintaining political power. Land and the labour it could command was the economic base, and political power was needed to protect it from being seized by rivals. This was built up through lavish hospitality and the dispensation of gifts and favours. However, several of Barth's informants had been unable to sustain the costs of this and ruin ensued over the long-term as land was sold off to fund hospitality and the

cultivation of necessary patronal attributes. The problem confronting the Chairman has been similar: he has tried to accumulate within relationships in which his exchange partners expected selflessness and generosity but instead were confronted with an open conflict between their interests and his own in which he chose – too frequently – the latter. Had he not done so, he would still have suffered the same fate, unable to afford the selflessness that his clients expected. We see then, that the ideals of patronage are not compatible with the system-imperatives of capital – patronage relies on the *mystification* of the mechanisms generating capital and inequality, and this mystification is seemingly easiest firstly when vertical social distance between patrons and clients is greater, and secondly, when sites of surplus appropriation are distinct from sites of redistribution.

The Business of Politics

The breakdown of legitimacy precipitated by the exposure of the mechanisms generating capital on the one hand and minimal or no redistribution to the sites and persons on and through whom these mechanisms operate is relatively uncommon. If the contingent and relational nature of poverty and inequality remains diffuse and hidden from view, the latter can persist with greater ease. In Okara a handful of institutions are critical to mediating and upholding political power which is key to the reproduction of class and other forms of inequality and domination. The access political power provides to the resources of the state is particularly vital. This

section and the next look at how political power is crafted and maintained first through an analysis of local politics in a rural constituency and secondly a study of how NA-144, the key National Assembly city constituency in Okara, was won in the 2013 general elections.

For our analysis of local politics, we return to Zamir Khan – his political success in local body politics is particularly intriguing because in an area where biraderi continues to be of crucial importance in voting behavior, his status as an outsider (Khan's are from the KPK province with their own tribal divisions) means he has no biraderi base to draw on. We see that his family owes its political success to inter-biraderi and factional politics, the status and wealth conferred by their landholding and aarath, and their long-standing association with the powerful Syed family of Renala.

To recap briefly, Zamir's grandfather was awarded a 'military grant' of 25 acres in Renala tehsil by the colonial state in 1916 for services rendered in WWI. Since then, the family acquired land such that Zamir and his brother now own and farm 75 acres in their village. Their village – 25 minutes away by car or bus from the mandi – is home to Rajputs (also mostly military grantees) and Arains, most of whom farm holdings of 5-15 acres. Only two other families in the five villages that make up his constituency have equal or slightly larger landholdings, and Zamir's new house – built at the cost of Rs. 55 lakh ($ 55,000) in 2010-11 – is definitely the most imposing in the village. His family speaks Punjabi at home, and his children do not

know Pushto. He recalls that his grandfather strictly forbade him and his siblings from speaking Pushto, afraid that it would expose them to social ridicule. Despite such steps towards integration, they have never married outside of a narrow band of Pashtun tribes.

Zamir's father was first elected union council chairman during the military regime in 1979, and went on to win again in 1983 and 1987. From 1979 to 1985, local bodies were the only representative political forum in the country, making local government officials key gatekeepers of state largesse. Zamir described his father and grandfather as 'social workers' aware of their outsider status who wanted others to think well of them. Their status as patrons within the village grew as their landholding expanded and as Zamir's father aarath started to prosper in the 1960's. Zamir recalls his father organizing and paying for de-silting the village canal every few years, organizing feasts in the village on important religious days, giving a small part of the harvest to the poorest households every year, and schooling the sons of families who had worked on their land.

Village studies, urban political analyses, and newspaper reports all note the importance of factional politics in Punjab[146]. Alavi (1972), Wilder (1999), Martin (2009), and Mohmand (2011) note the ubiquity of factions and argue that they often play a greater role in determining villagers voting behavior than biraderi or

[146] See for example Umair Javed, *Factions and Parties*, Dawn, October 26 2015

divisions between landed and landless.[147] Individuals with contacts in the police, knowledge of the legal system, and good contacts with those further up the chain in influence become leaders in command of followings, and the existence of more than one such individual in a given locality means that overwhelming electoral victories are rare.

Interestingly, the Khans' outsider status has been crucial to their political success in rural Okara. While constituency demarcations have changed over the years, the area has encompassed villages in which Rajput landowners were in the majority and Arain landowners the largest minority. Arains were never in a position to win outright on their own and needed Rajput support, whereas factional struggles within Rajputs elevated the importance of winning over Arain voters. However, Arains have feared Rajput domination and so supported the Khans as the best possible option, while some influential Rajputs and a significant number of poorer Rajputs supported the Khans because of factional politics within the extended biarderi and patronage benefits respectively. In 1979 and 1983, Zamir Khan's father was the joint candidate of Rajputs and Arains, running against a Rajput opposition. He won both elections.

Zamir himself first contested elections in 2001 as General Musharraf followed precedent and attempted to legitimize his regime by reintroducing local government as Generals Ayub and Zia had done before him. The contest pit a Rajput

[147] Factions are often organized along biraderi lines, but the faction leader does not usually connect 'up' to his patron on the basis of biraderi (Mohmand 2011).

nazim and Khan deputy against an Arain *nazim* and Rajput deputy. The Rajput-Khan panel won and Zamir believes they owed their victory partly to the fact that the Arains insisted on the *nazim* slot instead of giving it to the majority Rajput as they should have done. The Rajput running for the post of deputy was also not very well-heeled and therefore unable to outspend the opposition. When the Rajput *nazim* died unexpectedly a year later, Zamir became *nazim* but lost the next elections in 2006 to an Arain-Rajput panel backed by Musharraf's PML-Q.

Despite not being in an elected position when I met him, Zamir spent a significant amount of time 'getting things done' for people in his constituency. Typically, he devoted Friday – the one day of rest in the mandi – to '*halqey ka kaam*' (work of the constituency). Often this meant making trips to state offices in which he had come to know people to varying degrees. I spent two Fridays driving around with him as he did these jobs interspersed with aarath-related work. He drove a brand new Toyota car that his son had purchased through his job at a provincial statistics bureau in Lahore. This job – a much-coveted source of income, security, benefits, and prestige – was a gift from Zamir's patron in exchange for his support and loyalty during and between elections. Zamir and his father both cultivated stable upward relationships that underpinned their political success. Until the 1990's, Zahoor's father's main patron was Syed Sajjad Haider Kirmani, patriarch of a powerful landholding family in Okara, spiritual leader (*pir*) of many tens of thousands, and veteran politician. The Kirmanis were bequeathed 1,000 acres by the British in the late 19th century, entered politics in the 1920's, and continue to occupy parliamentary positions

today[148]. Sajjad Haider was elected to parliament in 1985, 1988, 1990, 1993, and 1997, as well as to the powerful district *nazim* slot during the Musharraf regime. The Kirmani's political success flows directly from their control of vast tracts of agricultural land, an enduring accommodation with the colonial and post-colonial state, and their spiritual authority. The Khans organized votes and support for Sajjad Haider during elections, but after Sajjad Haider's death in 2009, Zamir has courted the favour of Pir Samsam Ali Bokhari, also a successful politician, important *pir* of the area, and relative of the Kirmanis. These two men have played a key role in the Khans' political and economic trajectory by allowing Zamir and his father access to important networks and contacts, conferring direct material benefits such as the car, Zamir's son's job, a gas pipeline to Zamir's village, and enhancing their status as 'big men'. Zamir's – and other's – social status in part depended on how close they were seen to be to *pir* sahib. And Zamir's market position is also enhanced by his political capital. Zamir's longstanding association with the Syeds of Renala is common knowledge in the mandi, as is his ex-*nazim* status. Both aid his recovery of debts and afford him protection.

What do we observe when we scale up from rural local politics to the realm of the provincial and the national though? What, if anything, is different about the business of politics here? Who are the political elite of Okara today? What are the sources of their power, and how do they maintain their positions? In answer to who the political classes are here, in areas of large landholding such as Dipalpur, we see that

[148] Malik, A. and Ali, M. R. (2015: 28)

all major politicians are landed elites who either benefited from large colonial land grants or – like the Rajupt biraderi that migrated from East Punjab – have used accumulated savings and their biraderi links to the military and bureaucracy to add to the small landholdings they came into at Partition. Many landed families have recently diversified into agro-industry and share-cropping is a rarity after the Green Revolution and the rise of labour discontent here in the early 1970's. Still, vestiges of traditional patronal relations continue to exist between rural political elites and the permanent labour force that works their lands and lives in their villages[149]. While all large landlords now hire in large gangs of low-caste seasonal migrant labour, the permanent labour that lives in their villages depends on landlords for the largest part of their livelihoods, dispute adjudication, and mediation with the state for access to services such as education and health. In return, villagers provide paid and unpaid labour and function as the landlord's votebanks. By contrast, a more transactional political culture prevails in Okara tehsil where land was distributed to peasant grantees rather than elites during the colonial era. Here landholdings are generally much smaller, and land has come to play a much

[149] I spent two days with a Syed family in Dipalpur that owned 850 acres in addition to three milk dairies under contract to Nestle, a cold store, and a fully mechanized rice mill. They rotated potato and maize and relied heavily on migrant labour hired through contractors at harvest time. Yet, every eleventh day of the new moon, milk would not go to the dairy and was instead distributed to the villagers, the landlord's elders organized annual festivals for the latter, and when pilgrims to a shrine passed over their land every year, gathering devotees as they went, it was considered the landlord's duty to feed and house the entire entourage for a night, providing tea, dinner, and beds. They also provided cash assistance for marriages and emergencies, arbitrated on matters big and small, and functioned as a mini-state from what I could see. All the houses in the villages on their land were owned by the landlord family and no rent was charged. There were also cases of villagers being in chronic inter-generational debt to the landlord, thus severely limiting their mobility and autonomy.

smaller role over the years in Okara city's politics. Whereas until 2002, Okara city was represented in the National Assembly by the landed, subsequently the town's population has voted in a real estate dealer and – most recently – the district's largest industrialist. The 2015 NA 144 by-election and its aftermath clearly reveal the burgeoning political power of the commercial classes and underline the critical role that money now plays in politics. In a major and completely unexpected upset, the incumbent Arain commercial capitalist running on the PML-N ticket was defeated by an even wealthier Arain ago-industrialist running as an independent. Biraderi was obviously not a factor in these elections, which pit two migrant Arains against each other. What mattered was organization, and above all, money. And maybe – as Mohammad Hanif, Pakistan's famed writer who was born in Okara argued in an astute op-ed piece– the fact that large farmers were furious with the Sharif brothers' nonchalance as global crop prices plummeted steadily and profitability turned negative[150].

The competition between these two provides some insight into what it takes to win elections in urban Okara today. When the wealthy trader MNA Arif Chaudry was deposed in mid-2015 for submitting a fake degree certificate to the Election Commission, there was little doubt that his son would be elected in his place on the same PML-N ticket. Son of a fruit and vegetable aarthi belonging to the numerically

[150] Muhammad Hanif, 'Okara – Punjab's Political Nowhere', Dawn, October 14, 2015. I am skeptical of this claim for the reason that the candidate is an industrialist who had previously sought a PML-N ticket in 2013. A vote for him would neither be pro-farmer nor anti-PML-N because if he were to win, it was certain that he would join the PML-N.

large and commercially successful migrant Arain biraderi, Arif was described as a self-made man (‘*apni madad aap agey aya hey’*) who had worked his way up to wealth and power. His main business is property speculation/real estate development but he has a handful of others including poultry farms and a petrol pump. His political career – begun in 1980’s local government – allowed him to channel contracts and build up both his own business portfolio and a base of political clients.

In the by-elections, however, Arif’s son suffered a resounding defeat at the hands of the scion of Okara’s largest industrialist family. Polling more votes than the entire opposition combined, the independent candidate Riaz-ul-Haq announced the entry of the Neymat family into politics with a bang in what was – by all accounts – the most expensive and well-organized election campaign ever mounted in Okara. Spending an alleged Rs. 16 crore ($1.6 million) in a whirlwind three-week campaign, distributing cash by the fistfuls, printing, distributing and displaying slick banners and posters designed in Lahore, commissioning campaign songs and videos set to famous Bollywood tunes, and delivering thousands of packets of food to the poor in incredibly organized fashion, Riaz decimated the opposition. Long-standing political rivals Chaudry Arif and Mian Zaman had banded together against the newcomer, understanding the importance of keeping him out, but they fell hard. Days after his victory, having been frantically courted by all national party leaders, Riaz joined the PML-N having allegedly negotiated himself a ministry in the near future.

The Neymat family's business empire includes ghee mills, two cardboard factories, ten control sheds, a cold store, rice mills, and a huge sugar distribution (i.e. hoarding) business. They recently purchased 250 acres of land in Okara tehsil[151], currently have the presidency of the Okara Chamber of Commerce and Industries, and set up Okara's first 50MW private power generation facility. Firmly rooted in the structure of the patriarchal family, all their business concerns are managed through a division of labour between brothers and sons under a unifying patriarch at the top. Riaz is in charge of politics, another brother handles relations with the bureaucracy, and the rest deal exclusively with business.

What Matters to Clients?

During fieldwork, many extolled the Neymat family as generous, charitable, and respectful. The family had been preparing for politics, ready to replicate the Punjabi business family model in which one member is deputed to do politics and thereby multiply the ease of doing business while also enhancing the family's prestige[152]. A

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[151] Probably for tax avoidance purposes as well as the opportunity of enjoying the landed lifestyle, although large scale potato and maize farming has been profitable here.

[152] The prestige associated with political power is a big draw for businessmen. I met the owner of a national-level construction company who had recently moved back to Okara from Lahore, bought more than 100 acres of land despite never having farmed before, and was actively pursuing the PPP MPA ticket in his constituency. It was taking a lot of time away from his business and his children were in Lahore, but he was unabashedly interested in the 'protocol' and status that political leadership conferred. It was also an investment in his business, but he was clear that for him, the benefits to his company were important but secondary.

small aarthi who had set up shop two years ago believed that Riaz would 'stand outside [his house] to meet me even at 2am if I needed him to'. He had asked for help with getting a shop in the new mandi that was being planned on the outskirts of the city, and Riaz had reassured him that once site development began, he would make it happen. This aarthi was going to support Riaz's election bid because 'he's a good man'. I heard many such stories about Riaz's approachability as well as the family's charity that ranged from having set up free hospitals and schools in town to distributing packets of ghee and flour to the poor on Eid. An old man who had worked for decades as a labour contractor at one of their rice mills and whose children now worked there lavished them with praise for being the most charitable family in Okara and always taking good care of him. He recounted a recent experience to me: 'When Haji Bashir started his new ghee mill, he saw me and said 'Baba, why have you not come to see me?' So I went to see him one day soon after. He immediately ordered a servant to bring me 5 or 6 boxes of ghee and gave me twenty thousand rupees for my daughter. They take good care of poor people like me, may God bless them'.

Many of these same qualities were attributed to Chaudry Arif. One of Okara's most well-liked politicians, many spoke highly of Arif. In particular, traders lauded his attentiveness and big spending, while labourers and low-grade state employees spoke of his propensity to treat people with respect and generosity. Even those who were not his supporters often had something good to say about him. 'Sure he cheats poor people of their due and does all the wrong things that *propertywalas* do, but

he's not the type that will oil every palm that is placed in front of him and say white is black if it makes others happy', said a trader who considered himself 'outside' of politics. Others inevitably spoke of his generosity and his approachability, contrasting him to the rich but tight-fisted and arrogant Mian and Yawar Zaman, his long-standing political rivals. 'Arif gives you protocol [sic]' said a low-grade state employee who was a diehard supporter of Mian Zaman, 'he stands up to greet everyone, big or small. When he shakes hand with you, his hands are not thin and soft. And he's not afraid to spend'. In contrast to the norm, all visitors at his well-appointed *dera*[153] ate and drank from the same expensive-looking cups and plates, regardless of social rank. 'This is his disposition, not his ideology' opined a left-leaning political activist who knows Arif and his inner circle well. 'He doesn't believe in equality, he just comes from a humble town background. The class [sic] of the elite will take a few generations to form'.

Taking 'good care' of people – and perhaps more importantly, being *seen* to be doing so – is of great importance for the electables. As one MPA-hopeful said during an interview, 'Look, people have to think that you can solve their problems. That means that I spend all my time getting things done for people through the connections I have'. All politicians described their work in similar terms: intervening in evictions, anti-encroachment drives, infrastructural development, access to public services, state employment, land record 'adjustments', dispute resolution etc. It is also common practice to hold a weekly or fortnightly *khuli katchehri* – literally

[153] Separate room or building to receive guests.

translating to 'open court' – where people come to meet their leaders and make requests of them.

I accompanied Zamir to his incumbent MNA *pir* patron's open court held every week at the latter's petrol pump[154] on a main intercity road close to Zamir's village. Towards the back of the premises, two rooms lie on each side of a little walled garden, one room furnished as a sitting room, the other a bedroom with a huge double bed. The interiors of both resemble upscale Lahori hotels, with spot lighting and muted colours that belie the provincial aesthetic and evoke a more urban and 'polished' feel. The *pir* spends three to four hours here on the same day each week, meeting constituents who travel from their villages to come and see him. Flanked by an ex-union council *nazim* and another 'special man' (*khaas aadmi*) who moderated the audience, he received people turn by turn from the crowd that gathered in front of him and poured out of the room into the garden outside. Problems involving the police, land occupation, sewers, roads, paving, electricity, gas, bridges, and jobs were described by villagers. The *pir* listened, reassured them their work was being done, wrote *chits* on headed paper as endorsements designed to smooth access in relevant offices, called a contractor and told him to speed up work on a road, called an SHO and told him not to arrest someone, reached into his pocket and gave a woman Rs. 2000 and told her to come and see him in Islamabad because he could not fix her

[154] There is of course nothing incongruous about a revered spiritual leader owning a petrol pump and it is a well-known fact that licenses are distributed as political favours to politician and their allies. Because energy is a highly regulated sector, navigating the many bureaucratic hurdles necessary for establishing a pump is significantly easier for those with the strongest links within the state.

problem here. He gave out his phone number freely, addressed people by name once they had introduced themselves, and did not delegate any communication with his constituents to the men around him despite the large number of requests he was presented with. Contact had to be personal – clients came to see *him*, be heard, and get their work done.

In the mandi, when I asked small and medium-sized farmers how they decided who to support politically, more often than not a lively debate ensued. In one such debate, a young, educated farmer opined that village folk were uneducated and stupid and so they voted for robbers and fraudsters. The older farmers present disagreed strongly – they would vote for whomever did something for them, treated them with respect, and with whom they could have face-to-face contact. Opinion was divided about whether biraderi mattered, but all agreed that it was irrelevant if a leader was not respectful and did not deliver. 'Listen', said an old farmer, 'when you plant a crop, you do go and see how it's doing, don't you? You make sure it's free of pests, that it doesn't need spraying, that it has all it needs to grow tall and healthy. In the same way, a leader needs to check on his *awaam,* he needs to take care of them'. Like is often found in anthropological studies focusing on the client's experience of the patronage relationship, his words echoed the sentiment that I heard so often about a leader's responsibility to personally care for those in his charge, a sentiment that was not confined to Punjab's villages but that pervades South Asian society, rural and urban.

Clearly, patronal ideals of the strong caring for the weak, selflessly sacrificing their time and money, and striking the right balance between supremacy and intimacy persist and continue to structure how people think about their leaders. Interestingly however, evaluations of big men appear to vary by the class of the evaluator. In contrast to those further down the social hierarchy such as small farmers and small traders, larger traders mentioned respect and approachability much less and did not construct big spending as generosity. That someone spent money freely was cited as a reason for his success, not imbued with the morality contained in terms that the weak(er) used: *dil key khuley*, *neyk*, *zakat deneywaley* (open-hearted, good, charitable). When rich men spoke about even richer and more powerful men that they had good personal relationships with, they usually voiced admiration and respect for their power, political acumen, drive, strategic thinking, and business knowledge and skills (*uss mey jaraseem hain*, *voh bara businessman hey*, *uss ka hold hey*). With rare exceptions, recent anthropological accounts of the poor's experience of patronal relations across South Asia strongly suggest that people evaluate their patrons primarily in moral terms (Piliavsky 2014). I find however, that this does not hold as true for those occupying the higher rungs of the socio-economic ladder and who enjoy less social distance from their patrons. The implications of this have bearing on how ultimately we understand and evaluate patronage: do the poor value a patron's respect more than the non-poor because their social position does not afford it to them? Why is it that they more frequently construct lavish spending as generosity and selflessness than the non-poor? It would be reasonable to suggest, I think, that the material and ideological conditions under which these moral

evaluations are produced and brought into everyday parlance by the socially weak are critically important[155].

Conclusion

This chapter shows patronage – understood as unequal, personalized, long-term exchange between individuals – to be fundamental to economic and political success in Okara. Aarthis, state officials, and politicians cultivate relationships of mutual benefit with each other, and business, politics, and affairs of the state are heavily intertwined. Observing state bodies responsible for regulating mandi affairs we see that staff appointments, the implementation of rules, and the outright circumvention of the law as in the case of Arshad sahib's energy pylons and mandi location next to his village are in no small part determined by personal relationships of give and take. Aarthis are able to avoid paying market fees through direct penetration of the local state bodies responsible for fee collection. Large aarthis in particular are able to leverage their vertical contacts reaching up into the higher echelons of the state and we saw, influence events as significant as the siting of markets and access points to it.

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[155] Filippo Osella makes a similar point, noting somewhat caustically that anthropologists often stress the 'moral' in moral economy to bring their analyses in line with their own political sensibilities rather than those of their respondents (2014: 367).

The chapter also shows patronage to be a critically important legitimating ideology masking accumulation and making it possible. Because patrons must appear selfless and gift, feed, and provide material sustenance, their participation in domination and exploitation recedes into the background. We see evidence of this in how clients talk about their patrons. However, the mask drops when politically aspirant aarthis attempt to do business with their political base. In the personalized, long-term, iterative, and exploitative nature of the farmer-aarthi relationship, aarthis cannot consistently present themselves as selfless, respectful, and generous, qualities that the poor and socially marginalized look for in their leaders. Chairman's business and political standing suffered and we heard from katcha aarthis who were clear about not wanting to do business and politics in the same place. This illustrates the material and ideational contradiction inherent at the heart of patronage identified by Gilmartin, where 'the effectiveness of patrons [depends] on their ability to place themselves at the centre of resource flows, even as they [present] themselves publicly as selfless supporters of 'their people'' (2014: 127).

The chapter also suggests that the social and material conditions of poverty and marginalization may heavily condition the elevation of patrons' moral attributes by clients. We arrived at this by analysing how political power – local and supra-local – rests on the cultivation of personal loyalties secured through the particularist distribution of favours as well as the performance of respect, generosity, and care. Members of the subordinate classes frequently spoke of patrons in moral terms whereas the relatively dominant valorized different things, namely their patron's

skills, acumen, and power. Moral evaluation is not absent amongst the relatively dominant, but morality is one metric amongst others rather than the whole. The vertical social distance between patrons and clients also seems to influence how the latter evaluate the former in another way: when patrons are from the same social class as their clients, deference is less forthcoming and expectations of mutuality and consideration are arguably higher, particularly when the elevated social and/or economic position of the patron is seen to be directly linked to support from clients who are also his social equals.

The consequences this has for the upward social-political-economic mobility of members of the intermediate classes are non-negligible. We mentioned in an earlier chapter Jones' observation that the system of Basic Democracies in the 1960's quickly lost the support of the very same groups that it had brought into politics. It is worth quoting him here as he writes about this: 'Although Basic Democrats came from a cross-section of society, the fact that many of the more unscrupulous were (or had been) small shopkeepers, petty traders, labour brokers, merchant money-lenders, and grain agents was particularly galling to their own class fellows. What was acceptable behavior for bureaucrats and policemen imposed from above was not acceptable for local figures raised to influence by the votes of their fellow townsmen' (Jones 2003: 146). The contrasting experiences of the Chairman and the other leaders we have encountered in this chapter suggest that this may indeed be the case today too, and that although accumulation through politics and the deployment of political and social assets can yield economic results, it is important

to exercise Blau's 'judicious restraint' (Chapter 6) and ensure through strategic planning and action that one is able to do so.

Finally, the chapter demonstrates that landed elites have definitively ceded a measure of political power to monied commercial and industrial classes with few remaining links to the land in Okara's city constituencies. The increasing importance of money in politics – often taking the form of gifting and performances designed to indicate exalted power and status – signals both an opening and a closing of the ranks at the top of the political tree. The ranks are seemingly now more open than they have historically been to the lower castes. The rise of Arshad sahib and the Rehmanis in Okara is illustrative of this and it may be a matter of time before the wealthiest amongst them begin to compete in provincial elections. This is still some time away though – Arif Hasan's somewhat optimistic proclamation that 'the old caste system has broken down' (2009: 25) is not yet in sight.

Chapter Eight

Of Oligarchs and Oligopolists: Collective Action amongst Grain Traders

It is abundantly clear now that market power – the ability to make another accept more of your terms than you accept of theirs – is dependent on institutions that are both identity-sensitive and not. The previous three chapters sketched three dimensions of this power, showing how aarthis were able to exercise dominance over their clients through i) strategic vertical and horizontal relationships that bolstered their wealth and status in town and mandi; ii) clients' economic dependency brought about by an uneven distribution of land and capital, their credit options, and changes in technologies of production; and iii) social norms and expectations. Here we delve into a fourth dimension producing unequal power in exchange relations: associational power, or how aarthis' collective interests are advanced by their business associations. Our focus here is not on the aarthi-farmer exchange; instead, we zoom out to those spaces where aarthis' class power articulates – unevenly but emphatically – in collective politics and organization. The role collective politics play in creating and stabilizing conditions for accumulation and the differential distribution of these opportunities within the group itself is the

subject of this chapter, as well as its impact on aarthi-farmer and aarthi-labour exchange.

Two associations are considered here. The first is the Okara mandi association (OGMC), the collective organization of the mandi's aarthis that we have encountered aplenty already in this thesis. The second is Anjuman Aarthian Punjab (AAP), a federating body of aarthi associations. Differences in function and stability over time between them led me to ask different questions of each. Because the OGMC is heavily involved in self-regulation, its internal structure and politics are important to understanding how accumulation unfolds. By contrast, AAP is largely limited to representing aarthis interests to the state, lacks routinized procedures, and is dormant except in times of crisis. Its significantly less contested internal politics reflect the fact that leadership and control of AAP is less critical to individual advancement than control of the OGMC. My focus with AAP therefore is on noting when it is activated and how it conducts the process of political bargaining with the state.

Both of these associations are located in Okara's civil society. In line with critical perspectives on civil society[156], I understand associations as political arenas, i.e.

[156] See for example Gordon White's (1994) excellent review of the literature in which he notes (i) the absence of power from liberal theories of civil society such that inequalities *within* civil society are left unacknowledged, (ii) the relationship between the constituent parts of civil society being as important to the constitution of democracy as the contest between state and society, and (iii) the problematic historical teleology underlying both liberal/modernization and Marxist theories that is not borne out by the growing mass of evidence. See also Neera Chandhoke (2003)

sites where conflicts between opposing (internal) interests play out, as well as political actors, i.e. competing groups that seek advantage over external others. While there is wide-ranging debate and disagreement between scholars about what the term actually means, they are united in thinking that 'there is nothing in civil society that automatically ensures the victory of democratic projects' (Chandhoke 2003: 613). Actually-existing power relations between state and society as well as *within* society determine the particular role civil society plays. In Tamil Nadu, Harriss-White and Basile (2004) find associations acting to regulate class conflict to a level compatible with the needs of accumulation and in Chennai, John Harriss' (2007) study of associational life reveals civil society activism to have a middle class base while the poor articulate themselves through political parties. This empirical distinction finds theoretical form in Partha Chatterjee's (2004) well-known division of the political domain into 'civil' and 'political' society. The impetus to draw this (in reality very blurry) line between different modes of engaging the state springs from the recognition that the middle classes and the poor have distinctive political and cultural repertoires, leading them to confront the state with different tactics, appeals, and objectives.

In this chapter, we enter into the micropolitics of aarthis business associations. We see that these institutions of collective action are shaped by sectoral and commodity-specific factors as much as by policies and actions of the state, the

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who argues that civil society has become a feel-good 'buzzword' such that ideas about what it should be have precluded what it actually does or does not do for the people who inhabit it.

balance of forces between classes, and the social ideologies and institutions that permeate state and society. But before we begin, a brief discussion of associational life in the town and beyond provides a bird's eye view of the environment these organizations are embedded in.

Why Associate?

Okara's non-farming capitalist classes are collectively organized in the Anjuman-e-Tajiraan (AT) and the Okara Chamber of Commerce and Industry (OCCI). AT is the federating body of 36 sectorally and spatially organized traders' associations including the OGMC and is one of the most powerful and visible civil society organizations in Okara[157]. The OCCI is a newer body, formed in 2004, with a little over 200 members. It is in an early stage of development, still operating out of rented premises although a plot of land has been allocated to it as a result of recent meetings with the Chief Minister and his son. According to a former senior office-bearer, OCCI members do not pull together as a class ('*eik biraderi honey ka ehsaas nahin hey*') and most join because membership facilitates visas for foreign trips and provides the possibility of forming much-coveted personal relations with political and bureaucratic elites. Membership does not confer status in and of itself – of the town's 600 or so aarthis, only 9 or 10 were OCCI members despite the fact that annual membership fees were just Rs. 2000 (~$20) in 2014. By contrast, the AT

[157] The District Bar Association and the Anjuman Muzarain Punjab are other organizations of similar stature in town.

exhibits significantly more concerted, organized class power and individual trade bodies consider membership useful – even essential – to their project of accumulation[158]. Okara's Assistant Commissioner rued the existence of the AT, terming it a 'pressure group over which we have no cognizance [sic]'. Members of the district administration are hesitant to take action against traders because disciplinary action against one can lead to an entire market or more shutting down, politicians getting involved, and sustained non-cooperation.

Business associations are, and have been, very useful for intermediate capital distinct from the large business houses located in the big cities. Stanley Kochaneck's (1983) study of business and politics in Pakistan provides valuable insight into the first three decades of Pakistani trade associations. His research revealed exponential growth in numbers in the 1950's: Pakistan went from having 19 registered trade associations in 1949 to 1202 in 1962. The frenetic mushrooming was attributable to a single strong incentive: government recognition allowed small and medium capitalists access to key officers who determined trade policies and procedures and allocated import permits (ibid: 124). Whereas big business cultivated personal relationships with well-placed bureaucrats and eschewed collective action, small capital turned to establishing platforms that made it visible to the state, allowing it to access the latter. The right to lead these platforms was heavily contested – region, biraderi, language, and religious affiliations strongly

[158] In addition to members of the OGMC and the fruit and vegetable mandi associations, I spoke with senior office-bearers of the fertilizer, jewelers, and seed associations. All valued AT membership.

divided small capital, patronage relations were rife, and infighting led to a large amount of litigation and impeded consolidation (ibid: 131). Kochaneck observed a shift corroborated by Sayeed (1995), Zaidi (2011), and Cheema's (2003) later claims about the operation of the intermediate classes located in the small-scale sectors. 'Power in chambers of commerce and industry' he wrote, 'is gradually drifting into the hands of medium and small-scale sectors. Their overwhelming numbers have already had a psychological effect on the selection of Presidents. Increasingly, small traders have emerged as leaders of major associations in Pakistan' (ibid: 137). The utility of association for this fraction continues: at least 4 new chambers of commerce and industry have been established in small-town Punjab in the last decade in Sahiwal (2004), Okara (2004), Rahim Yar Khan (2007), and Vehari (2013). Their formation represents a 25% increase in the number of chambers in the province.

Without conducting an extensive survey of the town and mining the records of various bureaucracies, it is impossible to know how many associations of what type operate in Okara. Harriss-White and Basile note that 'association fever' (2004: 40) swept the rapidly growing market town of Arni in Tamil Nadu in the liberalized 1990's and the number of associations doubled from 34 to 66 in two decades (Basile 2011: 340). I do not have comparable data, but my strong impression is that of an active and expanding associational sphere populated by trade and industrial associations, religious organizations, welfare organizations, and donor funded NGO's. According to a 2006 survey of commercial enterprises in Pakistan,

association membership across the country is high: 75.5 percent of transporters, 45.8 percent of real estate establishments, 47.3 percent of storage establishments, and 58.7 percent of retail and wholesale establishments of a 2000 strong sample across small, medium, and large cities are members of market-based associations (Sayeed 2007). Beyond business associations, 31% of the surveyed sample of aarthis in the grain mandi reported membership of at least one body other than the OGMC. Of these, neighbourhood/housing society and mosque committees were the most common. Both functioned as welfare associations, engaging in selective acts of charity while discharging their immediate mandates. Neighbourhood associations organized responses to collective problems such as security, hygiene, monitoring prices of *roti* at the local *tandoor*, and organizing religious activities and events. Mosque committees collected funds for the maintenance and uplift of mosques or establishment of new ones and regularly organized food for the poor in addition to other charitable acts. Biraderi associations were insignificant in the civil society space – only two aarthis surveyed were (inactive) members and most were dismissive of their relevance.

At least a couple of factors are propelling high levels of business associational activity. While most associations have failed to develop successful institutional relations with the state to influence policy (Sayeed and Ibrahim 2007: 36), they retain political and economic importance separate from this. Non-codified or 'informal' but routinized trade and locality-specific rules for the conduct of business are crucial for defining and enforcing contracts and ensuring the smooth flow of

operations; associations provide a critical platform for establishing these internal rules. Secondly, these platforms are often a means by which senior office-holders make themselves visible to political elites and the local state. Association leaders are aware of their growing role in the localized, faction-ridden, increasingly monetized, and confrontational culture of politics that prevails in Pakistan today and – as we saw for example from the incident of the lawyer-farmer who was the victim of fraud by a seed dealer in Chapter 7 – ordinary members also benefit from bringing the power of the collective to bear on their own private dealings.

It is to the mandi association (OGMC) that that we now turn. My goal is to understand how the dominant ideologies and institutions identified in this thesis work to regulate conflict and create the conditions for accumulation in this space in which organized aarthi interests confront the state, labour, and farmers.

The Okara Ghalla Mandi Committee (OGMC)

Trade associations in Punjab are organized either by place or by commodity. The advantages of clustering often lead to commodities being spatially concentrated, and when shared space is accompanied by shared experience, space becomes a 'relational force' (Keshavarzian 2007: 145). In the mandi, the nature and depth of experience varies enormously from one relationship to another. But the enclosed courtyard, the pulsating *boli* (auction) snaking through it pumping money to all,

consciousness of interdependence, and a certain sameness of the everyday all contribute to fellow feeling that exists simultaneously with the many inequalities that characterize this space. This spatially determined 'relational force' is a key factor allowing the OGMC to successfully mandate involuntary membership: all aarthis in Okara's grain market must be members of the OGMC in order to buy or sell at the auction[159]. They must also be licensed by the District Market Committee (DMC), which 'sells' licenses at least twice the legally mandated fee when it does grant them to those who come with a weighty enough personal reference. New aarthis setting up in the mandi submit a copy of their license and pay a joining fee to the OGMC before being granted permission to sell lots. Those wishing to buy at the auction, i.e. pakka aarthis, submit their license and a written application to the OGMC seeking permission to trade. Applications are reviewed by a sub-committee of the OGMC specifically dedicated to this task; as we will see shortly, effectively screening buyers is critical to the collective wellbeing of the mandi while limiting their numbers is in the interests of buyers and in conflict with the interests of farmers and katcha aarthis.

The association's functions fall broadly into three categories. First is that of self-regulation, i.e. setting codes of conduct for aarthis, screening entry, and establishing and enforcing rules to varying degrees. Similar to trader's associations throughout

[159] This is not uncommon practice across Punjab, although it is not always successful particularly in situations where there rival associations are competing for membership. The situation is different in markets where transactions are exclusively between wholesalers. Here, sales are arranged through brokers rather than auctions and the condition of compulsory participation is not as evident.

Asia and Africa, dispute arbitration is a key activity (FAO 2005), although not all aarthis are equally represented by the association. Secondly, the association acts as a bulwark vis-à-vis labour by determining wages and working conditions while constraining labour's attempts at organization. Lastly, it represents aarthis' interests outside the mandi in interaction with various arms of the state and in the political and economic life of the town.

In what follows, I focus on the following set of questions: what is the social and political character of the arrangements that have evolved to deal with aarthis' collective problems? Which ideologies do they reinforce? Are these arrangements in conflict with formal state processes and goals, do they run parallel to them, or are they stepping into areas that the state has – deliberately or otherwise – left vacant? Are all aarthis equally represented in these arrangements, and if not, what are the axes of stratification? The process of selection for office in the OGMC, contestation within the association, conflict between aarthis over payment periods, and the OGMC's role vis-à-vis labour are analysed below with the view to answering these questions.

Organizational Structure

The OGMC is a strongly hierarchical organization with the office of the President at the top, followed by the General Secretary and 6 other office-bearers. At the base,

15 members are grouped into what is known as the Executive Council. With the exception of the offices of the President and Secretary, there is no clear or fixed delineation of spheres of authority or jurisdiction amongst office-bearers. Committees and sub-committees are regularly formed by the President and Secretary from amongst existing members to deal with issues as they present themselves. Notable amongst these is a 5-member committee that reviews applications from prospective buyers at the auction. This is the most important committee of the OGMC, its decisions having significant direct effects on the entire mandi.

There have been no meaningful elections since the early 1980's. Every 2 years, voting takes place in a meeting usually held at the President's aarath or in the mandi's large central mosque where a show of hands decides the new body of office-bearers and members of the Executive Council. At the time of fieldwork, the then-President had been in office for 35 years. Upon his death in December 2013, his son succeeded him. The General Secretary had been in office for 18 years and continues on as such.

Biraderi as Regulator

The OGMC functions as a power-sharing arrangement between the 5 dominant biraderis of the mandi: Arain, Sheikh, Malik, Rehmani, and Rajput. Arain's are

numerically dominant (43% of survey sample) and widely distributed across the size spectrum, while Sheikh's are a significantly smaller population (13%) but – unlike other biraderis – they are clustered at the higher end in both katchi and pakki and are the single most financially self-sufficient group. These two biraderis have occupied the top two positions of President and General Secretary for as long as anyone can remember, with Arain's taking the former and Sheikh's taking the latter position '*apney mizaaj ke mutabiq*' (in accordance with their temperament) as I was told, and in lieu of their biraderi-specific networks and skills.

Punjabi Sheikhs are an urban commercial biraderi, tracing their ancestry to early Muslim converts from the Khatri caste in Punjab. They are widely known as hard-headed traders, exceling at accounting and efficient 'no-frills' business organization. Sheikh-owned enterprises tend to be small and medium scale rather than large, although some large Sheikh traders have also diversified into education, ghee and rice mills, and many of them are involved in storage. Sheikhs identify themselves as business people, 'investment-minded' [sic], and *saadgi pasand* (humble or non-ostentatious). Other biraderis narrate them as *kanjoos* (stingy or tight-fisted), clannish, *darpok* (easily scared) and risk-averse, thereby lacking certain highly valued features of Punjabi masculinity. The General Secretary works within the mandi holding meetings, drafting and circulating notices, keeping records, arbitrating, liaising between groups, keeping abreast of events at the *boli* and so on. By contrast, the President is the main representative of the OGMC outside the mandi while also sitting atop the OGMC hierarchy. Possessing developed networks in

political, commercial, and bureaucratic circles is considered a necessary (or at least highly advantageous and almost 'natural') attribute for the position. That there has been only one non-Arain President[160] in the history of the mandi as recounted to me can be explained by the numerical dominance of the Arain biraderi in the mandi and across agriculture, trade, and industry in this region but also by the above-mentioned cultural characterization of Sheikhs (who are the only group economically competitive with them). Arain's describe themselves as hard-working, daring and manly, embodying the 'fiercely upwardly mobile go-getting culture' that Arif Hasan noted amongst migrants in central Punjab (2009: 13).

Biraderi also regulates the appointment of *boliwalas* (brokers/auctioneers) by the OGMC. Four new *boliwalas* were appointed in 2003 to cope with the increased volumes pouring in. The OGMC decided that in order to help the families of established, older aarathis who were struggling financially, one son of each biraderi would be appointed as boliwala. One Sheikh, one Rehamni, one Arain, and one Rajput were appointed. Since then, 2 more appointments have taken place, both Sheikh, taking the total number to 7. *Boliwalas* are well-remunerated, high-status workers in the mandi. As we saw in Chapter 5, they exercise significant power in setting the starting price and choosing to linger or move on from a lot. In 2012, 'at the request of the *boliwalas*', the OGMC increased their commission from Rs. 0.5 to Rs. 0.7 per 100 kg. In season when the mandi is moving 60,000-100,000 bags a day,

[160] A Malik was president in 1992-93 for a term of about 2 years.

this comes to a healthy daily income ranging from Rs. 6000 to Rs. 11,000 for each boliwala.

Challenges to the Establishment

Dissatisfaction and opposition within the mandi – from everyday grumblings about the association to concerted bids for power – are in the main leveled at the President. The General Secretary is not an equal and autonomous actor – he was described variously as '*na honey ke barabar'* (as good as non-existent), '*pakka Sheikh*' (a true Sheikh, which was further explained to mean that he was meek in the face of authority 'as all Sheikhs are'), and '*Ikram da munshi*' (literally meaning the President Ikram's accountant, i.e. subservient to him).

Not surprisingly, all significant opposition to the President, Chaudry Ikram (and now his son), has been spearheaded by migrant Arains. Large aarthis from other biraderis have been actively courted or have themselves been eager to give their support to dissenting groups, but leadership of the breakaway factions – or '*dharras*' as they are called – has been uniformly Arain. Factions emerged in 2004, 2009, and most recently, in 2013. In 2004, a large number of katcha aarthis lost money when a major buyer absconded without settling his debts – aarthis accused the President of not actively pursuing the defaulting buyer and a movement calling for his replacement gathered steam. In 2009, another such incident occurred on a smaller

scale. Resolution of the 2004 and 2009 challenges was similar – the dissenting group's leaders or their relatives were appointed office-bearers in the association, but in 2013 the challenge was not strong enough to warrant even this partial accommodation.

In contrast to previous challenges, the January 2013 *dharra* was led by a newcomer. No ties of friendship or familiarity existed between him and office bearers of the mandi committee. From an agriculturalist Arain family that migrated from Jallander at Partition, unusually for a mandi trader he had an MSc in economics, had worked in a bank in Lahore, and then run a retail computer business in Islamabad for 16 years prior to returning to Okara to live with his ageing parents. In 2007 he started a katchi business with his brother. Ambitious, self-identifying as 'modern', and proudly revealing to me that he was the only aarthi in the mandi who allowed his wife to work outside the house, he believed that the OGMC was in need of reform. The current leadership was incompetent and the association needed to be made more accountable to katcha aarthis. The screening of buyers needed tightening and the physical environment of the marketyard needed cleaning up. In this, he echoed the sentiments of all katcha aarthis; yet, he was unsuccessful in mounting a meaningful challenge.

Why? Oft-repeated in the mandi in the month between Chaudry Ikram's death and his son's assumption of the presidency, with no small bitterness from some quarters, was the phrase '*Zardari ke baad Bilawal*' (after Zardari comes his son

Bilawal), i.e. a reference to the dynastic nature of power[161]. I asked aarthis what the new *dharra* would need to be successful in its bid for power; the most common response was that the leader needed support of at least half the mandi's Arains. Big aarthis (both pakka and katcha) dissatisfied with Ikram were waiting for sufficient numbers to materialize before they backed any opposition. It was deemed unlikely that the latter would happen however, firstly because of Ikram's political clout and secondly because of his position as buying agent for Rafhan Maize Products Company Ltd.

Chaudry Ikram – son of Partition era-magistrate, former MPA during the Zia years, friends with a well-connected Senator, and biggest buyer in the mandi for 10 years previously – was a politician and kingmaker in Okara for almost three decades. No other aarthi in the grain mandi had similar high-level networks and the status and prestige that accompanied them. By way of explaining the length of his tenure, it was said that '*mandi mey us ke barabar ka koi nahin hey*' (there is no one of equal stature to him). By contrast, the Okara fruit and vegetable mandi also held elections in 2013 and the opposition group was strong enough to split the association so that there are now two mandi associations, each claiming to be the 'genuine' one. Opposition to the (migrant Arain) president of 17 years was spearheaded by a

[161] Asif Ali Zardari, former President and current co-chairperson of the PPP, is a much-reviled figure in Punjab. Stories abound about his role in the assassination of his wife Benazir Bhutto, many believing that he had her killed to advance his own interests. He is also often referred to as 'Mr. 10%' because of his reputation for involvement in corrupt business deals. The phrase '*Zardari ke baad Bilawal*' is a cynical comment on political culture and an indication of how much anti-PPP sentiment there is amongst traders as much as it is a statement of fact.

member of the Neymat family, Okara's largest industrial family (also migrant Arain), and relatively widespread dislike for the president found a vehicle in the Neymat family's economic and political stature. Had such a faction materialized in the grain mandi, things would have looked quite different here.

Ikram was also the buying agent for Rafhan, the single largest purchaser of maize in Pakistan since at least the 1970's[162]. 70% of the company is owned by Ingredion Incorporated, a Fortune 500 Company operating in 30 countries with net profits of $396 million in 2014[163]. As Rafhan's Okara buying agent since 1996, Ikram was – until the late 2000's – the largest buyer in the mandi. This changed with the rapid growth of feed mills across Punjab such that in 2011-2014 there were at least 3 buyers regularly purchasing higher volumes than Ikram over the course of a season. However, the latter's aarath continued to have an advantage over these large pakka aarthis: because of his direct link with multinational capital, he was able to make prompt payments for purchases. Rafhan's payments arrived within 8 days, a rarity in the mandi. Where asymmetrical payments put severe strain on working capital as well as relations with clients, relatively few katcha aarthis would risk sullying relations with a large and prompt purchaser.

Finally, the 2013 faction was also a premature response to regulative efforts privileging some whilst excluding others. Plans for developing a new mandi on the outskirts of the city were in process at this time. According to the criteria for shop

[162] 16% of national production according to a USAID report (2009: 56).
[163] http://fortune.com/fortune500/ingredion-incorporated-412/

allocation in the new mandi agreed between the OGMC, the District Market Committee, and the District Coordination Office, eligibility was limited to aarthis licensed pre-2007. The newcomers leading the opposition were amongst the substantial minority (~30%) licensed post-2007, and as such, had a clear interest in opposing the decision. Conversely, aarthis licensed pre-2007 had an interest in limiting entry and capitalizing on the market power afforded by this. However, although planning meetings between the district administration and the OGMC were proceeding rapidly in 2012 and 2013, the cut-off date had not yet become a significant issue in the mandi. The OGMC was intentionally keeping it quiet and the process of shop allocation and physical development of the new site had not yet got underway. For example, Chairman only came to know of the pre-2007 condition from me but seemed unperturbed by it even though his licenses were issued in 2008 and 2010. Like many others, he had acquired an extra license after learning of the site shifting, the objective being to claim two shops in the new mandi rather than just the one[164].

'Routine' Matters and the Oligopoly

[164] The allocation formula has since evolved: during a visit in January 2015, I learned that 60% of the new shops will be allocated to pre-2007 license holders while the remaining 40% will be auctioned to the highest bidders. The process was fraught with conflict and stalled. The OGMC was being accused of allocating the choicest properties to its members and their associates while also allowing non-aarthis and politicians to nab shops. It was a time ripe for forceful challenge to the established mandi order.

The oligopoly – which is also an oligarchy – expresses and reinforces its economic and political power in multiple ways. The OGMC performs a wide range of self-regulatory functions in which dispute arbitration between traders and background checks and the enforcement of accountability measures for buyers are key. In both activities, the greater power of some aarthis over others is apparent.

Between 2010 and 2013, 6 pakka aarthis absconded with debts ranging from Rs. 55 lakh (~$55,000) to Rs. 2 crore (~$2 million). This represented a major leakage affecting a large number of katcha aarthis, all of whom were angry about what they judged to be the lax screening and recovery effort on part of the OGMC. The mandi committee had approved 5 of the 6 as trustworthy before they began buying, and was responsible for holding them to account and recovering the money. Progress had been made in 3 cases: absconders were found, held to account, and were paying back a percentage of what they owed in installments. The remaining 3 cases were more intractable. The defaulters either could not be found or the OGMC's negotiations, threats, and shaming tactics failed to elicit a response. One defaulting pakka aarthi relocated to a town 100 kilometres from Okara and started his business there[165]. Another was sighted on a holy pilgrimage in Mecca by an aarthi who claimed to have bumped into him in the crowd[166]. Despite this, according to katcha aarthis, the pakki-dominated OGMC screens and restricts the number of

[165] Albeit no one would extend credit to him and he was forced to operate on 'cash' terms. Reputation carries over distance in this trade.

[166] The irony of this did not receive what I judged to be adequate notice. The story was going around the mandi, but I was more amused by it than most aarthis. The pain of losing money was certainly a factor, but contradiction between Islamic values and an individual's practice is in large part normalized.

buyers not because they have doubts about their creditworthiness and reliability, but because they have a clear interest in keeping prices as low as possible. The fewer buyers there are, the less the competition between them and prices stay lower.

The OGMC's failure to act in accordance with the interests and wishes of the katchi majority is most obviously reflected in the seemingly chronic conflict around the issue of 'routine', routine being the period within which pakka aarthis must pay katcha aarthis. The number of days it takes buyers at the auction to pay sellers is a serious point of contention in the mandi and a potential tactic of appropriation *between* traders as well as between traders and farmers. It is the OGMC's task to determine a satisfactory period at the start of each season and issue a circular to this effect. 12-15 days is usually considered to be a fair period in the business, yet for the last many years, within a week or two of the season being underway, the period has begun to stretch as buyers take advantage of their monopsonistic positions.

Katcha aarthis grumble about this continuously, sometimes gathering enough collective momentum to act on their discontent. In June 2011, following an animated scuffle in the main courtyard between two aarthis, the system of credit was abolished altogether and moved to 'cash' (i.e. 2-3 days). Within a week, however, delays in payment began creeping in and grew slowly so that things were back to normal at 35-40 days. In the following season, larger katcha aarthis protested by

withholding grain from the auction and selling directly to mills; however, most aarthis did not have the requisite networks to do this. The repayment period has stretched up to 60-70 days in recent seasons, but the OGMC has not launched an investigation into the causes of the delay or taken it up in a way that has satisfied katcha aarthis. In essence, the OGMC has not been seen to be promoting or defending the interests of the largest section of the mandi's aarthis. This may reflect incompetence and a lack of dedication to the job, but it also reflects the relative power of buyers over sellers in the association.

But what effect do delayed payments have on aarthis prospects for accumulation? Harriss-White (2014) has noted the phenomenon of what she terms 'asymmetrical payment periodicities', i.e. firms paying out for purchases faster than they are paid for sales, and the effects of this on accumulation in the South Indian market town of Arni. She notes though that the effects of payment asymmetries cannot be meaningfully established without an understanding of the commodity-specific credit-debit relationships within which production and exchange take place. In some cases, traders inhabit the 'weak' position of receiving payments later than they have to pay for purchases but operating in this way 'seems to signify business status, prestige and the capacity to be a 'net donor' of commercial credit' (ibid: 117). In other cases however, it signifies genuine weakness and reduces – even sometimes eliminates – profits.

Okara's katcha aarthis extend credit to farmers primarily to ensure supply. But they also involuntarily extend credit to pakka aarthis through the extended credit system described above. Because payments come in 15-60 days after the auction, they cannot make immediate full payments to farmers, unless – and this is very rare and confined almost exclusively to large aarthis who do not lend to farmers – they have sufficient liquidity to absorb the delay. Established mandi practice is for farmers to receive a percentage (~10-20%) of the total sale price on the day of the sale, the rest being deliverable 'later'. 'Later' is flexible, entirely out of the farmer's control, and only partially determined by the aarthi himself. Both aarthis and farmers are quick to point out that pakka aarthis are benefiting from the system of delayed payments by using farmer's money to do business worth crores of rupees. Buying on credit and then selling on at a profit requires relatively little investment but may yield huge sums. However, it is of course the case that the mills, factories, exporters, and other agents that pakka aarthis sell to also operate on a system of delayed payments. For example, nearby feed mills were paying approximately 30 days after receiving deliveries in the summer of 2012. Without knowing whether pakka aarthis are actually holding on to money that is not 'theirs' and putting it to work, it is impossible to know whether they are in fact doing that which farmers and katcha aarthis accuse them of. Arshad sahib admitted that he did withhold payments in this way and that everyone else in the mandi did too when they could. His initial starting capital was no more than Rs. 7 lakhs in 1994. He is now one of the richest men in town. His success is attributable to much more than just delayed payments of course, but it is one of the weapons in his arsenal of many.

To conclude then, the OGMC has restricted the entry of buyers and is accused of being lax in screening the ones it does admit. It has been allowing payment periods to stretch out against the wishes of the majority of aarthis. When and how delayed payments for sales may prevent katcha aarthis from accumulating is a question that requires detailed information on aarthis finances that I did not collect. However, katcha aarthis are obviously disadvantaged by the delay in receiving payment for sales made through them by pakka aarthis. The possibility of using money from the sale of farmer's produce to generate further rents or profits is not open to them when they are paying out to farmers at more or less the same the same rate as they are receiving payment from pakka aarthis. We see therefore that all is not even within the mandi's aarthis themselves and the occupation of particular positions in the market is particularly advantageous for accumulation. Pakka aarthis enjoy a privileged strategic position in the mandi because they are able to make their money investments do more 'work' as payment periods stretch out due to their control of the OGMC[167].

[167] It needs mentioning however that the largest proportion of the cost is borne by farmers. In the face of the problems that delayed payments pose, katcha aarthis can either increase their liquidity and pay farmers closer to when farmers would like to be paid *or* delay payments to farmers so that their cash inflows and outflows are relatively symmetrical in time. Given that farmers inhabit a significantly weaker position vis-à-vis themselves, katcha aarthis of course choose the latter.

Regulating Labour

When I began fieldwork, it struck me almost immediately that everyone referred to the OGMC as the 'mandi committee'. Yet, the OGMC exclusively represents aarthis, not the whole mandi. The more I conversed with mandi actors, the more I noted this incongruity. A little more time revealed that that the discursive conflation of 'the mandi' with the interests of capital reflected the extent of capital's hegemony over labour (and petty traders) in this space. The mandi committee is in fact purposively arrayed against the interests of labour. It fights attempts at unionization, regulates wages below the minimum stipulated by law, and regulates land use to further aarthis interests at the expense of labourers.

Readers may recall from Chapter 1 that labour is principally segmented by type of contract, caste/biraderi, and religion. Permanent labour is almost exclusively Muslim, employed year-round at aaraths, and receives either a percentage of the value of daily sales or payment by bag. During harvest, the contractor amongst them will hire in casual labour on a piecework basis. There is a further division between labourers working for pakka aarthis and those working for katcha aarthis. Christians are mostly in the pay of pakka aarthis and clustered in loading work, a back-breaking job that requires no communication or contact with aaraths while manhandling filled, sealed 89-98kg sacks onto trucks. The 'purity' of the grain is also not compromised by direct contact with 'unclean' hands.

Piece rates for the different types of labour are indicated by the OGMC at the start of every season. At the time of fieldwork, permanent workers were receiving between 0.7% and 0.8% of the value of daily sales against the legally stipulated 1% or were paid by the bag like the rest of the labour force. The piece rate system has been in place since 2003 when the volume of maize in the mandi shot up 130% in two years. The huge expansion in trade attracted a large number of poor, unskilled young men looking for work and labour's position appeared further weakened after the influx[168].

Between 2003 and 2008 permanent workers made sporadic attempts to fight the shift from percentage pay to piece rates. Zamir Khan was one of the many aarthis who switched to paying his labourers Rs. 12 per bag. They protested by refusing to collect their wages for two months, eventually conceding defeat in the third with no change in their contracts. More unusually however, significant collective efforts were made[169]. During the winter maize season of 2005, permanent and casual labour marched together in large numbers on the main Jinnah Road on December

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[168] I spoke to 5 or 6 labourers who had been in the mandi pre-2002/3. They were mostly of the opinion that the maize surge had increased their income but that aarthis had benefited more. All condemned the move from percentage pay to piece rates. Particularly in periods of high prices, aarthis would cut labourers out of the windfall by paying per bag rather than a percentage of sales.

[169] My knowledge of this is based on conversations with two labour leaders I tracked down. The president of the union had been fired and now ran a small tea stall in his neighbourhood. He is not fully mentally well anymore and could not recall many details. He showed me sack after dusty sack of membership forms, unused union letter pads, expired photo ID cards and spoke with a slight slur. The other leader was still working in the mandi and seemed worried about divulging too much information. He avoided talking about specifics, preferring to describe hardships and the near-impossibility of collective action.

11th. A prominent Christian leader of the AMP tenant's movement helped register the mandi's first labour union, Anjuman Mazdoor Paleydaran. He also facilitated contact with the municipal administration and taught the leaders how to write press releases. A large landlord in Okara tehsil – spurred by his dislike for aarthis and probably also hoping to bolster support for his PPP politician brother – lent clandestine monetary support to the union. In 2008, katcha and pakka labour collectively resisted again. During peak season in June, labourers shut down the *boli* and went on strike to demand that aarthis paying piece rate wages not be allowed to sell at the auction. That afternoon, a meeting between labour leaders and the OGMC was hastily arranged at the DMC office. Piece rate contracts are against the law, yet the state regulatory body took a nominally neutral stance, urging the two parties to reach a solution. Unsurprisingly, given their relative strengths, capital was victorious. Labour leaders were told – in no uncertain terms, by both their employers and the OGMC president – that they would lose their jobs if they persisted. Ironically, the Punjab Labour Minister at the time was from Okara. I do not know what his involvement – if any – was beyond a pledge of support.

The OGMC has also arrayed itself against the customary exchange between farmers and labourers. For many years, aarthis have wanted to scrap the *choongi* system. *Choongi* is the practice of farmers giving katcha aarthis labourers a 'tip' of a few kilos of maize after it has been auctioned. In season, the grain thus collected by a single labourer can add up to Rs. 1000-2000 per day, depending on the volume passing through the shop. Labourers sell their collected grain in the evenings to

petty traders who trade in small quantities of dry commodities from makeshift shops set up in the mandi courtyard. The OGMC wants to get rid of petty traders and the *choongi* system altogether to simultaneously free up space and reduce incentives for theft by labour[170]. At the time of fieldwork, the committee had not taken any direct step towards this. Rents for petty traders had been increased but their removal from the premises was much more difficult, and the elimination of *choongi* would necessitate an increase in wages. However, the OGMC was facing increasing pressure from aarthis to act on this issue and it had come under discussion in many meetings.

The class-preferential allocation of scarce space was also evident in the OGMC's plans for the new mandi. I was looking at a map of the proposed layout with Chaudry Ikram's son – now president after his father. One of the things he objected to most vociferously was the 2.75 acre truck stand, donkey cart parking area, cycle stand, canteen, and admin office. 'This should be completely finished. In English they say an empty mind is a… what? Devil's workshop? Empty government land will be a devil's workshop!' Visibly pleased with his quip, he was nonetheless completely serious. I asked what those who bring their produce on donkey carts should do with their carts if they want to avoid blocking the road: 'Leave them outside – is this the time of donkey carts? Even just to get our car up to the shop we have to climb over six people'. The cycle stand and canteen were of direct interest to labourers and a medical dispensary – much wanted by all labourers I spoke to – was completely out

[170] It is very easy to convert stolen grain into cash by selling it at one of the 15 or so petty trading stalls in the mandi.

of the question. One of the leaders of the 2008 agitation spoke of the OGMC president in the following words: 'We call him black (*kaala*)– black from the inside, black from the outside. He looks at labourers as if we are a different race (*nasal*). He treats us like we have no women, no children, like we don't need food or a roof over our heads'. The sentiment speaks for itself. The OGMC has not been kind to labour.

So we see that the OGMC performs a variety of functions while privileging the interests of some aarthis over others and all aarthis over labourers and farmers. Biraderi and economic clout determine control of the association; in turn, this control is used to reinforce the economic position of those at the top. That the presidency has remained unchanged for more than 35 years is indicative of the limits of aarthis collective action. Apart from the fact that the president was politically and economically amongst the strongest in the mandi, the inertia also betrays a real lack of interest in the development of the mandi as a whole. For example, in spite of the fact that storage facilities are severely lacking and bank credit is very costly at 21% annual interest, no efforts at all have been made on either front. None of those who challenged Chaudry Ikram demonstrated a visible commitment to enlarging the set of functions that the OGMC was performing. As we have seen, cooperation has been crucially important and very effective in certain areas. But advantages that could be generated through further cooperation have been lost in the face of limited collective ambition.

We now turn to the federating association that the OGMC is part of. Unlike the latter, this organization plays no role in regulating exchange within mandis. Its sole function is to represent aarthis to the state. In contrast to the OGMC, there is no evidence of domination by some over others. Katcha and pakka aarthis, large and small, have pulled together under its banner because the state has not differentiated between them, thus shaping their response.

The Anjuman Aarthian Punjab (AAP)

The AAP is an apex organization of 204 mandi committees characterized by intense, short-lived bursts of activity[171]. The 16-member executive body of AAP has a minimum of one representative from each administrative division of Punjab, but the presidency has never moved outside of central Punjab. The organization operates on an 'as-needed' basis, and there is no permanent office and therefore no fixed locus of organizational activity.

Over the better part of the last two decades, AAP's revivals have sought to defend aarthis economic interests in the face of state intervention. When interventions have been sectorally specific and only trade in agricultural commodities has been targeted, aarthis have been remarkably successful in pushing back altogether or

[171] My knowledge of AAP and its activities is based on conversations with the AAP president and senior vice president, interviews with two officials at the Federal Bureau of Revenue in Islamabad, and newspaper archives.

indefinitely delaying implementation via the tactic of agitating first and negotiating later. In this tendency to defensive politics, Punjab's aarthis are displaying a widely observed phenomenon as observed in Uttar Pradesh by Richard Fox (1969), across multiple Indian states by Harriss-White (1993) and Harriss (1981, 1990), and in Tehran's well-studied *bazaar* by Anand Keshavarzian (2003)[172].

AAP's activity has – to my knowledge, which stretches no further back than 2000 – always been defensive. In 2003, reconstitution was spurred by opposition to a federal tax on cash withdrawals[173]. AAP had been dormant when the new tax was announced, hence new office-bearers were appointed and demonstrations held in major market towns. An AAP delegation met with finance minister Shaukat Aziz to demand withdrawal of the tax. In 2006, the issue flared up again, and strikes were observed on different days in mandis throughout Punjab. The Okara grain market remained shut for two days in July 2006. The protests were not limited to aarthis – all businesses were affected, yet the state rolled the tax through and has increased it

[172] Keshavarzian notes that in the ferment leading up to the Iranian Revolution, traders' interactions with the state were 'in the spirit of avoidance protest rather than offensive or confrontational' (2003: 234). Contrary to dominant depictions, mobilization was not primarily driven by religious and cultural reasons. Rather, their interests were economic and political. They wanted access to state resources such as credit, licenses, and were responding to the state's crackdown against them, including an anti-profiteering drive in 1975 which put 250,000 traders out of business, and landed 8000 traders in jail. The Shah regime had also raised taxes, tried to curb land speculation, and attempted to fix store hours so that almost every *bazaari* family was touched by this. The resultant protests were emphatic, aimed at protecting status quo against state encroachment.

[173] The tax was to be deducted by the banks on cash withdrawals over Rs. 25,000 at the rate of 0.2% on the entire amount. In season, when the market is flush with money, hundreds of thousands of rupees in cash are passed about in any given aarath. Cheques are also commonly used, but cash is indispensible for the business and farmers are always paid in cash.

so that it now stands at 0.5%. But the two most significant movements of the past two decades occurred in direct opposition to the Punjab government's crackdown on profiteering and a poorly designed and mismanaged change in the tax regime by the federal government. It is to these movements that I now turn.

How to Cow the State

In May 2009, almost 600 aarthis in several districts including Rahim Yar Khan, Bahawalpur, Mianwali, Mandi Bahauddin, and Toba Tek Singh were arrested for creating a shortage of Food Department gunny bags. Although problems in the procurement process are rife every year, 2009 was a 'bumper' crop year with production 10-15% above expected levels. Chief Minister Shahbaz Sharif was widely quoted as promising to buy 'every grain of wheat' that came to market but the crippling shortage of bags, inadequate storage facilities, and pervasive mismanagement made this impossible. Newspapers reported that aarthis and beoparis were grabbing bags through bribery and connections with local procurement centre staff, buying wheat at 5-10% below the minimum support price from farmers, and then selling back to the centres at the minimum support price. Farmers complained about being fleeced, but the alternatives were equally bad or worse and involved either queuing for days at the procurement centres and the staff

cheating them through tampering with weights and measures or not being able to sell their crop at all[174].

The Punjab government's crackdown – unusual in its intensity given that these problems are endemic and surface at every wheat harvest – was likely driven by the large 2-3 million tonne tradeable surplus left over with farmers at the end of the procurement drive[175]. An above-average harvest combined with an inadequate and overstretched public storage system to mean that the state had greater than usual difficulty in lifting all that was brought to market. Larger farmers were able to get bags and sell their grain while those small farmers with marketable surplus suffered the most. By some estimates, 2 million small farmers were left holding their wheat in spite of the government's vow to buy every last grain.

Starting in late April, the Chief Minister took well-publicized disciplinary measures against Punjab Food Department staff in those districts where the crisis was most acute. Public servants accused of corruption were arrested, suspended, and fired and aarthis' storage sites and shops were raided and they were arrested. In immediate response, AAP sprung into action. A meeting was called in Sahiwal, attended by representatives of grain markets from across Punjab. A large protest rally was planned in Gujrat. Gujrat is the hometown of Pervez Elahi, a powerful ex-

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[174] 'See for example 'Middlemen become active: poor farmers being deprived of fair profit', Business Recorder, April 18, 2009, 'Monitoring Teams to Clamp Down on Traders', Dawn, May 26, 2009, and 'Punjab Farmers to Have 2-3 Million Tonnes Surplus', Dawn, May 8, 2009.

[175] Figures as reported in Dawn, Business Recorder, and Pakkisan newspapers.

federal minister and PML-Q Chairman who was in opposition at the time. There had been no arrests in this district, but Elahi agreed to support the protest on his turf in a mutually advantageous strategic partnership. However, the PML-N leadership capitulated sooner than expected. According to AAP's senior vice-president, matters were resolved in an emergency meeting called by the 'very worried' Punjab food minister in which a 10-member delegation of AAP met with senior Punjab government officials the day before the rally was scheduled. 463 men were released that night, with the rest released the next day. The rally went ahead, but as an organizational gathering that reinforced solidarity and celebrated its own strength rather than a protest demonstration. Newspapers reported the AAP President's statement that representatives from 103 grain markets in Punjab participated in the rally (although this is likely to be an inflated figure and could not be verified against other accounts).

The next resurgence took place 2 years later in January 2011, in response to the levy of a new federal tax on trade. The Federal Bureau of Revenue (FBR) is Pakistan's inordinately powerful central fiscal authority. It has the legal mandate to formulate and put into effect tax rules without parliamentary approval. Parliament rarely deliberates on anything except the most controversial tax issues; instead, the FBR makes extensive use of Statutory Regulatory Orders (SRO's) to enact rules on its own authority. SRO's are issued at the discretion of the Finance Minister and/or

senior FBR bureaucrats and are the established method of notifying new taxes, exemptions, rates, etc[176].

In late 2010, the FBR autonomously tweaked the Income Tax Ordinance 2001 to bring agricultural produce traders into the tax net. According to the new rules, buyers of agricultural commodities were now required to deduct 3.5% of the sale price when making payments to anyone but the growers of the produce themselves. The FBR would then collect this sum as a withholding tax. All traders with an annual turnover of more than Rs. 50 million were subject to this law; in Okara's mandi, this meant everyone. But the new rule was based on a critically flawed premise: it assumed all aarthis were *owners* of the lots they were selling, whereas for the vast majority of katcha aarthis and some pakka aarthis too, 3.5% of the value of lots was more than three times what they were legally mandated to earn.

It is not entirely clear why the FBR took this step at this time. An official of the withholding tax department in Islamabad, speaking on the condition of anonymity, claimed it was the result of his 'personal efforts'. Horrified by the scale of tax evasion revealed in a survey conducted in Gujranwala mandi on his watch, he had been campaigning within the FBR to amend the law for many years. The opposition came from those ranked higher than him who feared the reaction of mobilized, well-

[176] By 2013, the FBR had issued almost 4500 SRO's in total, and exemptions alone for the fiscal year 2013-14 were estimated at Rs. 477 billion ($4.7 billion), i.e. 26% of tax revenue collected in 2013-2014. See 'Suffering the Loss: Tax Exemptions Wipe 477 Billion Off Country's Revenues', Express Tribune, June 3, 2014 and 'Battle against SRO culture', Dawn, January 13, 2013

heeled traders, but transfers at the top had recently yielded a member supportive of the initiative. Another FBR official spoke of the difficulty of meeting annual revenue targets and the pressure and psychological stress of their jobs. The culture of exemptions, favours, and political interference within the bureaucracy, coupled with the exemption of agriculture from federal taxation, and the scale of evasion and fraud on the part of Pakistani businessmen, made revenue collection very difficult. Taxing agricultural produce traders was a way to remain within the bounds of legality while simultaneously increasing revenue, and now there was support for this measure at the top[177].

The reaction however, was immediate. The new rules went into effect during cotton ginning season in January 2011 and ginning factories – themselves reluctant to incur extra administrative and accounting costs and invite scrutiny by tax authorities – were made the private collecting authorities[178]. Aarthis in the southern districts responded by ceasing all sales of cotton to them. What ensued was a display of concerted, organized power. Starting in Bahawalpur, AAP announced a province-wide strike. On January 11th, mandis across Punjab began shutting down in an unprecedented action that lasted 18 days. AAP office-bearers went town to town, sometimes addressing as many as 6 rallies a day. GT Road, a major transport artery running through the country from north to south, was blocked multiple times. DMC offices were bolted from the outside, aarthis ceased paying market fees, and DMC

[177] I was unable to interview the member that both officials cited as sympathetic – it would have been interesting to know why his stance differed from his predecessors.
[178] Ginners were asked to deduct 3.5 percent tax while purchasing cotton from traders and hand that over to the state.

staff were intimidated into hiding. In short, Punjab's small-town economy and its hinterlands were thoroughly disrupted. The intensity of the protest was unprecedented – not since the unrest of 1977 had mandis witnessed such widespread and continuous agitation.

Negotiations with the FBR began a few days after the first strikes. In meetings, AAP representatives demanded recognition as commission agents. According to an existing tax rule, commission agents were liable to pay 10% of commission as tax[179]. AAP argued that this was the tax law applicable to them and promised that all aarthis would obtain National Tax Numbers within 3 years and begin paying tax. FBR officials however, were reluctant to concede commission agent status. In my interviews with FBR officials two years after these events, their disbelief that these 'criminals [sic]' were mostly commission agents persisted. Indeed, one of the bureaucrats interviewed prefaced his remarks with: 'I have a very strong opinion of [aarthis], and if you disagree with me, you will not be able to convince me. They are criminals'. He told me that I had been misled into believing that they many of them did not assume ownership of produce passing through the mandis.

Aarthis' resistance was dramatic and incredibly well-organized. The AAP president recalled what he held to be the turning point in negotiations. On the 26th of January, two weeks into the movement, an AAP delegation was in a meeting at the FBR in

[179] Section 233 of the 2001 Income Tax Ordinance states that persons receiving brokerage or commission must have 10% of the brokerage or commissions deducted at the time of payment.

Islamabad. Every half hour, one mandi was shutting down and they were receiving phone calls confirming this. 4 mandis in Sindh and 1 in Khyber Pakhtunkhwa also shut down. By 12:30 that afternoon, 3 towns were in chaos, traffic was blocked, and the FBR's Member Withholding was forced to concede that 'something' needed to be done. 'Something' equated to the new rule remaining valid but unenforced for 3 years, and the FBR would institute a mechanism by which commission agents could identify themselves and therefore be liable under Section 233 rather than the new rule. Aarthis had won the battle for now, but many remained concerned, likening the continued validity of the FBR's measure to a sword hanging over their necks. And it was clear that *all* aarthis – including those whose account books clearly demonstrated non-ownership of the lots auctioned through them – would resist all attempts by the state to document their businesses and therefore not cooperate with the provisions of Section 233, even if – as in the words of an AAP office-bearer – 'this is a small tax for us'.

The absence of politically powerful persons in the 2011 aarthi movement was noticeable. Local MPA's and MNA's were mobilized only to a limited extent. That the two largest parties of the PML-N and PPP were in provincial and federal government respectively surely played a part. But, as explicitly stated by those at the helm of their associations, so did the determination not to weaken the movement by involving biraderi, faction and personal allegiances. While most traders are PML-N supporters, their links with rivals within the party or in town politics would necessarily create fissures. Seemingly, consciousness of their

interests as a group was strong enough for aarthis to confront the state on their own, and the absence of arrests or police action during the movement further reduced the need to involve political brokers. The Pakistani police is known to operate at the behest of political power and selective application of the law is a widely-used weapon by which to punish or weaken opponents. If the police had obstructed or clamped down on the protests, the surest way to challenge this would have been through incumbent politicians. As we saw, in 2009 AAP responded to the widespread arrests by accessing the highest echelons of the Punjab Government in Lahore through personal ties, political strategizing, and a credible threat of disruptive street action. Not surprisingly, the AAP president is an advocate of democracy for the reason that such recourse is possible. I reproduce a lengthy quote from him to illustrate his reasoning:

> 'Democracy [is better for us]. This is my personal opinion, but we've also had many debates on this within ourselves in the Anjuman. We've lived through both, and in a military regime meeting a *fauji* (military officer) is like you're going to see God. They are locked away, we can't reach them without a huge effort. The time has to be fixed exactly, there's so much checking, and then you have to plead. And these days, with the security, we could never meet them. With a political government, it's easy for us. Round up 5-10 MNA's, MPA's, and we've got a meeting with whoever's in charge. Doesn't mean we always win, but for us, democracy is a ladder. The DMC's also behave differently during a military government, they are more aggressive. With a political government, we are more comfortable'.

Democracy as a ladder for organized groups wishing to assert themselves in the arenas of policy-making and/or policy-implementation is of course not a novel concept. However the fact that the Punjabi intermediate classes have been finding

the system of electoral democracy useful is unlikely to render them antagonistic to military rule. As we have noted throughout this thesis, the intermediate classes have turned to political parties and political leaders and launched political careers themselves to broker access to the state. But given the military's recognition of their political importance and the time-tested extension of patronage through local governments and carefully-managed 'democracy' as during Musharraf, it is unlikely that intermediate capital will face any serious existential threats from that quarter.

Conclusion

This chapter makes four main points. Firstly, the mandi association is an oligarchy in which the wealthiest and most powerful aarthis retain control of the organization. They use this to maintain non-action in the face of widespread discontent and to further the interests of a small minority of already-powerful aarthis. Class power interacts with biraderi to create a stable order of domination, upheld by the association. Secondly, the mandi association effectively dominates labour and petty trade and subordinates their interests. Thirdly, it substitutes its own regulative order in lieu of the state's. Biraderi and class play an important role in the construction of this order, contributing to the stability necessary for accumulation. Fourthly, collective interest articulation vis-à-vis the state is fundamentally defensive. Aarthis are a powerful, organized force when they mobilize collectively, but their power is limited to resisting impositions on already-existing ways of doing

things. Interestingly, in confronting a powerful external actor – the state – they prefer to mobilize on their own power rather than involve politicians that might compromise their unity. This is an intriguing departure from their normal mode of operation we have seen so far and indicates that they are capable of closing ranks when threatened and establishing themselves more solidly as an independent *political* force.

In many of these facets, Punjabi aarthis politics mirror features of mercantile groups studied elsewhere. Harriss-White's (1981, 1990, 1993) studies of grain traders' collective action in India more than 20 years ago observed that trader's associations arose either in response to state regulation, to compensate for the absence of state regulation, to act as counterweights to labour unionization, or – more commonly – as a mixture of all three. Regional variations were significant, but useful generalization across them was possible. She found that traders rarely mobilized when policy was formulated, instead focusing their efforts on the process of policy implementation. They lobbied the local state, adopting stances ranging from confrontation to cooperation, persuasion, and bribery depending on the circumstances. These efforts did not benefit all members equally, nor were they intended to because as she notes: 'mercantile politics has at its centre the defense of the oligopoly' (1993: 56).

Analysis of aarthis' collective organization also brings to light the relationship between different parts of the state. Both local state bodies such as the DMC and the

powerful national FBR appeared unable to resist political elites and the collective organized force of traders. The number and value of exemptions granted by the FBR indicate the extent to which it is proscribed by the politics of patronage. It is obviously not a zero-sum game though – as we have seen in previous chapters, bureaucrats benefit from bending the rules, granting favours, and choosing to look the other way when the law is flouted and relationships with senior bureacrats at any level are considered an important asset for politicains and capitalists alike. But it is indisputable that the Pakistani state is characterized by fragmentation and the erosion of a rule-based order today. In part, this is due to the fact that the rural-commercial capitalists and their urban counterparts whose equally dramatic protests this thesis described in the beginning have definitively created a space for themselves in the political arena. They are now a force that all political actors must reckon with, and operate in ways that I sum up in the next and final chapter.

Conclusion

This thesis describes the strategies of accumulation of a fraction of Pakistan's multitudinous intermediate classes. Understood as a loose coalition lying midway between corporate capital and the masses of the laboring poor, the intermediate classes are a broad category that includes the self-employed, small farmers, family-managed capital employing wage labour, and bureaucrats using their access to the state for private gain and also thus considered self-employed (Harriss-White 2003, Kalecki 1972). In this thesis, I have focused on one fraction of the intermediate classes: rural commercial capitalists, and zooming even further in, on agricultural traders, or *aarthis*. Poised at the point where rural and urban meet in a nexus of custom and contract, *aarthis* appeared in these pages as economic and political agents meditating agricultural producers' interaction with wider society and economy. In asking how they conducted themselves with exchange partners above, below and alongside themselves, I explored the sustenance of unequal social and economic power in a rapidly urbanizing society where people are increasingly interdependent but on terms over which they have highly differential control. Identifying and disentangling the various elements of this differential capacity to exercise control is ultimately what drives the thesis. Pakistan is plagued with poverty, rampant inequality, and violence and Punjab – despite its status as the rich heartland – is riven with class and non-class hierarchies. It may be impossible, and perhaps even undesirable, to eliminate power altogether, but a more equitable

distribution of the capacity to determine the individual and collective conditions of one's existence remains an urgent political goal.

It is with this goal in mind that I embarked on my research and sought to understand the operation of power by studying *aarthis'* accumulation strategies. Two reasons compelled a focus on markets: first, markets of all types are now of central importance in people's lives and play a critical role in producing and sustaining inequality across Pakistan, rural and urban. They are living symbols of our interdependence, systems linking individuals across the globe on highly unequal terms. And yet despite their ubiquity – or perhaps precisely because of it – they are doxic institutions, forming part of the received social landscape and rarely viewed in power-political terms unless they start to encroach on domains where calculation and instrumentality are still culturally abhorrent. Second, markets are where Pakistan's vocal, visible, and politically important intermediate classes thrive. As the economy has become increasingly service-oriented, commerce has become more important. The services sector has been growing at a faster rate than commodity producing sectors of the economy for at least the last ten years (Economic Survey 2014-2015) and the nature of growth – fragmented and multiplicatory rather than large-scale and concentrated – reflects the fact that large numbers of those with some capital and the requisite skills and networks have found a foothold for themselves here in areas both rural and urban. How does this large group reproduce itself? And what implications does this have for the culture of business and politics?

Focusing on agricultural markets specifically offered the opportunity to study the rural-urban interface and see how agriculture and the rural linked up to wider structures. As the introduction to this thesis noted, agriculture continues to employ the largest share of the labour force and the country is dependent on it for food, employment, and raw materials. Neither agriculture nor the rural exist separate from the rest of Pakistan, but the relations tying them together are not well understood. They are also changing, rapidly. As Qadeer puts it, the 'urbanization of everybody' (2007: 81) is definitively underway. Through its empirical focus on traders in a town of 500,000 that was a small village less than a hundred years ago, this thesis sought to unearth some of the organizing principles of collective economic and political life in a society undergoing rapid transition.

The thesis began by asking two central questions: which institutions regulate exchange in the vast informal or non-corporate economy and how do they do this? Secondly, how do traders 'fit' into the existing balance of power and what is the nature of their conflict and cooperation with other social forces? In what follows, I present a summary of the main arguments made in this thesis and reflect on their implications for understanding power in Pakistan today.

System and Lifeworld in Markets

I have argued throughout this thesis that participation in market exchange is not without consequence for individuals' objective social position and that the concrete form that markets take and the positioning of agents inside these markets are important empirical questions.

The primary argument I make in this regard is that surplus appropriation in markets proceeds through a combination of identity-specific and identity-blind processes operating in and through the state, social institutions, associations, and the existing distribution of economic capital or market structure. In Punjab, the logic of capital reproducing itself in a competitive environment and bureaucratically-mediated state regulative policy interacts continuously with the personalized institutional logics of caste/biraderi, family, friendship, locality, and patronage. System forces impervious to identity operate in the mandi alongside those that depend for their very existence on personalization. Conceiving of markets and power in this way takes on board both the concerns of political economy and those emanating from the cultural turn in social theory and is useful because overlapping processes frequently cause confusion and it is often unclear which systems or ideologies are producing the observable effects and outcomes that scholars seek to analyze. Liberal commentators (eg: Lieven 2011) frequently decry terrorism, biraderism, 'feudalism', and corruption as sources of violence, inequality, and poverty while capitalism and market forces receive rare mention. The Pakistani left

and Marxist scholarship on Pakistan (eg: Gardezi and Rashid 1983) meanwhile have historically focused heavily on the latter two, and activists have hoped that class identity would prevail over identities of caste/biraderi, ethnicity, and religion without acknowledging the real effects that these ideologies have on subject formation, the extent to which they are not simply reflections of the economic base, and critically, the extent to which they are compatible with capitalist production and exchange.

I have presented evidence of system forces in action in this thesis. Reviewing the history of the formation of the rural-commercial capitalist fraction (Chapter 4), it was clear that colonial and post-colonial state policy along with the structural imperatives of capital played a major role in middling cultivators becoming a diversified economic and, some decades later, political force (the latter when this class sought to assert itself in the face of the first existential threat it was faced with). Dependence on the market was intensified by India's insertion into the global economy and colonial revenue demands; Punjab's class structure was radically transformed by colonial state policy; the implementation of the Land Alienation Act and its knock-on effects gave rise to a class of money-lending Muslim agriculturalists. The Green Revolution disproportionately benefited medium and large landholders; and the search for political allies by a weak centre from Ayub Khan onwards, interrupted only by the fight back to defend themselves against Bhutto, together birthed and nurtured the rural-commercial fraction of the intermediate classes this thesis is concerned with. These processes were identity-

blind to the extent that they operated according to formal, limited rules impervious to negotiation by individuals and with effects that could be negotiated only to limited extent.

Zooming into the *mandi* of the 1990's, Chapter 5 showed technological changes and increases in the real costs of crop production without an equal increase in prices pushing/luring some out of agriculture and increasing the need for credit amongst those who remained. Access to formal credit was limited by the need for collateral and literacy. Hence *aarthis* and input dealers providing more costly credit experienced growth in numbers and in the volume of their business. We noted that *katchi* attrition rates were high in the *mandi* at this time as the cost of doing business rose and competition between *aaraths* also grew – *aarthis* had to ensure their financial sustainability or face business failure. Again, this was an unavoidable reality confronting all *aarthis* regardless of whether they were big or small, rich in social-symbolic capital or not. This reality was generated by the aggregate action of individuals who would never meet in their lifetimes yet whose actions were laced together and steered by systems that had a distinct logic of their own.

I also demonstrated that forces that had little to do with farmers or *aarthis*' particular social identities were at work during the *boli* (auction). Feed mills and factories need to procure maize in response to demand emanating from poultry farms and consumer activity. High tariffs set by the state make it cost ineffective for them to import maize and so licensed *aarthis* buy up farmers' lots in the *mandi*

every day and truck them out to these mills and factories. The *mandi* generates its own identity-blind pressures too: we observed that the *pakki*-dominated mandi committee actively sought to restrict the number of buyers at the auction in order to prevent prices from rising too much and that the auctioneer's status as an employee of the *mandi* committee meant that it was not in his strategic interest to maintain neutrality between buyers and farmers during the *boli* (Chapters 6 and 8). Shared values and norms play no obvious role in these processes and strategic calculation geared towards survival and profit-making dominates. The state also operates (albeit predominantly at the point of policy formation rather than implementation) according to a similarly formal rationality with the effect that state action such as tariff setting and licensing in our example here is routinized and formalized and circumscribed by organizational rules rather than social norms and values.

The system forces described as being at work inside and outside the mandi are always impacting on a highly differentiated and identity-sensitive context. What they produce is therefore never socially neutral. I found that customary institutions of caste, *biraderi*, family, and locality persist and regulate production and exchange in Okara in several ways. I observed them supporting accumulation by limiting competition, barring entry to certain offices and niches in the market, and regulating contracts. For instance, it is striking to see how strongly family structures accumulation in the mandi. Only 20% of aaraths are extra-familial partnerships; the rest are family-owned or self-owned, but 'self' frequently means that a son/brother alone handles the business while continuing to contribute to the joint family

household because more than three quarters of aarthis reside in joint family homes. Nadvi's research on Sialkot's surgical instruments cluster demonstrated family to be a strong unit of organization. 'Business is family and family is business' in Sialkot (1999:171) he concluded. To borrow a metaphor from Gordon White who describes the firm as 'a combat unit' (1993:7), we may think of the patriarchal family as a tank in the battlefield of surplus accumulation, equipped with the organization, coordination, and ability to withstand challenge in the struggle to appropriate.

Other customary institutions have also adapted to competitive conditions. For instance, only two *biraderis* have occupied the top rungs of the *mandi* association for the last 35 years and associational politics is conducted in the idiom of *biraderi* (Chapter 8). Sheikhs – belonging to one of the few Muslim trading castes in pre-partition India – are only 13% of the *katchi* population but are concentrated heavily at the top end of the size spectrum and well-known to be the most financially self-sufficient in the business. They rely on family and extended *biraderi* ties to maintain their liquidity and networks and have successfully navigated the changes of the last two decades using these institutions. For other *aarthis* too, extended *biraderi* ties, family, and locality are vital as they chase their debtors all over the countryside, using the threat of shaming and social sanction to good effect. We saw that knowledge of a farmer's *biraderi* was important to an aarthi *not* because of the values it inflected but because competitive pressures and the logic of profitability impelled *aarthis* to lend to those whom they could be assured of recovering loans from (Chapter 6). In short, they used the institution of *biraderi* as a means by which

to exploit their clients in money terms; it was the *economic consequences* of *biraderi* that mattered here, not *biraderi* per se. Caste/*biraderi* also segments the *mandi's* labour market such that those lowest in the hierarchy – Changars, Mussalis and Christians (who almost always hail from the lowest castes) – are clustered in the most physically arduous, hazardous, and least well-remunerated manual work that takes place in the courtyard away from the *aaraths*. Again, this makes economic sense as the logic of profitability seizes on existing differences in status. It could be that low caste groups are concentrated in this work because of their low social status and persistence of notions of ritual pollution (indicated by the lack of commensality between aarthis and low caste labour and Christians) but it is likely that their concentration is mostly a consequence of the interweaving of the drive to accumulation with existing patterns of inequality.

So class and caste/*biraderi* continue to overlap strongly in Okara. Both within the *mandi* and in the town, despite some loosening as evidenced in the rise of *kammi* biraderis such as Maliks and Rehmanis (Chapter 7), the historically dominant agricultural *biraderis* of Arains and Rajputs and 'landed gentry' such as the Syeds of Renala and Dipalpur continue to exercise disproportionate social, party-political and economic power. Those who now call themselves Maliks in Okara are originally of the Teyli (oilmakers) caste, just as Rehmanis are formerly Kumhars (potters), but despite their improved class position – evidenced by their ownership of retail and wholesale businesses in town and big houses in some of the best neighbourhoods –

they are mocked[180] and not considered social equals by dominant *biraderis.* There has also not yet been a *kammi* caste member elected to district, provincial, or national seats in Okara's city constituencies. Unlike in India, lower caste politics has not evolved as a distinct mode of political articulation in Pakistan and these groups are therefore denied the state access that such politics have offered their counterparts across the border (see for example Witsoe 2013). What avenues they rely on for upward advancement is a question to be investigated, but we can be sure that patronage – that reciprocal trade of favours characterizing almost every long-term extra-familial relationship in Pakistan – will be flowing along these avenues.

Patronage is the most pervasive identity-specific institution to emerge from my analysis. Existentially dependent on personalization, the ideology and practice of patronage wraps itself around each of the institutions that the thesis identified as important in determining the balance of power in Okara. Patronage clearly pervades and sustains institutions such as *biraderi* and the state and is instantiated through an enormous range of practices. From the perspective of my interest in domination, I demonstrated patronage in practice as aarthis cultivated links 'up' and 'across' with state officials and politicians and other big men. Relationships 'down' were maintained too: guarantors, friends, extended *biraderi* members, residents of different localities. Politicians and state officials were shown to behave similarly. These relationships were put to use in several ways by *aarthis*: to evade taxation,

[180] It is common to hear phrases such as '*kammis* have become kings', 'I worked like a *kammi*' (i.e. worked really hard), 'yes he's got [money, kids abroad, contacts…], but he's still a *kammi'*, etc. There is little room for ambiguity in these phrases about what the speakers' think about *kammis.*

influence state decisions on land use and grab properties, avoid legal action, recover debts, etc. He who is not vertically connected up and across – and of course in politicians' case also down – cannot survive, much less grow in this environment.

The state is a central institution in the present account and appears to be 'captured' by powerful groups using it for private economic and social-symbolic benefit. In light of theoretical work on the state as a strategic relation and the literature on the everyday state, I conclude that this is neither unexpected nor does it lead to the conclusion that 'the Pakistani state is insignificant' (Lyon 2002: 203). Lyon's argument is that because the state is heavily permeated by particularist interests and not able to foster economic growth, security, and stability for all it is therefore perceived by most Pakistanis to be weak and ineffectual. This is also a common understanding amongst liberal analysts in Pakistan and abroad[181]. However, the evidence presented in this thesis shows the state articulating with other institutions – parties, factions, associations, family, *biraderi* – while being far from insignificant. Indeed, all roads seem to lead to the state: *aarthis*, *pirs*, the industrialist Neymat family, seed dealers, association office-bearers, and the many others we encountered are all keen to establish privileged access to the state. It is the most resourced institution of all, wields enormous coercive power, enjoys some degree of legitimacy as a centralized institution charged with the public interest, and channels conflict and a great deal of economic, social, and cultural activity through itself. It is

[181] See for example the op-ed by Rafia Zakria, 'Fiction of the Failed State', *Dawn*, Aug 06 2014 to get a sense of how widespread the discourse of 'state failure' is amongst those writing about Pakistan, particularly foreign analysts.

obviously not a neutral arbiter of interests, nor the 'executive committee of the bourgeoisie' and therefore a mere front for capital, and it also does not appear to be a fully autonomous actor with discrete interests of its own.

The state is arguably the most important locus of patronage but patronage of course operates outside of it too. My main argument concerning patronage and its role in accumulation supports the claim made by Akhtar (2008) that patronage – or what he calls, after Gramsci, the politics of common sense – shores up the power of the already-dominant, entrenching the hierarchical order by ensuring a minimal degree of redistribution that makes it possible for exploitation to continue. My argument rests on two observations: first, through analysis of contrasting case studies of aarthis directly involved in politics, I noted that both business and politics suffered when an aarthi's political clients were also the same individuals he did business with (Chapter 7). Clients and supporters expected to be treated well – in this case, equating to not paying market rates on inputs and receiving economic concessions – by their leaders and patrons. When business and political client bases overlapped therefore, a dilemma ensued for the *aarthi* as he sought to appear selfless and generous while also accumulating enough to sustain his positon as provider and benefactor. In our example Chairman was unable to sustain the financial health of his aarath and had become less popular with those who did business with him because of this conflict. This lends credence to the argument that patronage depends for its very existence on inequality and that this inequality is sustained through market relations. The thin blanket of legitimacy protecting domination falls

away when directly confronted by the conditions of its existence and expected minimal redistribution is not forthcoming.

I also suggested that relatively dominant actors and those who were weaker interpreted the behaviour of their patrons differently. Whereas the former assessed their patrons in instrumental terms, the latter attributed moral qualities to them. More research is needed to establish this conclusively, but if it is the case that this is so, then I believe that it further illustrates the legitimization function of patronage, making domination and exploitation – or hegemony – palatable to those who are most oppressed by providing them with minimal benefits such that, to quote Eagleton, 'they may come to invest in their own unhappiness'. 'It is because being oppressed sometimes brings with it some slim bonuses' he continues, 'that we are occasionally prepared to put up with it. The most efficient oppressor is the one who persuades his underlings to love, desire, and identify with his power and any practices of political emancipation thus involves that most difficult of all forms of liberation, freeing ourselves from ourselves' (1991: xiii). It is impossible to remain ambivalent in the face of this; patronage may be the best bet that the subordinate have right now, but this does not make it normatively acceptable.

Looked at from a different angle, the conflict between institutions and ideologies relying on personalization and the system-driven imperatives of accumulation also needs further exploration in order to render visible the *drain* effected on accumulated surplus by 'local solidarities of necessity' (Weiss 1991:22). I noted that

some aarthis did not do business in their localities and many did not want to lend money to close family members. Further, it is an intriguing fact that Arshad sahib cut off ties with his extended family and *biraderi* after making it big in the mandi. According to his wife, he did this because 'it's not easy being rich. Everyone thinks we can't ever have any problems because we have so much money. All relationships become instrumental (*matlab ke*) when you're rich – we don't know if people are just being nice to us because they want something from us tomorrow'. Recall that Arshad sahib was from a petty-trading *kammi* background, hence his extended *biraderi* network and family was probably significantly poorer than him now. The implication of his willed distancing along with the other examples marked is that the 'thickness' of social ties exerts redistributive pressures inhibiting accumulation to some extent (cf. Clough 2014). This thesis focused on the supportive functions of customary institutions and ideologies in the accumulation process, but it remains an important task to investigate how these same institutions and ideologies are involved in redistribution. All fractions of the intermediate classes are lower to the ground than the elite business classes and have emerged from the ranks of small and middling-sized agriculturalists, petty traders and producers, and labour. Their origins mean that they maintain closer links with the poor. Investigating how, to what extent, and to what effect redistribution takes place would therefore help us understand more about the durability of/chinks in domination and shed further light on the political role of the intermediate classes.

The Rural-Commercial Classes

The class analysis presented in this thesis is likely to tax orthodox Marxist because I have not tried to distinguish the interests of the rural-commercial classes from those above and below them. We heard both Aijaz Ahmed and Hamza Alavi (Chapter 2) argue that class in their view rides on whether the groups identified as distinct have interests that differ substantively enough from each other to prompt resistance. I do not disagree with this. Class *is* about contradictory interests within the process of accumulation. And although there is evidence from India (eg: Jha 1980, Harriss-White 2003: 56-57) that differences of scale can and do create contradictory interests, I did not undertake their delineation in this thesis. *Aarthis* are firmly opposed to the entry of the big retail chains that would seek to eliminate their role by directly contracting medium and large farmers to produce for them, but they are also profiting tremendously by retailing multinational products and borrowing from banks in order to lend on to those whom banks do not want to risk lending to. They are of course interested in higher crop prices because their commission is directly linked to them, and in this they differ from labour and small producers who are net purchasers of food. But any systematic investigation of this would be a study in and of itself. Instead, I have argued for retaining the concept of the intermediate classes – and rural commercial capitalists as belonging to them – for empirical reasons and distinguished them from other fractions of capital using the Kaleckian criteria of scale and mode of accumulation.

As readers have seen, both *aarthis* and the other capitalists of Okara this thesis considers are a highly heterogeneous bunch. Ranging from the Neymat family and Arshad sahib at the top end of those we encountered to Chairman and Haji at the bottom, the differences in social-symbolic and economic capital between members are huge. Yet despite these differences, there are two important characteristics that unite and distinguish the intermediate classes from large capital based in the metropolises. The biggest distinguishing feature lies in the set of choices available to the two as they struggle to accumulate. Big business has historically relied heavily on friendships with senior Pakistani bureaucrats, military officers, and politicians, using these relationships to procure licenses, avoid regulation, and otherwise clear paths for accumulation (Kochaneck 1983). These friendships are formed through attending the same schools, socialization at private parties, marriage, and the exchange of gifts and favours (Armytage 2015). Participation in this elite circle however, is strictly invitation-only. The barriers to entry are certainly economic, but perhaps even more than that, they are cultural. The intermediate classes operate on a smaller scale than those sipping whisky-*paani* in the plush living rooms of Lahore, Karachi, and Islamabad but critically, they are also not fluent English-speakers and do not share in the liberal social and cultural norms and distinctions of the metropolitan elite. Riaz-ul-Haq and Arif Chaudry – the Okara MNA's we encountered in Chapter 7 with substantial agro-industrial and commercial assets – cannot hope to penetrate this exclusive intimacy yet. They get a little closer with every generation as their families move to the cities, attend prestigious schools, and acquire the necessary symbolic capital, but the private parties of Pakistan's richest

and most powerful described by Armytage where information is traded, deals are struck, and a sense of community forged are out of their reach. Consequently, they along with smaller players like Zamir Khan rely on other means: direct entry into electoral politics, associational power (recall that the agro-industrialist Neymat family had the presidency of the Okara Chamber of Commerce and the Presidency of the fruit and vegetable aarthi association), instrumental friendships with other local and provincial elites, and the thick ties of caste/*biraderi*, family, and locality that reach into the countryside and make possible the accumulation of both social-symbolic and economic capital. In other words, their mode of accumulation is *political* rather than economic. Political resources generated by direct (running for office) and indirect (funding and strategic friendships) participation in the electoral sphere, leadership of and participation in trade associations, and personal relationships with well-placed individuals in the local state make possible economic resources, not the other way around as is the case for big business.

A word about this is in order, for the consequences are significant and do not bode well for democracy and any move towards a more egalitarian order. Chapters 4 and 7 showed *aarthis* displaying remarkable equanimity in the face of both military and democratic regimes. Looking at their history we saw why this was so: since the 1960's, with the exception of the Bhutto period, landowners, traders, and the agro-commercial and agro-industrial capitalists in small towns and cities have been actively courted by generals and political parties alike. Three rounds of military-initiated devolution gave the rural-commercial classes a leg up and cut into the

position of landed classes, who have also historically sustained themselves through politics and whose continuing economic and political importance is a reward for cooperation with authoritarian regimes. But as a fragile authoritarian centre without popular roots has time and again sought to shore up support for itself below, small capital – along with the *ulema* – has proved a reliable *new* ally in return for more direct access to the state's capacities and resources. Their attractiveness to military regimes and military-allied political parties has lay in their connection to rural vote banks through *biraderi*, faction, and locality and their ability to mount a challenge to traditional rural elites. They have also demonstrated their willingness to fund and invest in *individual* electoral candidates, thereby reducing the need for political parties to finance elections.

Single-minded focus on individual advancement has all but emptied the electoral realm of meaningful possibilities for reform. Chapter 7 showed ideological contestation to be completely absent in Okara. In recent elections the PML-N, PTI, and PPP have all drawn from the same pool of landed elite, agro-commercial and agro-industrial families, and the electoral fight is between patronage-based factions that have no qualms about shifting party allegiances if it affords them a better deal. A recent trend reflecting the consolidation of this logic is the rise of independent candidatures: in the 2013 general election, almost 3,000 independent candidates entered themselves into the contest, twice as many as in the preceding two elections combined. In Punjab alone, these independents garnered 6 million votes, or nearly a

million more than the PML-N's main competitor in the province, the PTI[182]. Successful independents inevitably join the ruling party as we saw Riaz-ul-Haq do in Okara and their faction feeds on the windfalls of incumbency.

Last but not least, this study of *aarthis* has demonstrated that economic and political power in urban Punjab is closely linked to the rural in ways that have important consequences for both the town and its hinterland. 90% of the mandi's *aarthis* live in Okara city and many of them indirectly or directly participate in provincial and national politics. Large *aarthis* and those closely tied to rural vote banks always maintain some kind of patronage-based informal relationship with urban constituency politicians and sometimes with big men in Lahore and Islamabad as well. Yet their power relies on surplus appropriation from the rural agricultural hinterland, and the mechanisms of this appropriation are firmly rooted in institutions structuring rural society.

That this strongly impacts the nature of rural development is a logical corollary of the analysis presented in this thesis and one that needs much more attention in policymaking circles. We saw that diversification is common now, and that diversification out of agricultural production is the preferred direction using profits generated either by trading in agricultural commodities or through crop production itself. The urban is leaching the rural by shifting profits away from where they are

[182] Tahir Mehdi, 'Rise of the No-Party', Dawn, October 30, 2015.

produced and inequality and domination therefore takes on a *spatial* dimension in addition to the social.

It also affects the character of urban development as the rural reaches into the urban. Okara is a town of 500,000 but public service provision is abysmally low and only reliably accessed through personalized networks or the oiling of palms. But urban life – much more so than rural – is dependent on a vast network of public goods and stable collective institutional arrangements. An urban environment in which all residents' needs are met requires recognition of our 'sameness' or commitment to what Fraser (1995) calls the politics of distribution premised on egalitarian principles. Cooperation across vertical and horizontal differences and bureaucratic procedures and processes resistant to personalization are vital. Does the operation of the identity-sensitive customary institutions and ideologies that this thesis has documented and their interaction with the system-forces of global capitalism inhibit the development of this cooperation? Absolutely, for we have seen in this thesis how these customary institutions support accumulation and there is evidence (Akhtar 2011) of the large extent to which the informal economy, intimately linked to the formal, relies on the organization and exploitation of labour through patronage that flows through channels of ethnicity, caste/biraderi, locality, and family. The organization of urban economic life depends on them, but they also appear to be blocking the way to a politics of solidarity and 'sameness' that could shift power away from where it is currently concentrated. How would the functions performed by these institutions need to shift in order to be compatible with an

urban order that prioritized the flourishing of all, not just some? Further research is needed on how these institutions inflect power within state offices, markets, neighbourhoods, and urban political life, and because research is never any use lying on a shelf, it must then put itself in conversation with political actors who are seeking to – or have the mandate to – effect change.

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