

CREDIT RELATIONS IN NEPAL: A PRELIMINARY REPORT ON THE KHATSARA AND MANANGE *KIDU* SYSTEMS

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While the cultural and religious importance of mutual help institutions has been emphasized by scholars of Nepalese culture, the socioeconomic aspects of such institutions and systems have only in a few instances received broad recognition. Any deficiency of information on the subject has become more crucial nowadays, since the economic development of Nepal has come to terms with an ever growing demand for goods and services in various domains of the economy. A change in the attitude and organization of development institutions towards accepting a broader involvement and responsibility of the people themselves has been effected in some cases already. Among credit organizations however, there remains a tendency to introduce models of credit and banking that are external to the culture they are servicing (cf. Rankin 1996:396), notwithstanding the fact that saving and credit "cooperatives" have also been founded by the people themselves after the introduction of the Cooperative Act in 1992 (2049 B. S.). The former proposal of the government¹ to introduce Wholesale Banking Loans in order to provide more people with the means to start an enterprise or satisfy their urgent needs of consumption, suggests that at least for an intermediate period traditional ways of providing credit will remain indispensable. On the one hand, there are the traditional moneylenders, and on the other, the longstanding systems of mutual help, such as the *guthis* of the Newars, the *kidus* of Tibetan-oriented populations and the *dhikur* system of the Gurungs, to note only some well-known examples².

In this paper³ I am concerned with the kidu system established by migrants of the Khatsara Newars, descendants of former residents in Lhasa, and the kidu system of Manange migrants from the Manang-Bhot area in North-Central Nepal, both migrant groups residing nowadays in the Kathmandu Valley. Veronika Ronge (1978:112-16, 131-136) has provided an outline of the organization of *kidus* that were formerly operating in Tibet, and pointed to their possibly higher involvement in political affairs.

In her study, primarily concerned with communities of craftsmen, she has argued other than Barbara Miller (1956), that the kidu organizations of Tibetans were not really of indigenous origin, but were established on the example of the *guthi* system of the Newar traders in Lhasa (Ronge 1978:132-136). Either way of looking at it, however, as a borrowing from outside or an internal innovation, should also encourage to explain the possible differences within such institutions are not explained (cf. Regmi 1978:629f.). In a recent article, Bernhard Kölver (1996:36,42,45) has shown how the *guthis* themselves, under the historical circumstances of the Malla period, developed internal differences according to whether they served the Great Tradition of the royal endowments or the needs of the common people. Whereas in the former case religious and status-related concerns dominated, providing only the priest with economic benefits, in the latter case *guthis* were serving socioeconomic interests as well, in that their members recorded "deposits" in the name of the *guthi* or its deity -- deposits that were given to cater to specified social needs.

In looking at the kidu organizations, one important distinguishing aspect seems to be the amount of control and how such control is organized in the implementation of social aims, especially concerning funds and the distribution of credits. Other aspects, including the relationship between social control and cultural values, will also be touched upon. Apart from the differences one important common feature comes to the fore: the value of redistribution which impacts on credit relations of the market-place as long as they are embedded in the cultural system.

The Khatsara kidu and Relations of Credit

The Khatsara *kidu* is culturally exceptional, since it was established, as the name implies, by descendants of mixed parentage, namely of Newar traders and their Tibetan wives from Lhasa⁴. In 1974 (2031 B. S.) the organization was officially registered M *Tibbetma Janmeka Nepāliharuko Kalyānkari Samiti* (Welfare Association of Nepalese born in Tibet). According to a member of the kidu the Nepali term "Khatsara" refers to the parentage, while the Tibetan term kidu has the meaning of "help-network", referring more precisely to the help that is offered in good (Tib. *kibu*) and bad (Tib. *dü-nyen*, bad', 'degenerate') times. There are nowadays in du also kidus of other groups of Tibetan origin, such as the one of people Owing their ancestry to Khampas and those of people coming from the region of Kham, Shigatse, Kerong etc. Thus the *kidu* system is primarily based on common origin.

In contrast to most of the other *kidu* systems, the Khatsara kidu was established by legal migrants who after the breakdown of the trade with

Tibet in 1960, when the Chinese closed the borders, were recognized as legal citizens of Nepal by the Chinese. By contrast most of the other *kidus* in Nepal were founded as help-networks by and for refugees who escaped the Chinese occupation of Tibet.

Still today the migration problem is one of the main concerns that the elected official members of the kidu have to concern themselves with. These elected officials were referred to in Tibet as *bompos*, while nowadays the Nepali term *adekche*⁵ is applied (in descending order: *upādhyekche* and *Kosādekche*). As official spokesmen, they may provide legal assistance to those migrants from Tibet who claim Nepalese citizenship. Other important duties of these officials elected to a three year term are their functions as mediators in conflicts on the family level or between affinal relatives, thus keeping up a sense of solidarity among the 407 households (Tib. *micang*), belonging to the *kidu*⁶. They also collect voluntary donations (Tib. *sheldib*) for religious, social and, in part, economic purposes that are seemingly interconnected and will be described below⁷.

The interconnectedness of religious, social and economic aspects of the *kidu* system lies in the fact that, besides common origin as a seemingly sufficient attribute for membership in the *kidu*, the proved interest of the partaking persons in the cultural, social and religious values of the community (Tib. *tsogpa*) is equally important. Thus people of other regional and even cultural origin may take part in the *kidu* system if they have proven that they respect and favour the values of the community. Outsiders may be introduced by friends who are themselves members of the community. Relations of trust (Tib. *yidche*, 'trust', 'belief) lie at the heart of the system and are reinforced through ceremonial exchanges.

These ceremonial exchanges may thus be considered first. Though there are no fixed dates or ceremonial occasions when one has to make donations (Tib. *sheldib*) to the *kidu*, it is expected that during the feasts (Tib. *trotro*, 'party') of life-cycle events people should give *shogchya* ('paper-offerings', 'money, that is wrapped into a scarf or put into an envelope') to the host of the feast. These formal donations are noted in a book and are reciprocated at similar events of the donor. Apart from material gifts there is also an emphasis on service or labour exchange (Tib. *rokram*) at these events. Life-cycle rites include not only birth, marriage and death rites, but also the erection of the flag-post (Tib. *tarcho*), on the occasion of inaugurating a new household. All the formal gifts and reciprocal services at these events strengthen ties of trust within the *tsogpa*, and it is by way of them that outsiders known as friends from trade, for example, may also be introduced into it. The *tsogpa* also meets on other festive occasions, especially Losar (New Years) and Dasain (even though a Hindu festival), and arranges picnics

(Tib. *lingka*) at these times. Contributions for the *kidu* system are then made in an indirect way: since card playing is a welcome activity at these gatherings there is a rule to give ten per cent of one's profit as a donation to the *kidu* organization. - Though this amounts to only a small contribution, the sense of solidarity and the feeling that one should give part of one's profit from business for social and religious purposes are highlighted.

Part of the donations collected at such gatherings, and those collected by officials visiting the member households of the *kidu* system when special works are planned is used for religious purposes. These include the repainting of the Swayambhu Stupa as well as the renewal of its *nhamsa* (the sacred cloth surrounding the upper part, the *harmika*) which is carried out at Losar, Buddhajayanti or at the feasts during *gyewa* (mortuary rites).

Another part of the donations is devoted to social matters, with scholarships, for example, being provided for pupils from poor households, which do not necessarily belong to the *kidu* system, and may even be from outside the *tsogpa* community itself. There is also the ambition to secure basic health care. Inspired by other welfare associations the official members of the Khatsara *kidu* have decided to buy two ambulances for the community, to be on call also for people outside it. However, although some time ago they have been able to collect a substantial sum of money from the *kidu* member households, they have for reasons of leadership not yet been able to make good on this pledge. It is interesting to note this example, because it shows that there are no sanctions for misconduct, beyond the loss of trust. On the other hand, if people are known to be trustworthy (Tib. *yidche*), even a poor or unfortunate member of the community has the chance to receive communal attention. Thus one of the officials may go with him from house to house, explain his circumstances and ask for donations to help him out of his misery. Since the official would be helping him there would be no "loss of face" (Tib. *ngo tsabo*, 'to be much ashamed'), and the donations would be considered free of the need to reciprocate.

There are also economic aspects of the Khatsara *kidu* system. Being formerly established by the richer members of the organization, it owns a house in the area of Swayambhunāth, which is rented out to a school and thus brings in some income to the *kidu*⁸. Over time the organization has been able to collect some surplus, which is traditionally made available to private members of the *kidu* as credit⁹. Again, the interest gained from such credits may be used for social and religious purposes.

Finally the system of informal credit relations within this Tibetan cultural setting may be considered. As was already stated, the *kidu* system as a social trust system or help-network is based on a long-term reciprocity of

services and ritual gifts as well as on mutual confidence, that is concretely expressed in voluntary donations for social and religious purposes, and again reinforced by the sharing of a common cultural background. It is in such a cultural setting that even the purely economic credit relations of the marketplace come to be primarily based on trust. In what the Tibetans generally call *bulön* ('credit') relations there is, besides the consideration of trustworthiness (Tib. *yidche*) of the debtor, no formal guarantee as concerns the interest (Tib. *kyeka*, Nep. *byāj*) on the loan, no necessary land guarantee with regard to the principal (Tib. *matsa*) and no special charge for a delayed repayment, other than the compound interest (Nep. *syāj*)¹⁰. While the interest itself runs between 2 and 3 % per month, and is thus higher than that demanded by a bank, its aforementioned features make it more convenient if possible, to take out a loan in an informal, private way. Among other reasons the interest is here higher because, according to Nepali law, a private creditor is, in case of his client's insolvency, only allowed to redemand the principal, not the interest or only 10 % interest, if he wants to make a legal issue of it. Thus a private creditor bears a higher risk than a bank, which will demand land as a guarantee for credit.

The interconnectedness of cultural values, religious, social as well as economic in scope, seems to be one main feature of the traditional and informal help and credit relations within the community of the *Khatsara kidu*. While there are also tendencies to provide help and services 'to outsiders, the primary focus is on people of own's own culture. One special characteristic of these relations undoubtedly is that both religious and social as well as economic relations are embedded in a long-term span of reciprocity, for which there is no clear-cut boundary between socio-religious and economic spheres. In both spheres of exchange there is an emphasis on balanced, but at the same time long-term relations of reciprocity, as evidenced on the one hand by voluntary gifts apart from any formal event, and on the other hand, by speculation less on the material basis of one's debtor than on his or her trustworthiness.

The Manange *kidu* and Relations of Credit

The Manange *kidu* was founded in 1980 (2037 B.S.) by former migrants from the Manang-Bhot area who settled in the Kathmandu Valley. This *kidu* has two primary functions: on the one hand, it was intended to provide help, especially monetary donations, to the villagers, who remained in Manang-Bhot, and on the other hand, it was established as a cultural centre for migrants from different village areas who would otherwise live cut off from the wider Manange community. To focus community activities a gompa was build in the neighbourhood of Swayambhunāth with the

combined help of migrants from different village areas of Manang-Bhot. Their sense of individuality is kept alive as well, since besides the annual meetings of the *kidu* organization, there are ceremonial and festival occasions, when only communities of migrants from same villages meet. While the *kidu* system is referred to separately from credit relations, which are called *dhukor*¹¹, both systems, though established with different intentions, seem each in its own way to cater to -the notion of redistribution, as will be explained at some length. In contrast to these traditional fund and credit raising institutions, modern private and group credit relations seemingly are turning away from ideals of redistribution.

Since the founding units of the Manange *kidu* are made up of people related to different village-areas, we will consider their ritual cohesion first. As among other Tibetan-oriented groups, such as the Sherpas or the Khatsara Newars, ceremonial occasions within the life cycle are as important for the households' relations towards their kin and affinal relatives as they are towards the community at large. In some communities life-cycle rites¹² comprise thus not only birth, marriage and mortuary rites, but also the establishment of a new household. At all these events formal gifts are presented, which are usually called *nor bin* (Man.), that is 'to send wealth'. Among the migrants from the village of Ngawal, however, they are called *shebden*, in the case of birth rites, establishment of a household and death rites, and *bartar and balegyepa* at the marriage rites for groom and bride respectively. These gifts are formal in the sense that they are recorded in a book and are expected to be reciprocated at one of the donors events, if possible with some overtopping.

The former village communities meet annually, around April, for the *yerdung* picnic. These meetings are carried out separately from other migrant groups of the Manang area. There are, for example, at one meeting members of about one hundred households from the village of Ngawal, who gather on a hill at Godavari. The picnic events are organized by four to five representatives, called *nandi* (Man.), who are chosen in rotation so that all household heads will share in carrying out this duty. At these meetings the main social ritual consists in a contest of arrow-shooting, called *mica khelne*, and there is also a lot of card playing. Every arrow of the shooting contest is bet for with money. The *nandi* of the next year's meeting will then receive 30 % of the proceed-, from arrow-shooting and 15 % of those from card playing to spend for organizing the next *yerdung* picnic. About 15 members of the village community (Tib. *tsogpa*) are also selected at these annual meetings and have ceremonial scarfs (Tib. *khatag*) presented to them, and it is they who watch over the expenses and surplus income of the community. They will also collect fines (Nep. *jarivāna*) from those

households who were not able to attend the picnic¹³. In addition, they also receive money from a new household, that is, in cases where a newly married couple live apart from their parents¹⁴. The surplus from all these collections will be spent for the villages in the Manang area and for the gompa in Swayambhu. If they have no need to disburse this money immediately, then they will give it to persons of wealth, who invest it and pay interest to the organization, that is, the *kidu* organization. Depending on the size of the village in the Manange area, two or more delegates then gather together in the *kidu* meeting with the delegates of the other former village communities to discuss the proposed uses of the collected contributions. Again, they have to report their ongoing activities to the assemblies of the former village communities, and only after these agree to the *kidu* plans, may the implementation take place.

Aside from the aforementioned contributions there are also voluntary donations (Man. *longpa*), collected at two other ceremonial events, the "small" *nyungne*, a rite of atonement (cf. Ortner 1978) carried out after the Hindu festival of Dasain at the time of the Tihar festival (around September/October), and at the "big" *nyungne* during the festival of Buddhajayanti, held in commemoration of the Buddha's birthday and, at the same time, his entrance into Nirvana. Once a year, then, the official members of the *kidu* in particular gather at the Manang gompa in Swayambhu. There these *adekche* hand over the collected money to the elected officials (Man. *mithyepa*) of the Manange villages, who have come to Kathmandu for this purpose. The officials of the Manange *kidu* are elected to two-year terms, and those of the villages in Manang-Bhot, as representatives of the Village Development Committees (VDC), to four-year ones¹⁵. While the primary focus of the donations turned over to the village representatives has until now been on helping poor households of the Manang area, future plans for educational support are also under consideration.

If we take a look now at the credit relations of the Manange, we will find that, as far as their traditional systems of credit are concerned, there is scope for the incorporation of values that seem otherwise be bound to social help-networks. There are two ways of providing credit, one through group involvement, and the other by means of individual creditors.

In the Manange *dhukor* system the credit is provided through group involvement. Someone in need of money may approach a rich person to be his *jamānī* (Nep.) the guarantor of the loan in case the debtor is not able to repay. The potential debtor has to explain his bad fortune to that person, and if the *jamānī* agrees to help him (i. e. if he can find no fault with the story), he will say: "*dhukuṭi garau*" (Nep., 'let's make a fund collection, or

treasure')¹⁶ and a date will be fixed. About two weeks before this date the debtor, who is now called the *dhukuṭiko gulti* ('one who starts the fund collection'), will visit his prospective creditors, called *dhukuṭiko sāhū*, with bottles of home-made beer (Tib. *chang*, Man. *phyi*) to request their help. He may visit up to a hundred of his friends, some of whom may not be able to help out with credit, but are supposed nevertheless to give a small contribution "for free" (Nep. *sittai cha*). On the day of the *dhukuṭi*, then, all those who have agreed to participate will be invited to the house of the *jamānī*. The creditors will ask the *jamānī* whether he will guarantee repayment of the loan, and consultations will be held over how much the equal shares will be. At least 5,000 NR is expected to be provided by each creditor, and at most 25,000 NR, depending on what the debtor is capable of repaying. If any of the creditors cannot come up with the amount of his share, tradition dictates that he contributes an amount between 1,000 and 5,000 NR "for fee". As to the terms of repayment of the loan there are two systems: one is according to *kirti* (Nep., 'honour', whereby the credit is given for a period of five to seven years, all creditors thereafter being invited to a gathering at the house of the *jamānī*, the invitations and all services being attended to, however, by the debtor himself. The other way is according to the *dhukuṭi* formula, in one-monthly, two-monthly or six-monthly repayments of shares, the order being fixed through a lottery (Nep. *number tipa*) at the start of the fund collection. Since these systems of providing and repaying credit do not customarily involve payments of interest, either way is thus of benefit to the debtor, while the risk for creditors is minimized by the liability of the guarantor.

In what the Manages call the "Kathmandu" *dhukuḥi*, however, the risks taken by the individual participants are much higher. While in the original *dhukuṭi* formula, that of the Gurung *dhukur* (see Messerschmidt 1978) and, clearly also, of the Manange *dhukor* systems, guarantors are liable until the end of the fund rotation or fund repayment, in the aberrant forms current in Kathmandu there is no such provision. These kinds of gambling credit systems, though forbidden nowadays, were widely in use a few years ago in Kathmandu among people of different cultural backgrounds. However, they were prone to a lot of internal conflict, since some people just ran away after taking their turn in the fund, leaving the others in the lurch.

In one kind of these rotational funds, where each participant once receives the fund (mostly in monthly rotation), only the one who starts the *dhukuti* has to provide a guarantor for his turn-by-turn increments, whereas the other "players" do not need to. Every participant has to pay an equal share or increment at the beginning, the henceforth fixed amount of the fund being given to the initiator. In the next round a one-time secret bidding decides

who will receive the fixed amount first and the order of the rotation: each player writes a bid for the fund, and the winner must deduct his bid from the total fixed amount. Thus the shares the members pay start low and rise round by around. At some point the value of the shares will rise above their initial value. The one who takes the fund the last will gain the most profit from it, while the one who takes it second will have to pay somewhat more than the others.

Another version of the "Kathmandu" *dhukuṭi* consists in a lottery system, the procedure for which is somewhat similar to the aforementioned bidding system, the difference being that the bidding begins in the first round and each winner has to announce a guarantor for his further payment of the shares once he has received the fund. As in the former system, the winner can only once take the fund. The secret bidding here, however, is done in every round. The system is obviously more secure. However, it has moved away from the original idea of *dhukuṭis* to help those in need.

A similar contrast between traditional and modern forms of informal credit systems can be observed for private credit relations. Whereas among the Manages, the former are built on mutual trust and a balanced long-term reciprocity between debtor and creditor, the latter are subjected to standards of anonymity. Credit relations with people from a different cultural background obviously involve collateral and mortgages. Also, the steeper interest rates undoubtedly reflect the fact that the risk taken by a private creditor is much higher when dealing with people of a different cultural background. On the other hand, there seems to be less constraint in taking profit from people of other cultural origins.

In the Manang-Bhot area, according to informants, if someone is in need of private credit (unless he has had some misfortune - in which case there is the possibility to start a *dhukor*), he could go to a *sāhū* (a rich man), offer him homemade beer (*chang or phyi*) and ask for future credit. If the *sāhū* agrees, then one has to work for him first, in particular, work his fields during the spring and summer season. When winter draws near, one can then receive credit, the amount being between 10,000 - 30,000 NR. These credits are used by villagers mostly for petty trade from India to Nepal. The interest is already discharged by the work the debtor provided in advance, in which sense it is called *khe lagpa* (Man., 'profit from hands'). Thus at the time the credit is repaid there is no further demand for interest. But even if no work was provided in advance, interest rates (in the village) would not amount to more than 5 - 10 % a year.

In contrast to these traditional terms, there also exist private informal credit relations between people of different cultural origin, and to some extent also within the community of Kathmandu-based Manages. One

distinguishing feature is the necessity of providing collateral (Nep. *dhito*). While the interest rates of the commercial banks will amount to approximately 16 - 22 % annually, and those for credits taken from financial companies from 19 - 29 %, the interest rates for informal credits may rise to between 24 and 36 % annually, sometimes even more, but they enjoy no legal backing. In the latter case, the interest (Nep. *byāj*) has to be paid monthly at rates of up to 3 %. If collateral is taken, this may be done in the following way: someone who wants to buy a taxi, for example, will have to register it in the name of the creditor until the loan is repaid. The procedure is therefore similar to that of a bank. Only for *bishwāsilo mānche* (Nep., 'trustworthy people') will the creditor give a loan without collateral, even though there are still high monthly interest rates. According to one informant 80 % of all given loans are returned with interest, while some people will return only the principal. Still, this informal way of taking credits seems to be widespread in Nepal at large, because the complications of access to formal credits that common people have to deal with seem to be more of a constraint for them than the high interest rates of informal credit relations.

It may be concluded from these differing aspects of traditional and modern credit and help relations among or involving migrants from the Manang area that there are cultural boundaries that help to sustain support for people of one's own culture. One important aspect of these internal relations, as evident from both *kidu* and traditional *dukhori* relations, is the high degree of control that exists aside from the emphasis on mutual trust. While such credit practices as documented by the *dukhori* system in order to help people who have fallen on bad times would not be possible without mutual trust, and even though redistribution is given primacy in many ways, ceremonial and social, there always exists a level of control beyond. In the *kidu* system there are the *nandi* and the other officiating members, who collect funds and hand them over to the *kidu* organization, while in the *dhukori* system there are the *jamānīs*, the guarantors who act as sponsors to the credit raising. The way of 'honour' and 'glory' is thus controlled at a level beyond trust. Likewise the traditional relation between private creditor and debtor is initiated by a bond of trust, the request for help by offering *chang* or *phyi*, but this bond for trust and creditability has to be sustained by the work given in advance as interest on the credit itself. Thus what we find among the Mananges is a balancing of trust and reciprocity, or as the common Newars in their *guthi* organizations would say, *iman-jaman mānche cahincha* (Nep., 'we need people who prove by their acts what they say'), but this would lead us further afield.

Conclusions

In this look at the internal relations of the *kidus* of Khatsara Newars and migrants from the Manange area with special emphasis on fund-raising and credit, various features have been discerned. While both groups are basically oriented towards helping people from a common local origin, in the organizational form among the Khatsara Newar, the level of control is slight compared to that of the Mananges. Two aspects of social structure intermingle here indirectly. First, leadership within mutual help groups also has a political significance - a legitimate expectation in Tibetan-oriented local communities (cf. Ronge 1978:135). Thus among the Khatsara Newars the leader of the *kidu* also acts as mediator in legal affairs or in applications for citizenship (the current leader is in fact a politician also), while among the Mananges the *kidu* representatives act directly with the village representatives of the VDCs from Manang Bhot. Thus leadership is necessarily free from the rotational practices as found in most of the common Newar *guthi* systems¹⁷. Second, the preference for the joint extended family system of the Newars (Lewis 1995:50), on the one hand, that seems to be one adopted feature of the Khatsara Newars extending into their business practices, and the preference for a diversification of income-generating possibilities among Tibetan-oriented groups on the other hand (cf. Zivetz 1992, Mühlich 1996), have parallels in the respective attitudes of Khatsara and Manange *kidu* members in regard to social control. In the case of the Khatsara Newars, the *kidu* is conceived as an 'extended family', social control being only necessary at the top of the system, but beyond that relations of mutual trust, sustained by long-term ritual relations, seem sufficient. In the *kidu* system of the Mananges, on the other hand, social control exists within ritual relations, thus being active at all levels of the system. Diversified interests obviously tend to necessitate mutual social control (from an ideal perspective as well). Credit relations, whether undertaken through group involvement or privately, reflect this: among the Khatsara Newars as among the Mananges, the collateral necessary for formal credit relations is replaced by a long-term ritual reciprocity of people, who are trustworthy in each other's eyes. While slight social control seems sufficient to the former, the latter also make use of the possibility of substituting work given in advance for interest payments, as one example. The interest is relatively reasonable as long as the credit is being extended to within one's own ethnic group or within the original cultural setting. In both systems described above the repayment of loans is guaranteed through social bonds pure and simple.

Notes

1. Minister of Finance, R. N. Sharma, in his budget speech (H.M.G. 1997:1 1).
2. For a concise overview of other traditional systems of mutual help and credit refer to D. A. Messerschmidt (1995), for case studies refer to L. Caplan (1972) and P. Sagant (1996), for example.
3. This paper is part of a broader study concerning credit relations and urban development in Nepal, made possible with the help of a grant from the Deutsche Forschungsgemeinschaft.
4. The recognition of the Khatsara Newars as an independent group, differing from other Newars in particular, is related to their adoption of Tibetan religious traditions and cultural values (cf. T. Lewis 1995:48 n. 18, 50). Their independent position might have been enhanced by their favourable relationships to the Chinese as well as the Nepalese authorities, since the educated among them were entrusted to keep up ties of trade between Lhasa and Kathmandu after the occupation of Tibet and the subsequent closure of the borders (cf. Bista 1979:144).
5. This terminology may suggest, that until now women have not been proposed to fill such offices, though they do contribute a lot to the labour exchange within the Khatsara *kidu*.
6. The provision in the constitution regarding the term of office for elected members was recently changed from three years to five years. Already before that the former president of the organization had been in office for a ten-year period. Actually there are no new elections as long as there is no candidate opposing the current leader.
7. The officials say that only well-to-do people contribute money to the *kidu*, while all other people primarily give work.
8. The monthly income generated through rent made it possible to extend help relations. In the long vacation (around Dasain) the house is used for the celebration of marriages.
9. As of this writing (1997) the *kidu* was still in possession of some excess money, most of which can be drawn upon by members as loans with an interest of up to 2.5 % per month. There is, however, no compound interest (see below) on these loans, if the debtor is not able to repay in time. Some interest payments remain even outstanding with the promise that they will be discharged at the time of the repayment of the principal.
10. Compound interest (Nep. *syāj*) is the interest on the principal plus the interest on the accumulated outstanding interest debt. To give a simple example: if someone has taken a loan of 1000 NR to be repaid after one year at an annual interest of 100 NR, then, in case he is not

able to repay the loan after one year, the accrued (compound) interest would be charged on the total sum of 1100 NR for the following year. If, by contrast, the *kidu* organization gives a loan to a private person, then there is no such rule. As one member said: "The *kidu* does not want to apply pressure by giving way to such rules; they (the organizing members) just say when they want the money back."

11. Compare the Gurung term *dhikur* for rotating credit associations (Messerschmidt 1978).
12. There are no direct equivalents of initiation rites, leading from childhood to adolescence or thence to maturity, among people of Tibetan-oriented cultures. There are, however, initiation rites for the different grades within the monastic order. The establishment and inauguration of a new household for its part may be considered somehow equivalent to initiation rites, since these concern people's public position, and in this case the position of the new householder couple as full members of the community.
13. The fine is currently (1996-97) fixed at 500 NR for men and 300 NR for women.
14. The informant gave a fixed sum of 5,000 NR for this contribution. The mandatory nature of this contribution suggests the need to include the "initiation" of a new household into the wider community among the life-cycle rites.
15. According to one informant, women have been elected to secondary positions (Nep. *upādyekche*) of both organizational forms.
16. The procedure is somewhat parallel to that of fund-raising for the less fortunate members of the Khatsara *kidu*, though the *kidu* does not have a special term for this kind of help.
17. Rotational practices of leadership, based on seniority in case of the *thakāli* ('elders') and yearly turns in case of the *pālā* ('feast organizers'), are prevalent among most of the Newari *guthi*'s, except in the *deslā guthi* (*guthi* of the locality'). Among the Citrakar in Bhaktapur, for example, leadership is given to the most able craftsman, who is chosen by the five oldest painters (Toffin 1995:253), and "who has a monopoly over all the most important contracts for a certain period" (1995:254), being the "appointed intermediary between the Citrakars... and the central authorities" of the government (1995:255). Also in other locality based *guthis* of different Newar communities, like that of the Naradevi Tulādhār (merchants), "young activists gained the approval of the caste elders... (to) make modern investments with *guthi* funds, and pursue programmes of community uplift for their poorer members" (Lewis 1995:52-53).

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