Representation of Indigenous Nationalities and Minorities in Bank and Financial Institutions
A Study of Pokhara

✍ **Jas Bahadur GURUNG**

Abstract

This study is carried out to explore the inclusive representation of Indigenous Nationalities and Minorities working in Bank and Financial Institutions (BFIs) in Pokhara. Both descriptive and explorative research design has been used in this study. Primary data have been collected constructing a set of well-structured questionnaire and used in this study. Representation of Indigenous Nationalities is poor i.e. only 32.59 percent in the total employment of BFIs. Madheshi represents only 0.62 pe.rcent and Dalits 1.62 percent in the total employment. There is no representation at all from Muslim community in BFIs in Pokhara. The representation of male employee is higher than that of female employees in BFIs even within the said ethnic groups. The level of job they employed is mostly lower levels i.e. assistants and other support staffs.

Keywords: indigenous nationalities, representation, economic status, BFIs.

1. Introduction

Before talking about indigenous nationalities, it is better to clear about ethnic group. For some it refers to a small community with archaic characteristics. For others the term refers to both small and large communities not only in backward societies but also in advanced industrialized ones. But the working definition of indigenous nationalities refers to an ethnic group is as either a large or small group of people, in either backward or advanced societies, who are united by a common inherited culture, social similarity, common religion and belief in common history and ancestryand who exhibit a strong psychological sentiment of belonging to the group (Ganguli and Ray, 1998).

Indigenous people are descendants of the original inhabitants of many lands, strikingly varied in their cultural, religious and pattern of social and economic organization.... all indigenous peoples retain a strong sense of their distinct cultures, the most salient features of which is special relationship to the land (UNO draft declaration, cited at Chhapama

Janajati, 2001). Similarly, the National Foundation of Development of Indigenous Nationalities Act, 2002 defines indigenous nationalities as "a tribe or community who has its own mother tongue and traditional culture and yet does not fall under the conventional fourfold Varna of Hindu Varna system or the Hindu hierarchical caste structure." The act stated the common characteristics of indigenous nationalities as follows:

- A distinct collective identity
- Own language, religion, tradition, culture and civilization
- Own traditional egalitarian social structure
- Traditional home land or geographical area
- Written or oral history
- Having 'we feeling'
- Has had no decisive role in the politics and government of modern Nepal
- Are the indigenous or native people of Nepal and
- Who declares itself as "Janajati".

The National Foundation of Development of Indigenous Nationalities recognized 59 Indigenous Nationalities. Gurung, Magar, Tamang, Rai, Limbu, Thakali, Sherpa, Bhote, Raute, Chepang, Tharu, Majhi, Rajbansi, Khimal, Chhantyal, etc. which are considered as Janajati in Nepal are called by some as tribe, by some as ethnic groups, by some as indigenous people or by some as minority people. Although the characteristics which are found in these words are more or less similar to the Janajati of Nepal. In the year 1993, UN defined Janajati as the indigenous people. But the word indigenous is more related with the time and geographical aspect than the other different aspect of Janajati. So, the word nationality has been used as synonym of Janajati. However, the Janajati of Nepal is Indigenous Nationalities.

Social Exclusion and Inclusion

The terms social exclusion and social inclusion originated in Europe in response to the crisis of the welfare state and the fear of social disintegration caused by social and economic crisis, but have now gained wide currency worldwide, including in Nepal, especially in the literature on development and social policy and perhaps to some extent in popular discourse (Pradhan, 2006).

Social exclusion: Social exclusion is defined as the process by which individuals and groups are deprived from participation in their society, as a

consequence of low income and constricted access to employment, social benefits and services, and to various aspects of cultural and community life. Equally, it is a multi-dimensional concept, involving economic, social, political, and cultural aspects of disadvantage and deprivation. The general characteristics of social exclusion are as follows:

- Social exclusion is defined as the opposite to social integration, which reflects the perceived importance of being part of society, being integrated.
- It is multi-dimensional concept. It refers to exclusion (deprivation) in the economics, social and political sphere. It goes beyond the analysis of resource allocation mechanisms, and includes power relations, agency, culture and identity.
- Social exclusion can refer to a state or situation, but it often refers to processes, to the mechanisms by which people are excluded. The focus is on the institutions that enable and constrain human interaction.

Generally, Nepal's Hindu-dominated society has excluded four groups of people from the contemporary development process either through political exclusion or through economic exclusion or through social exclusion. These four groups are: i) Indigenous people or Janajati, ii) Madheshi, iii) Dalits or lower caste people andiv) women. (SIRF, 2006).

Social inclusion: The intuitive core of the idea of inclusion looks simple enough. It is the idea that every member of a society should participate fully in it. The social idea that inclusion expresses is an ideal of common membership, no one is denied access to activities and practice that are central in life of society. An inclusionary society is a cohesive society.

Social inclusion can be defined as a process of promoting equitable access to both economic and social benefits of development without any discrimination of caste, descent, gender, religion, ethnicity, nationality, sexual orientation, opinion or other characteristics (Tamrakar, 2006).

Nepalese context of social exclusion and inclusion: Prithvi Narayan Shah, the unifier and founder of modern Nepal has described Nepal as a garden of four 'Varnas' and thirty-six castes. Similarly, Tony Hegen after a long and deep study of Nepali society and culture has called Nepal as the best mosaic of ethnic groups and culture of Asia. The country with geographical and biological diversity encompasses various caste/ethnic groups, language/dialets, cultures and religions. According to the population census of 2011 (2068 BS), there are 123 identified caste/ethnic groups,

102 language groups and more than a dozen of religious groups. Although Nepali society is characterized by such diversity we do not see these diverse representations in the state mechanism and any other fields. The employment in civil servant as well as state mechanisms is very exclusive in nature.

Focus of the study: Nepal is facing challenges of increasing unemployment; consequently more than 19 lakhs Nepalese people, according to population census 2068, are now in foreign employment. National Population Census 2058 shows that Indigenous Nationalities or Janajati consists of 37.2 percent of the total population in Nepal. Similarly, Madheshi and Dalits constitute 20.2 percent and 12.9 percent respectively whereas Brahmin and Chhetri consist of only 29.70 percent of the total population. Interim Constitution 2063 has stated in its preamble for inclusive representation of all these ethnic groups in the state mechanisms. As a result, inclusion in the present context has become a hot issue in Nepal. Pokhara is inhabited by many Indigenous Nationalities mainly Gurung, Newar, Magar, Tamang, Thakali. Similarly, Muslims are also in significant number. But their representation in local bodies as well as financial institutions is subject of study. In this regard, this study is an effort to investigate the inclusive representation of indigenous nationalities, madheshi, muslims and dalits in bank and financial institutions in Pokhara.

2. Study Methods

Research Design: This study is mainly based on the descriptive research design. Descriptive research design is used to describe the existing situation about representation of the Indigenous Nationalities, Madheshi, Muslims and Dalits in BFIs.

Population and Sample: There are altogether 219 BFIs, (now it comes down to 207 after the initiation of merger process) in Nepal with 2,299 their branches. Similarly, there are 136 BFIs including branches in Pokhara. So all BFIs and Indigenous Nationalities and Minorities working in BFIs of Pokhara valley are the sampling frame of this study. Total BFIs and/or managers are considered for collecting data of inclusive representation Thus, it is a census study.

Data source: Mainly primary data have been used in this study. In order to collect primary data, first of all, a set of well-structured questionnaire has been prepared and then the researchers paid visit to the respondents or BFIs. The questionnaire has been distributed to the managers such as

CEOs or Human Resource Manager or Branch Managers of the BFIs. Detailed and relevant data based on the questionnaires have been collected from the managers of BFIs. Moreover, some informal interactions with the officers as well as indigenous employees have been conducted in order to explore their interest in their given jobs. Besides, various books published by UNDP, Central Bureau of Statistics and some other literatures have been consulted to collect necessary and supportive data relevant to the study. Websites of BFIs and other relevant authorities have been extensively used for the same.

Data Processing and Analysis: The data obtained from the field visit have been processed with the help of computer software. A set of master sheet has been prepared and data have been extracted from the same according to the need of study. Statistical tools like univariate analysis have been used in this study. In univariate analysis, various tables, charts, graphs, have been used to illustrate and clarify the presentation of the collected data and to conclude the findings.

Delimitations of the study: This study has been conducted within the time frame of three months only i.e. September to November 2012. This study excludes the study of employment in D class financial institutions vis. micro finance development banks and insurance companies as well as savings and credit cooperatives. Only BFIs operating in Pokhara City has been taken in this study. So the conclusions derived from this study may not be generalized as the representative one throughout the country.

3. Results and Discussion

1. Population and its distribution: Pokhara is one of the largest cities of Nepal. Gurungs, Newars, Magars, Brahmins and Chhetries are the main inhabitants of this city. The population of this city from the census 2011 BS to 2058 BS is as follows:

Table 1: Population Growth Trend of Pokhara (2011 BS - 2058 BS)

Year	Population	Growth Rate
2011	3755	-
2018	5413	5.36
2028	20,611	14.30
2038	46,642	8.51
2048	95,286	7.41
2058	162,219	5.46

Source: National Population Census, 2058, Office of Pokhara Sub-Metropolitan City, 2059.

According to National Population Census 2058, the population growth rate of Pokhara Sub-Metropolitan City is 5.46 percent. The population distribution of Pokhara Sub-Metropolitan City based on caste/ethnic groups is as follows:

Table 2: Population Distribution by Caste/Ethnic Group of Pokhara

S.N.	Caste/Ethnic Group	Population, 2058	Percent
1.	Gurung	33,961	20.93
2.	Newar	20,539	12.66
3.	Magar	10,820	6.65
4.	Tamang	2741	1.68
5.	Thakali	2482	1.53
6.	Other Nationalities+	3602	2.22
7.	Madheshi	3033	1.67
8.	Muslim	2296	1.42
9.	Dalits	14,223	8.77
10.	Others*	72,087	44.4
	Total	162,219	100.00

(74,145 and 45.71 bracketed for rows 1–6)

+ Other Nationalities include Chhantyal, Kumal, Bhujel, Rai and Limbu
*Others include Brahmin, Chhetri, Thakuri, Sannyasi and other unidentified castes
Source: National Population Census, 2058.

The population of Indigenous Nationalities is 45.71 percent whereas the population of others (Brahmin and Chhetri) is 44.43 percent. Dalits are 8.77 percent and Madheshi and Muslims are 1.67 percent and 1.42 percent respectively in Pokhara.

2. Representation by Gender: Peoples representation as employees, as a whole, in the form of males and females in BFIs are shown in the following table:
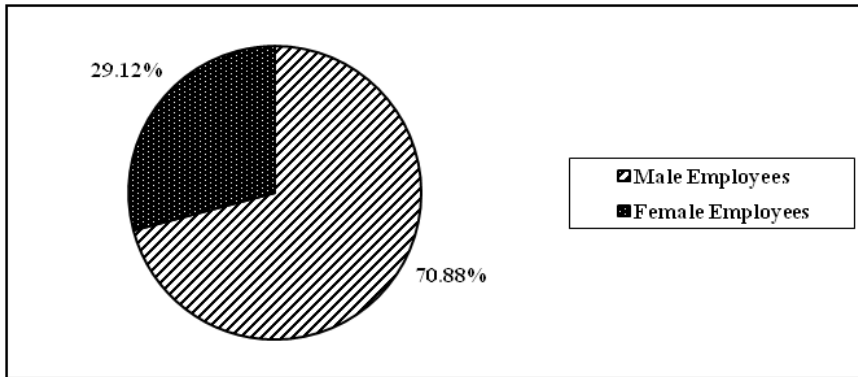
Table 3: Representation of Employees by Gender

Sex	No. of Employees	Percent
Male	1266	70.88
Female	520	29.12
Total	1786	100.00

Source: Field visit 2012.

According to table 3, male employees are the highest representation in

BFIs. Out of total employees, males are 70.88 percent representation and females are only 29.12 percent representation in BFIs in Pokhara City. This can also be clearly depicted in the following pie chart:

29.12%

70.88%

Male Employees
Female Employees

Figure 1: Representation by Gender

Figure 1 shows that majority of the employees were males. Participation of males is higher in financial institutions than that of females in Pokhara.

3. Representation by Level/Position: Level/Position represents the managerial hierarchy in an organization, starting from top level to the bottom level of management. In this study, the employees are classified into four levels/layers such as manager, officer, assistant and others. Employees under others category include messenger, sweeper, security guard and office helper. The representation of employees based on their position/levels is given in the following table:

Table 4: Representation of Employees by Levels

Position/Level	No. of Employees	Percent
Manager	110	6.16
Officer	243	13.61
Assistant	873	48.88
Others	560	31.35
Total	1786	100.00

Source: Field visit 2012.

Table 4 shows that assistant level employees occupy the highest percentage representation as employees in financial institutions. It occupies 48.88 percent and followed by others group 31.35 percent. Managers

occupy least percentage of representation in financial institutions. Mostly assistants, who include all types of assistants such as junior assistant, assistant and senior assistant, work more in teller and receptions. This can be clearly depicted in the bar graphs as follows:

Others — 560
Assistant — 873
Officer — 243
Manager — 110

Level/Position vs Number of Employees (0, 200, 400, 600, 800, 1000)

Figure 2: Representation by L evel/Position

Figure 2 shows that majority of employees were assistants. Other groups occupy second largest position and followed by officer and manager respectively.

4. Representation of Indigenous Nationalities, Madheshi, Muslim and Dalits: The following table shows the condition of representation of different caste/ethnic groups in the financial institutions in Pokhara city:

Table 5: Representation of Various Caste/Ethnic Groups

Caste/Ethnic Group	Total Employees		Percent	
Gurung	277			
15.51				
Newar	191		10.69	
Magar	88	582	4.93	32.59
Tamang	9		0.50	
Thakali	5		0.28	
Other Nationalities+	12		0.67	
Madheshi	11		0.62	
Muslim	Nil		Nil	
Dalit	29		1.62	
Others*	1164		65.17	
Total	1786		100.00	

+ Other Nationalities include Chhantyal, Kumal, Bhujel, Rai and Limbu
*Others include Brahmin, Chhetri, Thakuri, Sannyasi and other unidentified castes
Source: Field visit 2012.

According to table 5, the presence of others group is the highest percentage (65.17 percent) in financial institutions. It is followed by Indigenous Nationalities with 32.59 percent representation in total employment. Madheshi and Dalit representation is quite negligible i.e. 0.62 percent and 1.62 percent respectively. There is no representation of Muslim in financial institutions in Pokhara. Gurung, Newar, Magar, Tamang, Thakali and other Nationalities are the main indigenous nationalities of Pokhara. They occupy 15.51 percent, 10.69 percent, 4.93 percent, 0.05 percent, 0.28 percent and 0.67 percent respectively.

The major reasons for poor representation of Indigenous Nationalities are mainly increasing trend of foreign employment and poor education. Moreover, tendency of joining in British and Indian soldiers as well as poor public relation are other causes. Likewise, most of the Newars are engaged in their own business, which results poor representation in financial institutions of Pokhara.
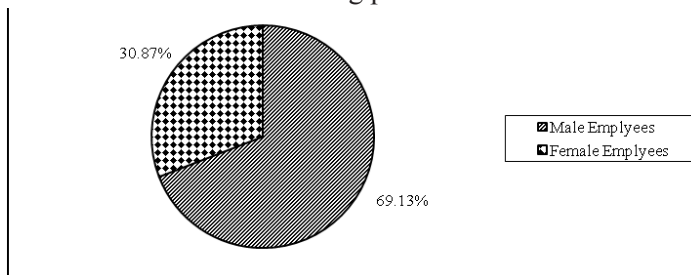
5. Intra-Group Representation by Gender: Table 6 shows the condition of representation by gender within the underprivileged ethnic groups working in financial institutions.

Table 6: Intra-Group Representation by Gender

Gender	No. of Employees	Percent
Male	430	69.13
Female	192	30.87
Total	622	100.00

Source: Field visit 2012.

According to table 6, male employees are 96.13 percent whereas females are 30.87 percent. One reason for higher male employees under study is due to the security guard who come from "Group 4" are mostly males. Representation of female is low. They work mostly in teller and reception. This is shown in the following pie chart:

Figure 3: Intra-Group Representation by Gender

Figure 4 shows that majority of employees from Indigenous Nationalities, Madheshi, Muslim and Dalits are males, and females are of poor representation in employment. This reveals that even within underprivileged groups male employees dominated female employees in financial institutions in Pokhara.

6. Levels of Job: Table 7 shows the condition of levels of job of employees working in financial institutions in Pokhara.

Table 7: Level of Job of Indigenous Nationalities, Madheshi, Muslim and Dalits

Caste/Ethnic Group	Managers	Officers	Assistants	Others	Total
Gurung	1	25	90	161	277
Newar#	7	45	98	41	191
Magar	-	9	17	62	88
Tamang	-	-	3	6	9
Thakali^	1	-	1	3	5
Other Nationalities+	-	-	3	9	12
Madheshi	-	-	4	7	11
Muslim	-	-	-	-	-
Dalit	-	1	5	23	29
Total	9 (8.18%)	80 (32.92%)	221 (25.32%)	312 (55.71%)	622 (34.83%)
Others*	101 (91.82%)	163 (67.08%)	652 (74.68%)	248 (44.29%)	1164 (65.17%)
Grand Total	110 (100.00%)	243 (100.00%)	873 (100.00%)	560 (100.00%)	1786 (100.00%)

@One manager is from Gurung community, CEO of Pokhara Finance Ltd.
#Two managers are from Newar community, CEOs of BishwoBikas Bank and Om Finance Ltd.
^ One manager is from Thakali community, CEO of Shangrila Development Bank Ltd.
+ Other Nationalities include Chhantyal, Kumal, Bhujel, Rai and Limbu
*Others include Brahmin, Chhetri, Thakuri, Sannyasi and other unidentified castes
Source: Field visit 2012.

Table 7 shows Newars occupied maximum highest positions among Indigenous Nationalities. Then Gurung occupies second more positions in manager and officer levels. The representation of the said ethnic groups is

34.83 percent and others (mostly Brahmin and Chhetri) is 65.17 percent in BFIs of Pokhara. The representation of said ethnic groups in higher positions is very poor. It implies that their employment is more in lower levels such as messenger, office staff, security guards, etc.

Out of 13 Pokhara based financial institutions, only four CEOs are from Indigenous Nationalities –one each from Gurung and Thakali and another two from Newars. Similarly, out of 134 BFIs branches operating in Pokhara only 25 branch managers are from underprivileged groups of people. Among them, six from Gurung, 13 from Newars, one from Magars, two from Thakali and one from Tamang and two from Madheshi employed as branch managers in Pokhara.
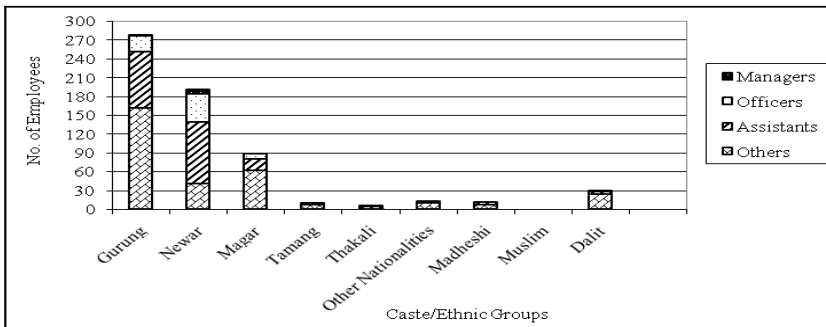
Figure 4: Level of Job of Indigenous Nationalities, Madheshi, Muslim and Dalits

Figure 4 also depicts that there is no representation of Muslims in financial institutions of Pokhara.

7. Total population and representation: Table 8 shows the cross sectional data of total population and representation of indigenous nationalities and minorities in BFIs of Pokhara as follows:

Table 8: Total Population and Representations in BFIs of Pokhara

Caste/Ethnic Groups	Population	Percent	Representation in BFIs	Percent
Indigenous Nationalities	74,145	45.71	582	32.59
Madheshi	3,033	1.67	11	0.62
Muslim	2,296	1.42	Nil	Nil
Dalits	14,223	8.77	29	1.62
Others (KhasAarya)	72,087	44.43	1,164	65.17
Total	162,219	100.00	1,786	100.00

Source: Population Census, 2058

The population of Indigenous Nationalities is 45.71 percent whereas their representation is only 32.59 percent. Similarly, the population of others (Brahmin and Chhetri) is 44.43 percent but their representation in BFIs is 65.17 percent in Pokhara. Dalits have 8.77 percent population but their representation is only 1.62 percent in BFIs. Muslim has 1.42 percent population in Pokhara but no representation at all in the BFIs.

Major findings: The major findings of the study are highlighted as follows:
- The population of Indigenous Nationalities is 45.71 percent whereas Madheshi and Muslims are 1.67 percent and 1.42 percent respectively. Dalits are 8.77 percent and the population of others (Brahmin and Chhetri) is 44.43 percent in Pokhara.
- The proportional inclusion of male and female employees in financial institutions is imbalanced. Male employees are 70.88 percent whereas females are only 29.12 percent in financial institutions of Pokhara.
- Based on job level/position, assistant level employees occupies 48.88 percent, and 31.35 percent by others group in total employment in financial institutions. Managers and officers are only 6.16 percent and 13.61 percent in overall composition of employment.
- Representation of Indigenous Nationalities, Madheshi, Muslim and Dalits is quite severe. The representation of Indigenous Nationalities is only 32.59 percent. Similarly, representation of Madheshi is only 0.62 percent and Dalits 1.62 percent and there is no representation of Muslims at all in financial institutions. Brahmin and Chhetri occupied 65.17 percent representation.
- The total representation of the said ethnic groups is 34.83 percent whereas others group (Brahmin and Chhetri) occupies 65.17 percent in the total employment.
- Male and female representation from Indigenous Nationalities, Madheshi, Muslim and Dalit are also not satisfactory. Male representation is 69.13 percent whereas female representation is only 30.87 percent.
- Out of 110 managers only 9 are from the said ethnic groups. Similarly out of 243 officers, their representation is only 80; out of 873 assistants, 221 representations; and out of 560 others group, 312 representations are from the said ethnic groups. Of them, two managers are CEOs from Newars and one from Thakali.
- The proportional representation of indigenous nationalities is 32.59 percent (45.71 percent population) whereas representation of oth-

ers group is 65.17 percent (44.43 percent population. The representation of Dalits is only 1.62 percent (8.77 percent population) but there is no representation of Muslim (1.42 percent population) in BFIs of Pokhara.

Conclusion and Suggestions

Nepal is a country where people of various caste/ethnicity, language, religion, culture and regional groups are found, they should have representation at all areas of the state. But the study shows that the representationof Indigenous Nationalities, Madheshi, Dalits and Muslims in BFIs is not in balance. It is highly dominated by Brahmins and Chhetries. Very few employees from the said ethnic groupsrepresent in BFIs in Pokhara. Even in the said ethnic groups, the participation of males and females is also not inclusive where males highly dominate over female employees.

Though the academic qualifications of employees from Indigenous Nationalities and minorities are high, their presence in managerial level work is very poor. Whoever represent in BFIs are working as assistant and other support staffs. On the whole, the inclusive representation of Indigenous Nationalities, Madheshi, Muslim and Dalits in financial institutions in Pokhara is unsatisfactory.

However, BFIs should consider the spirit of interim constitution while selecting employees to enhance inclusive representation.These ethnic groups should be encouraged in active participation in employment by the state and various bodies of local communities. BFIs should provide upgrading opportunities to work at higher levels for better inclusiveness.

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Note : This article is based on the research report submitted to SIRC in 2012, PN Campus, Pokhara.