



# An institutional analysis of ‘power within’ local governance: A Bazaar tale from Pakistan

Muhammad Salman Khan <sup>a,\*</sup>, Stephen Syrett <sup>b</sup>

<sup>a</sup> Department of Geography, Faculty of Social Science and Public Policy, Kings College London, United Kingdom

<sup>b</sup> Centre for Enterprise and Economic Development Research, Business School, Middlesex University, United Kingdom



## ARTICLE INFO

### Article history:

Accepted 5 March 2022

Available online 17 March 2022

### Keywords:

Institutions

Power

Bazaar

Institutional analysis

Local governance

Decentralization

## ABSTRACT

Power dynamics in local governance have profound implications for the outcomes of processes of political decentralisation within developing countries. Attempts to improve participation and service delivery through strengthened local and regional governance have been frustrated by the inability to understand and transform the relationship between power and formal and informal institutions. Through a theoretically informed empirical study of the relationship between power and institutions within local governance, this paper addresses this challenge through developing the notion of ‘power within’. Analysis of Batkhela Bazaar in the Malakand district in Pakistan reveals distinct fields of power relating to the market, political representation and local administration, and the evolving interactions between institutions within and across these fields. Results demonstrate how these fields of power, and the agents operating within them, actively shape the interaction between formal and informal institutions of local governance in a process of contiguous evolution. Understanding of ‘power within’ prompts revised thinking on how best to harness emergent institutional forms to promote progressive and inclusionary local governance and develop more effective state decentralization programmes.

© 2022 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY license (<http://creativecommons.org/licenses/by/4.0/>).

## 1. Introduction

At a political meeting in Malakand District, Pakistan, the leader of the traders’ association Bazaar Union was centre stage. Watched by all the most prominent local political leaders, he stated:

“I speak on the behalf of the bazaar. I urge this meeting to push hard against tax imposition because this hits the bazaar hardest among all the sectors. ...I have informed the District Commissioner that no one can work without our cooperation, and we cannot work without their cooperation.” (Participant observation, May 29, 2016).

In this everyday scene of small-town rural Pakistan political life, the power of the Bazaar Union was clear to all present. Within a region where previously bazaar traders had been excluded from local governance over many decades by the traditional landed and bureaucratic elites, it demonstrated a notable shift in local power dynamics and raised a number of political questions for

local governance. Was this a process generating more responsive representation and progressive change within the halting process of political decentralisation within Pakistan? Or merely the creation of a new exclusionary elite?

In developing state contexts, the operation of local governance is a key development sphere (Fischer and Ali, 2018). The pursuit of state decentralization and strengthening local governance has been seen as a means to broaden political and economic participation and improve the economic and living conditions of poor and marginalised populations throughout developing countries (Bardhan and Mookherjee, 2006). That political decentralisation has frequently failed to deliver on these intended outcomes, has often been used to politically discredit such projects rather than to examine critically the reasons for this (Nadeem, 2016).

The relative success or failure of state decentralisation initiatives is rooted within the dynamic relationship between power and institutions embedded within local contexts (Faguet, 2015; Fischer and Ali, 2018). Academic analysis into institutional change comparing top-down design processes with bottom-up evolutionary processes has generated a rich literature. Within institutional analysis, where institutions are understood as established and socially embedded systems of rules that structure social interaction, and organizations are specific types of institution which, in some circumstances facilitate or constrain the functioning of other

\* Corresponding author at: Room 6.2, 30 Aldwych, Bush House (NE), Department of Geography, Kings College London, United Kingdom.

E-mail addresses: [muhammad\\_salman.khan@kcl.ac.uk](mailto:muhammad_salman.khan@kcl.ac.uk), [m.salman.k85@gmail.com](mailto:m.salman.k85@gmail.com), [hammad\\_salman.khan@kcl.ac.uk](mailto:hammad_salman.khan@kcl.ac.uk) (M. Salman Khan), [s.syrett@mdx.ac.uk](mailto:s.syrett@mdx.ac.uk) (S. Syrett).

institutions (Hodgson, 2006; 2007), the conceptualisation of the relationship between power and institutions has focused particularly upon 'power over' and 'power to' (Bennett et al, 2018; Kashwan et al, 2018). In contrast, relational power realised through the interaction between institutions, or 'power within' (Bourdieu, 1991; Bourdieu and Wacquant, 1992; Klutetz and Fligstein, 2016; Schmitz et al, 2017), has received less attention. 'Power within' seeks to understand the institution-power relationship in terms of the distribution of resources; one that is dynamic, asymmetrical and recognizes the place-based embeddedness of the state (Cleaver and de Koning, 2015). From this theoretical perspective, local governance is rooted within the complex nature of formal and informal institutions operating within local and provincial governance structures, and shaped by the distribution of power within which they are embedded (Bourdieu, 2005; Whaley, 2018).

This paper seeks to extend the relational approach to institutional analysis through a *meso*-level analysis of the role of power in local governance. Taking as our starting point the lack of existing empirical analysis evident within the power-institutions debate (Bennett et al, 2018; Whaley, 2018), we present an original empirical study of how in practice power shapes institutions through qualitative analysis of Batkhela Bazaar in the Malakand district of Pakistan. By investigating the dynamics of power in local governance by mapping and analysing different fields of power and their interaction within Batkhela Bazaar, the study charts the emergence of the influence of the Bazaari in the reconfiguration of local power-institution relationships. In so doing, we seek to answer a series of related questions. How can a relational field model help elucidate the role of power in local level governance? How do relationships between power and institutions within local governance develop over time and adapt to emergent local institutions? And what are the implications of these changes in local power dynamics for the practice of political decentralisation and the development of inclusive and participative local governance?

The paper is structured in a number of sections. The first highlights existing theoretical models for the institutional analysis of local governance and the contribution that the relational conception of "power within" can provide. It then examines how Bourdieu's field model can aid theoretical and empirical investigation of the relationship between power and institutions in local governance, and sets out the methods of data generation and the field analytical approach adopted. The subsequent section of empirical analysis maps out the key institutions of local governance to explore their changing relationships and relative positions of power as constituted within the site of the Batkhela Bazaar, and then analyses the evolution of three fields of marketplace, local administration and representative political power, and their interlinkages through the case-study of the Batkhela Bazaar Union (BU). The paper then discusses the theoretical implications of the empirical analysis of "power within" for institutional analysis of local governance and the consequences that arise for practice.

## 2. Institutions, power and field: analysing local governance

### 2.1. Institutional change, decentralisation and local governance

Across the development studies literature there has been a longstanding and increasingly vigorous debate on institutional change and governance in relation to both top-down design and bottom up evolutionary processes. In response to addressing complex social problems, the interactive dimension of the role of power in institutional change at multiple levels of governance has received growing theoretical and empirical attention. This is apparent in the literature on cross sector partnerships (Dewulf and Elbers, 2018) and polycentric governance, notably in relation

to social ecological systems and meeting the multiple governance challenges of environmental change (Morrison et al, 2019; Mudliar, 2020; Nantongo et al, 2019). Studies here identify the fluidity and context dependence of power dynamics, and the non-static and relational nature of different power categories (Dewulf and Elbers, 2018; Morrison et al, 2019). They show how within polycentric governance systems, decision centres act in ways that take account of each other through cooperation, competition, conflict, and conflict-resolution (Mudliar, 2020).

Understanding how processes of decentralization and local governance play out in developing state contexts, similarly requires a conceptual framework capable of analysing the dynamic relationship between power and institutions embedded within specific localities. Past analysis of local governance often struggled with how to account for the interactive power relations between state, society and market institutions (Mohan and Stokke, 2000). Subnational variation results not just from the central state's development of contrasting formal rules for different regions under its jurisdiction (Steinmetz, 2008) (top-down), but also from the varying spatial configuration of socio-economic resources (bottom-up) (Faguet, 2015). Spatial variations reflect the place-based particularities of power relations and the complex and embedded nature of institutions (Cleaver and de Koning, 2015; Hadiz, 2004; Jackson, 2018).

What ultimately matters for local governance is not decentralization per se, but the system of power within which it is undertaken (Hadiz, 2004). As established and socially embedded systems of rules that structure social interaction, institutions are shaped by both vertical (central/ regional/ municipal) and horizontal (political/ bureaucratic/ economic) interlinked fields of action (Bourdieu, 2005; Bourdieu, 2014). Every decentralization programme leads to a different manifestation of localizing power because of the state's embeddedness within the local power structure. Decentralization is ultimately contingent upon the place-based transformation of power relations that underpin governance processes. Developing a relational approach to the role of power provides a way to understand variations of local governance structures within a single state context that both avoids top-down and bottom-up binaries (Mohan and Stokke, 2000; Schmitz et al, 2017; Stokke and Selboe, 2009; Torfing et al, 2012; Whaley, 2018) and recognises local power asymmetries, their evolution and their effects on institutional interactions (Faguet, 2015).

### 2.2. A relational understanding of institutional analysis: 'power within'

The existing literature on institutions and power has focused particularly upon the notions of "power over" and "power to" (Fischer and Ali, 2018; Kashwan et al, 2018). "Power over" is a one-dimensional, zero-sum relationship where those holding power exercise influence over the acts of others to reproduce domination, subordination, and exclusion (Moss, 2010). "Power to" refers to the capacity to act and exercise agency to realize rights, citizenship, voice or access to state institutions (Gaventa, 2006; Kashwan, 2016). These dimensions have differing implications for conceptualizing the role of power in formal and informal institutional interactions. For instance, 'power over' views formal structures as a means of reproducing inequalities, whereas 'power to' focusses upon how reforms, such as decentralization and processes of social change, give voice to the disadvantaged (Moss, 2010).

Kashwan et al. (2018) usefully integrate 'power over' and 'power to' in an institutions and power matrix, to provide a nuanced understanding of how institutional reforms are embedded within local power relations and multiple fields of social power. However, theorising power and institutions as a relational process rooted in an understanding of the broader fabric of society and the role of institutions within it (Navarro, 2006), requires additional

consideration of the notion of 'power within' (Bourdieu and Wacquant, 1992; Kluttz and Fligstein, 2016; Schmitz et al, 2017). 'Power within' theorises the institution-power relationship as a dynamic one embedded within particular spaces; rooted in the unequal distribution of resources operating across interacting institutions and realised by actors cognisant of their self-worth, and aware of their positionality within social differentiations and categorizations (Akram et al, 2015).

This relational view of power brings together elements of structure and agency and links types and levels of power and the spaces where power operates (Gaventa, 2006). This fundamental linking of power and space has resulted variously in the identification of 'interlinked spaces' (Gaventa, 2006), 'action arenas' (Kashwan, 2016), 'fields' (Bourdieu and Wacquant, 1992) or 'institutional fields' (Dewulf and Elbers, 2018). These notions each seek to identify how, in particular spaces, power animates interaction between formal (invited/ created/ top-down) and informal (claimed/ organically developed/ bottom-up), traditional and modern institutions of governance (Gaventa, 2006; Cleaver and de Koning, 2015).

### 2.3. Developing Bourdieu's field model for institutional analysis of local governance

To capture this complex interaction between power and institutions, Bourdieu's field theory provides a means to examine empirically how a specific set of actors orientate their actions to one another in a *meso*-level social order (Bourdieu, 2005; Bourdieu, 2014). Existing studies tend to adopt either a micro institutionalist perspective (Kashwan, 2016), or focus upon the macro foundation of institutions, as seen in historical institutionalist approaches (Khan, 2010; Nantongo et al, 2019). Yet adopting a *meso*-level analytical frame provides scope to account for place-based power configurations and account for the particularities of formal governance institutions and the realities of governance practice at the subnational level (Goodfellow, 2018; Khan, 2010).

Bourdieu's sociological theory provides an analytical framework to understand power structures and power relations (Navarro, 2006). In contrast to much new institutionalist and historical institutional analysis, Bourdieu's central concern is the dynamism of fields as opposed to a static view of institutions. Bourdieu's field theory, conceptualizes field as a nexus between capital (power) and habitus (schemata of feelings and perceptions); an arena of struggle marked by a particular configuration of objective relations between agents with differing positions and resources (Kluttz and Fligstein, 2016). Whilst institutions manifest visible power, underlying their interaction are invisible forms of power internalized by agents. Consequently, individuals experience power differently, depending upon the field within which they are located in a particular time (Akram et al, 2015). Institutions are embedded not only within political and economic structures, but also are enmeshed in, and emerge out of people's system of meaning and culturally accepted ways of doing things. Power is therefore relational; it entails a dynamic positionality of fields, groups, and agents, underpinned by a changing distribution of different forms of power (Bourdieu, 2005; Paolucci, 2014).

This theorisation provides a lens through which to examine the interaction of formal and informal institutions within local governance structure and the role of power in shaping this interaction (Navarro, 2006; Swedberg, 2011). Bourdieu's emphasis on the particularities of the state at the local level – one that is distinct from a universal state structure – also allows understanding of the place-based complexities and variabilities of embedded governance institutions in local power relations [1]. The concept of field, as a nexus of habitus and capital, provides a heuristic device to explore the effects of power across different levels and arenas of institutional life. Field is simultaneously a 'transversal space', in which

multiple institutions and roles coexist (Olivier De Sarden, 2006), a space of objective relations that are interiorized by agents through habitus (Bourdieu and Wacquant, 1992), and a particular type of autonomized social structure, with its own institutions, specialized agents and hierarchy of positions and language (Olivier De Sarden, 2006). Field positions can be occupied by individuals, social networks and groups, institutions, and formal organizations (Swartz, 2008).

Local governance structure is constituted of multiple fields. These autonomous but interrelated fields are linked by the logic of convertibility of power (Bourdieu and Wacquant, 1992). Power, or capital, of various types (economic, cultural, political, or social) is produced in these interlinked fields. Accumulation of these various sorts of power and their specific operation across the fields translates into symbolic capital, whereby power relations are transfigured into relations of meaning (Paolucci, 2014). Habitus, as a perceptual and classifying structure and a generative structure of practical action, allows for a reflexive engagement of agents with power-holders within and across dialectically interconnected fields.

Drawing upon this thinking, this paper conceptualizes local governance structure as a space constituted of interconnected fields of power, including the state, administrative offices, representative offices, local economy/markets, trade unions, and civil society organizations. Through formal and informal rules of governance and the convertibility of capitals, these fields and their internal struggles are dialectically linked to each other, so that change in one field has implications for surrounding fields (Bourdieu, 2014; Kluttz and Fligstein, 2016). Thinking of local governance structure in these relational terms facilitates empirical analysis of "how does power shape institutions" (Bennett et al., 2018: 330) and provides a way of recognizing invisible forms of power in everyday state-society interaction at the local level (Rankin et al, 2018).

### 3. Research method

To date, contributions on the role of power in institutional analysis and development have remained largely theoretical and lacking in evidence-based empirical foundations (Bennett et al, 2018; Kluttz and Fligstein, 2016; Whaley, 2018). Our empirical analysis of local governance adopted a field-analytical approach to examine the relationship between power, different institutional arenas and their interaction, and agents' behaviours. Here we define institutions as socially embedded rules, and organizations as specific types of institution which, in some circumstances, facilitate or constrain the functioning of other institutions (Hodgson, 2007) [2].

A case-study site was chosen suitable to study the evolution of local governance within a developing state context; one which allowed exploration of the complex embeddedness of institutions in a specific subnational governance arrangement and place-based distribution of power. Primary research centred upon Batkhela Bazaar located in the Malakand region of Pakistan. Batkhela Bazaar has grown rapidly over the last fifty years and now comprises over 5,000 commercial outlets, and has become the centre of the local economy. In terms of formal local government, Batkhela Bazaar extends across three Union Councils [3], namely upper, middle and lower Batkhela. In addition, it has a central bazaar association, known as the Bazaar Union (BU), and other sector-specific associations (e.g. fruit, vegetables, jewellery, bakery) (Khan, 2019b).

The growth of bazaars across a range of settlements, from small and medium sized towns in rural areas through to the large cities, is strongly apparent across Pakistan and the wider Global South (Javed, 2019; Wilder, 1999). Studies have noted their growing role

as political actors, both through individual wealthy bazaari and/or collective traders associations, and identified various impacts from these emergent institutional actors upon the workings of local governance and ongoing processes of political decentralisation (Amirali, 2017; Javed, 2019).

The Bourdieusian field analytical approach comprised two key dimensions; relationship mapping and power analysis. Relationship mapping explored the positions “occupied by agents and institutions to compete for legitimate forms of specific authority” (Bourdieu and Wacquant, 1992:105), and power analysis identified the key fields relating to local governance and their relations vis-à-vis other fields of power (Schmitz et al, 2017). Together these examined how the power of institutions within existing fields changed due to the struggles within and across fields as individual and groups sought to establish and maintain positions of dominance and the emergence of new fields within the governance structure (Lang and Mullins, 2020) (See Tables 1 & 2).

The research used a qualitative approach to data generation focussed upon meso-level analysis of local governance at the sub-district level. Data generation proceeded through two phases. First an exploratory survey which identified the various characteristics of the businesses, business owners and various formal and informal institutions within Batkhela Bazaar linked to the local governance structure. Second, an in-depth phase of data generation undertaken over eight months, which generated an extensive set of 80 in-depth, semi-structured interviews with key actors. This primary interview material was triangulated with other field notes and reflexive memos drawn from participant observation of various local governance institutions, and by a critical review of relevant secondary data sources, government records and policy

documents, as well as existing literature on marketplaces and governance in the region (Barth, 2012; Jan 2017).

The sampling frame for the interviews was purposive and organized to capture the three main categories of agents identified in the exploratory analysis. These comprised administrative officials (N = 10), political representatives (N = 10) and traders from both landed and landless classes (N = 60). The sample size was determined by the principle of information saturation (Saunders et al., 2018). An interview guide was prepared to facilitate a structured but flexible in-depth conversation (Smith and Elger, 2014). The interviews were conducted in Pashto, audiotaped after acquiring verbal consent, and translated into English and transcribed by one of the authors (Khan, 2019b). All interviews were anonymized and pseudonyms used for all data analysis and reporting purposes.

The data were analysed using flexible thematic analysis combining both inductive and deductive approaches (Braun and Clarke, 2006; Fletcher, 2016). In the first phase of analysis, data from interviews and field notes were placed into 23 organizing (first order) codes (see Table 1). Following Maxwell (2012), ‘categorizing strategies’ were then used to identify different fields from across these first order codes, and identify similarities and differences between them. This analysis led to the identification of three key fields of power; the market place, political representation and local administration. Although representative and administrative power both formed part of the formal state apparatus, the categorizing strategies identified these as separate fields, with their own structure and forms of power.

The second stage used ‘connecting strategies’ to establish continuity relationships and specify the nature and extent of interaction between fields (see Table 2). These two stages were informed by

**Table 1**  
Data structure.

First order codes	Fields of power in local governance	Aggregate dimensions
1. Changing distribution of land and property ownership/fragmentation of land-ownership	Market place/local economy	<i>Field as nexus of power and habitus</i>
2. Ownership of land by elite class (past and present)		
3. Growth of trading activity (licit/illicit)		
4. Changed laws related to land-ownership (right to own/purchase)		
5. Growing ownership of land/property by former members of landless class		
6. Ability to purchase land/property (traders owning their own shops/residential land; remittance flows)	Political representation	- Unequal and changing distribution of resources
7. Growth of elite trader class through ownership of multiple businesses		
8. Agents' awareness of changing sources of power within local economy		
9. Increased diversity in forms of local political representation	Local Administration	- Self-awareness and reflexive agency: changing positionality - Spatial variation/place-embeddedness
10. Increasing competition for dominance in representative politics by range of local actors		
11. Role of Jirga as traditional representative body of landed elite		
12. Development of formal structure of local government (right and ability to contest local government elections)		
13. Formal and informal access to state institutions: recognition of need to have connections to ‘powerful people’		
14. Economic capital of individuals (traders; land-owners): power through number of people they represent (‘followers’)		
15. Development of Bazaar Union as effective traders' representative body (regular elections; patronage structure)		
16. Capacity and awareness of Bazaar Union leaders' ability to access state institutions and influence local politics		
17. Competition for dominance in bazaar politics; involvement of politicians and officials in politics of Bazaar Union		
18. Administrative power (formal/informal) within key arenas of local governance (trading regulation; infrastructures)		
19. Differences in power between officials across the administrative hierarchy		
20. Administration's dependence on local political leaders		
21. Administration's dependence on Bazaar Union		
22. Awareness of officials to work with diverse partners for effective governance/career advancement		
23. Agents' understanding of their ability to access local administration via powerful figures/representative bodies (formally and informally)	- interactions/ conflict between institutions within fields of power	
		- interactions/ conflict between institutions across fields of power
		- changing institutions/emergence of new institutions



**Table 2**  
Local governance fields and power within.

Field	Dynamism in field-specific sources of power	Field-specific power	Reliance on actors in other fields to realize field-specific objectives	Limited power in other fields
Local administration	<ul style="list-style-type: none"> <li>• Development of multiple power centres (provincial/ district)</li> <li>• Decreased formal authority via patronage</li> <li>• Increased informal patronage</li> </ul>	<ul style="list-style-type: none"> <li>• Coercive authority to implement rules</li> <li>• Authority to allocate resources for service delivery</li> <li>• Formal and discretionary (pragmatic) power to patronize local leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Need of BU cooperation for regulating Bazaar</li> <li>• Reliance on political leaders to provide community support</li> <li>• Dependence on other local actors for effective district administration</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to unilaterally implement rules relating to marketplace</li> <li>• Inability to exercise direct control over BU (leading to covert patronage of candidates in BU elections)</li> <li>• Inability to directly elicit community support</li> </ul>
Marketplace and the BU	<ul style="list-style-type: none"> <li>• Inability of single class (landed/ landless) to dominate BU</li> <li>• Increased competition within bazaar politics</li> <li>• Competing interests of the bazaar electorate</li> </ul>	<ul style="list-style-type: none"> <li>• Authority to represent market interests (power rooted in degree of trader solidarity)</li> <li>• Economic power of bazaar elite (via finance/ land &amp; property/jobs)</li> <li>• Street power (via protest)</li> </ul>	<ul style="list-style-type: none"> <li>• Require patronage of administration to resolve issues of individual traders</li> <li>• Require political &amp; administrative support to influence bazaar elections</li> </ul>	<ul style="list-style-type: none"> <li>• Constrained ability to influence administrative decisions in everyday (non-protest) circumstances</li> <li>• Need for political support to demonstrate influence in local politics</li> <li>• Lack of power to influence administration and political representation 'from above'</li> </ul>
Political representation	<ul style="list-style-type: none"> <li>• Declining political control of landed elite due to land fragmentation</li> <li>• Installation of formal representative structures and increased electoral competition</li> <li>• Increased responsiveness to voters needs and voter patronage</li> </ul>	<ul style="list-style-type: none"> <li>• Power to mobilize community (constituency)</li> <li>• Ability to draw support from higher-level party officials to influence administration</li> <li>• Access to administrative officials to elicit benefits for constituency</li> </ul>	<ul style="list-style-type: none"> <li>• BU support key source of power over political opponents</li> <li>• BU patronage required to demonstrate street-power (providing prestige for political parties)</li> <li>• Need for cordial ties with administrative officials to show influence and acquire constituency support</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to unilaterally dominate BU elections and contest BU elections (if non-business owner)</li> <li>• Inability to organize effective demonstration without Bazaar's support</li> <li>• Reliance on administration and bazaar for service delivery</li> </ul>

theoretically derived aggregate dimensions related to notions of field and 'power within', which provided a framework from which to draw conclusions (Braun and Clarke, 2006; Maxwell, 2012). This analytical process enabled mapping the dynamic influence of one field over another, particularly through in-depth examination of the emergence of a new institution, the Bazaar Union.

Each 'field' constituted a particular arena of struggle over a particular form of power, characterised by its own dominant and dominated (Stokke and Selboe, 2009). Those holding power in one field, had limited power beyond and those who created a field were more likely to have power within it. Struggles over power in one field were linked to those in others, so the choices agents made in one field had implications for their interests elsewhere and power gained in one space (through new skills, experiences or capacity), was used to affect and enter other spaces (Kashwan, 2016; Kluttz and Fligstein, 2016; Gaventa, 2006). Analysed in this manner, it was possible to identify the dynamism evident across field specific sources of power, the nature of field specific power and how actors' power varied both within and across fields (see Table 2). Field analysis was therefore able to examine how the relationship between power and institutions within a particular site (Batkheela Bazaar), shaped a process of contiguous evolution in the structures of local governance.

## 4. Empirical results

### 4.1. Mapping institutional relationships

The first stage of relationship mapping identified the key institutions of local governance in order to explore their changing relationships and relative positions of legitimate authority relative to the site of Batkhela Bazaar. Batkhela Bazaar emerged initially as an informal space within a highly centralized governance struc-

ture, but has evolved through its gradual institutionalization within a more decentralized local governance structure. The constitutive changes in local power relations and interactions between formal and informal institutions have seen shifts in the relative position of the landed class, traders, local administration, political leadership and wider national political and administrative state structures (Ahmed, 1980; Khan, 2019a).

Analysis identified an interaction between contiguous top-down changes in the design of formal institutions alongside informal, bottom-up, processes of marketplace evolution and changing distribution of land ownership (see Table 3). These demonstrated the power asymmetries within which institutions and agents and their interactions were embedded, and how they had driven the evolution of power relations between various formal and informal institutions of local governance.

Historically, local customary practice, subsequently formalised into a written document called the *riwajnama* in 1964, denied the landless class the right to purchase property and established the prevailing rights of local agriculturalists over non-agriculturalists. These rules were established to protect the political concerns of local land owners who viewed non-land owners, especially immigrant traders, as a potential threat to their interests (Khan, 2019b). During the initial growth of the Bazaar in the 1960 s, traders who belonged to the non-agriculturalist landless class, lived as tenants or dependents of the landed class. The guarantee of equal property rights in the 1973 constitution of Pakistan eliminated formal barriers to purchase property. Extension of the fundamental right to property within the Malakand district coincided with a period of increased inflow of remittances from migrant workers operating in the Middle East in the 1970s and 1980s. These remittances were invested into property, business start-ups and consumer goods to the benefit of elements of the landless class, whilst landlords who were losing land, themselves, turned to trading activities. Together this sponsored increased eco-

conomic trading activity, both licit and illicit, and growth of Batkhela Bazaar, alongside a reduction in authority of the landed elite (Geiser, 2013; Khan, 2019b).

Whilst socio-economic relations and power asymmetries underwent transformation, especially driven by increased land fragmentation, the embeddedness of the formal state in local power relations also experienced significant change. A process of increased governmentalization saw formal institutions of local governance shift as part of a partial and discontinuous process of state decentralization. Traditionally, social stratification was formalized in the Malakand district through the institution of the *Jirga* (council of elders), a formal legislative and representative body recognised under the punitive ‘frontier crimes regulations’ implemented by colonial government to control local populations (Khan MS, 2019). Under the *Jirga*, the power to represent the local population and access state institutions was an exclusive privilege of the landed class, which constituted between 5 and 10 per cent of the population across Malakand region. The exclusive monopoly of the landed class over political representation created a social stratification of governance dictated by the need of the weak central state to control local populations and maintain legitimacy via local elites (Asad, 1972). The abolition of the formal status of *Jirga* as a representative council in local decision-making, which only took place in the early 1990 s in this area, together with the introduction of elected local government from 1983, finally eliminated the formal barriers for landless traders and others to participate in the field of representative politics (Khan, 2019b).

Changes in governance arrangements impacted significantly upon the power of local administration. In the first half of 1970s, the extension of new national ‘foreign’ laws and related procedures of modern administration created an ambiguous and uncertain situation across Pakistan’s ‘provincially administered tribal areas’ (PATA). Here, elements of the local population asserted the continued legitimacy of *riwajnama* as the basis of local law [4]. The state’s inability to extend universal laws into these areas, including the Malakand region, led to the creation of the PATA. These areas were awarded special constitutional status under article 247 of the 1973 Constitution (Khan, 2017). This included a degree of ongoing recognition of the institution of *Jirga* under PATA regulations (McCullough et al, 2019), which was only fully removed in 1994 [5]. Critically, the shift from *Jirga* to electoral politics led to the local administration in Malakand losing its ability to control the population via a small elite. As land ownership became more fragmented, the alignment of administrative interest with the local elite was no longer limited to the traditional landed class, and

the local administration was unable to rely exclusively on the traditional landed class to implement formal rules.

#### 4.2. Field power analysis

The contiguous top-down and bottom-up changes in the Malakand region led to changes in the interrelation between institutions and agents and their positionality in the three fields of power identified empirically within the local governance structure: marketplace, political representation and local administration.

##### 4.2.1. Marketplace power

The growth of the Bazaar to become the driver of the local economy has been central to the reconfiguration of local power relations, with consequences for the capacity of individuals and groups to control land, commerce (agricultural and non-agricultural), flows of remittances, local politics and access to state institutions. By providing new channels of wealth accumulation, the Bazaar has provided upward social mobility for certain landless traders and challenged the previously socially hegemonic position of the traditional landed class.

Land was, and continues to be, a principal source of social power. New sources of financial capital generated through trading and remittances, have enabled landless individuals to purchase land and property. Whilst before the 1970 s land and property in Batkhela was owned by an elite landed class, this has changed through processes of diversification and fragmentation of ownership. Results from interviews with 60 bazaar traders illustrated this change: 45 per cent of previously landless traders owned their shops, 76 per cent owned their residence, and 27 per cent owned additional land in the form of a cultivable land or an orchard. Particularly notable was a group of 15 interviewees who had started as street-vendors or migrant wage labourers in the 1970 s and 1980 s, to become prominent wholesalers in the bazaar.

Fragmentation of land has not only eroded the monopoly of the traditional landed class over land-ownership but also reduced the power of land-owners over tenants, a change further enabled by changes to property law. As one formerly landless trader noted, before the 1970 s:

“It was their [Khans] rule, they could evict anyone, any time from their land, they could declare an innocent person a thief and could turn a thief into an innocent person.” (Sardar Interview, 10/05/16).

In contrast, interviewees reported multiple cases that demonstrated that traditional landowners were no longer able to use formal institutions, especially *Jirga*, to act punitively against landless tenants. Landlords’ eviction of tenants became problematic and time consuming as tenants, less fearful of landlords, became more willing to use the civil courts to pursue their case and strengthen their bargaining position. In one such case a landowner of a traditional landed family had attempted to evict a tenant three times in a five-year period without success. The long-term shop tenant of 26 years, now a prominent electronic wholesaler, refused to vacate the property when he discovered the owner had concluded a tenancy agreement with a new tenant for twice the rent he paid currently. In another case, a lawyer landlord had sold a shop to a buyer of his choice but the tenant shoe-maker refused to vacate the shop and demanded that it should be sold to him at a lower price; a demand the landowner eventually acceded to due to his reluctance to contest the matter in a time consuming court action.

The rise of a number of the formerly landless to become powerful traders within the bazaar demonstrated a shift in positionality and the close interrelation between economic and political capital.

**Table 3**  
Key institutional changes in the governance structure of Malakand district, 1960–2019.

Nature of change	Year/period of change
<i>Formal/top down</i>	
Extension of universal property rights	1973
Abolition of the formal status of <i>Jirga</i> as a representative council in local decision-making	1973 – but in Provincially Administered Tribal Areas only fully removed in 1994
Introduction of elected local government	2000
<i>Informal/bottom-up</i>	
Batkhela Bazaar developing central role in the local economy	1960s – ongoing
Changing distribution of land-ownership	1970s – ongoing
Evolution of trader’s association (BU) and its increased involvement in local politics and administration	1970s – ongoing

For example, Hajee Aleem, who lived with his family in extreme poverty until the mid 1970s when he went to Dubai as a migrant worker, was on his return in 1984, able to purchase land and construct a commercial outlet in Batkhela Bazaar. By 2018 his business success had led him to own over 400 shops. His new found economic status gave him power not only to access, but also influence politicians and state institutions. As he stated:

“Our MNA [Members of the National Assembly] and MPA [Members of the Provincial Assembly] cannot do things for this region that I can do. ...I don't need these politicians for solving my problems, they need my support for their survival in politics” (Hajee Aleem Interview, 17/05/16).

Similarly, Sohaib, previously landless and now a prominent wholesaler of synthetic fibres in Batkhela Bazaar, pointed out his ability to bypass district officials and directly access state institutions:

“I do not need anyone to access these officials for me. If you want, I can invite the assistant commissioner for dinner to my house today.” (Sohaib interview, 05/05/16).

In marked contrast was the case of a landowner of a village neighbouring Batkhela. He had dominated village politics from the 1980s, including as twice elected mayor of the Union Council between 2001 and 2009, but faced with financial difficulties had been forced to sell land in an attempt to maintain his political position. After losing his seat in the 2015 local government elections, his reduced standing as a landowner resulted in neighbouring shopkeepers denying him credit.

#### 4.2.2. Representative political power

The representative political field extends beyond the formal institutions of democracy, such as political parties and government representative bodies, to include a range of practices through which acts of representation are performed, by non-state institutions based in the business, voluntary, community sectors, often rooted within local cultures and customs (Rankin et al, 2018). Political power here was manifested in a number of interlinked ways, comprising the ability of an agent to acquire official representative positions, the numbers of individuals, supporters or members represented by an actor/institution, and their capacity to meet supporters' expectations.

The structure of representative politics as a field of political struggle was opened up to wider participation through key changes in both formal government and informal non-state institutions. These included the introduction of the constitutional right to vote and participate in local politics, the installation of elected local government structures, the loss of the *Jirga's* formal role as a representative and legislative council, and the emergence of new representative institutions in the form of various associations. Most significant here was the development of the Bazaar Union (BU) to articulate the interests of traders, discussed further below.

The increased governmentalization of local governance resulted in a shift from a formal system characterised by the selection of representatives by administrative officials based on landownership, to an elected representative system based on universal adult suffrage. Within this new context, an agent's endowment of economic capital became the prime determinant in attracting supporters and getting elected [6]. In order to access state administrative and judicial institutions, those of low socio-economic standing, either landed or landless, continued to require the patronage of a local politician or *takra saray* ('powerful person'). The consequence of the upward social mobility of formerly landless traders and the erosion of control over land of the traditional landed class, was to

increase competition among local actors endowed with economic capital and access to state institutions for the distribution of such patronage.

A substantial number of Bazaar traders who acquired wealth have become actively engaged in local politics, either through direct participation in local government elections, or indirectly through patronage of local political actors. In the 2015 local government elections, our survey results showed that of those elected mayors and vice-mayors of the 28 Union Councils, 34 per cent were from the traditional landless class and 52 per cent were involved in trading activities either in Batkhela Bazaar or other parts of the district. Such changes transformed the political power of local leaders within local governance. Previously, the representative political field was characterised by traditional, mutually dependent, reciprocal and long-term patron-client relations. However, increasingly this was replaced with unstable, constantly fluctuating transactional relations, governed by balanced and sometimes negative reciprocity, which shaped interactions across the fields of local governance.

Within these dynamic asymmetric power relations, the poor exercised some limited power given the dependence of agents seeking representative roles upon their support. As the Mayor of Union Council 2 in Batkhela stated:

“the rich person does not need my help because he has the means to access local officials and even high-level officials. It is the poor who need my help and who give me votes and participate in my rallies.” (Yasir interview, 21/08/16).

Devolution of power made local leaders more responsive to voters. However frequently they lacked the traditional authority to intercede for their supporters with public officials, such as district and assistant commissioners and the police, that had existed previously. The number of their supporters enhanced their bargaining power with administrative officials. Hence political leaders from both the traditional landed and landless classes recognized the need to actively compete for, and retain, supporters in order to maintain prestige and legitimacy and to increase their bargaining power with administrative officials. A Mayor of one Union Council in Batkhela described this competition for supporters and set out his reasons for protecting a trader from a penalty for violating health regulations:

“I have lost many of my friends and followers in the past, I knew if I don't do it for him, he will also be gone” (Noorullah interview, 11/02/16).

#### 4.2.3. Power of local administration

The field of power of local administration comprised formal institutions responsible for the implementation of state regulatory activity and the delivery of services by appointed officials. Two dimensions were central to the evolution of this field. First, decentralization, which allowed for the greater distribution of power and reduced administrative control over local politics. Second, the impact of the evolving distribution of power within the local governance structure upon the actions of administrative officials, most critically those who occupied the key bureaucratic posts within the district, including the District Commissioner (DC), Assistant Commissioner (AC) and Additional Assistant Commissioner (AAC), district food controller and district health officer.

Since the 1970s, decentralization processes substantially reduced the power of bureaucracy as an administrative agent of the Pakistan state within local governance (Amirali, 2017). Within pre-colonial and post-colonial sub-national governance, bureaucratic officials enjoyed formal authority to pay monetary allowan-

ces and distribute official titles among powerful local elites to ensure administrative control. In Malakand, even after the national constitutional reforms of 1973, DCs and ACs retained administrative and judicial powers under the PATA regulation act promulgated in 1975, in a continuation of colonial style governance. This provided the DC, the chief administrative official in the district, with the authority to constitute the *Jirga* and refer judicial cases to it. Under this governance arrangement the local administration and the landed elite colluded in mutual self-interest. This formal arrangement was ruled in violation of the fundamental rights stipulated in the 1973 constitution by the Supreme Court in 1994. The removal of the PATA regulations meant that whereas previously little could be done locally without the approval of the DCs and ACs, their room for action became greatly restricted (ICG, 2013), as their judicial role diminished and elected representatives for local government bodies became more powerful. Whilst the administration remains headed by the DC, it now exercises only limited judicial powers related to administrative issues, such as control over prices, health and safety, product quality and traffic.

Unlike the past, where administrative officials negotiated control of the district with only a small landed elite, this new context required them to manage relations with a larger number of diverse local actors. Given their reduced formal authority, senior officials were strongly conscious that they: “cannot alone run the administration of the district without the help of local community leaders.” (Fasihullah interview, 01/07/16). Based on understanding of their constrained power within the local governance structure, administrative officials negotiated informally amid local power struggles across administrative, political, and economic fields. No longer able to pay allowances and distribute official titles, senior administrative officials operated on a pragmatic basis, developing reciprocal bonds based upon their judgement of the significance of individual local leaders and the discretionary powers they had to benefit them. As a UC mayor of Batkhela explained:

“Whenever a new DC is appointed, every one of these [community leaders] goes to his office and informs him that he holds such and such portfolio in the party and has such and such number of followers. Then he offers him [DC] his support. In fact, the community leader is not offering his support to the DC, he is ensuring that the new DC takes care of his interests.” (Noorullah interview, 16/08/16).

Rather than operating under Weberian principles of impersonality and neutrality, administrative officials acted pragmatically within a social order underpinned by the place-specific distribution of power. Officials employed their discretionary authority to relax formal rules for co-opting community representatives. As one senior administrative official stated:

“We [administrative officials] are faced with multiple problems in the administration of a district. In providing concessions, our expectation is that those community members will help us in resolving those problems” (Shabeer interview, 13/09/16).

Reciprocal exchanges between administrative officials and individual community leaders and other power holders and the granting of individual favours, although routine practice, were undertaken discreetly to avoid the risk of antagonising other local leaders or political parties. The need to maintain good relations across multiple actors routinely limited the scope of the activities of local administrative officials. An AC illustrated this issue through the case of an invitation he had received to a fund-raising event for local welfare activities organised by *Jumat-E-Islami*, a religious political party:

“I have got the invitation and I also want to go because it [event] is for a good cause. However, if I go there today, all

the rivals of *Jumat-i-Islami* will start creating problems for me because they will think that I favour *Jumat-i-Islami*.” (Waseem interview, 27/08/16).

Where this delicate balancing act was not successfully maintained, political leadership quickly dissolved into rival factions. This was apparent in the Malakand district in 2016, when the governance style of the DC and his non-accommodation of the interests of a number of influential community leaders, saw political leadership divide into two camps, one favourable and the other opposed to the administration, limiting the effectiveness of local administration.

#### 4.3. Field interaction between formal and informal institutions: The Bazaar Union and local governance

Central to understanding place-based evolution of power within local governance is the interlinkage between fields, and how this shapes interactions among agents across these fields. The development of the Bazaar Union (BU) – an organisation and particular type of institution – provides a means to analyse how formal and informal interactions between the marketplace, political and administrative fields manifested themselves through the emergence of this particular, and increasingly influential, place-specific institutional form in Batkhela (see Table 2). As with other local traders’ associations across northern Pakistan, the BU arose as an institution for articulating interests of the landless traders within a governance structure characterised by interest-alignment between administrative officials and the landed elite. With Batkhela Bazaar’s rise to prominence as the major site of local economic power, and the relative decline in power of the landed elite and local administration, the BU evolved from a peripheral position to become a central institution of local governance.

The BU emerged in 1970 as a reaction by traders to their exclusion under the dominant bureaucracy-elite nexus. The BU was initially constituted on the model of the *Jirga*, with nominated key business owners and developed its role through resolving trader disputes, representing traders in their interaction with administrative officials, and protecting their interests in land disputes with members of the landed class. However, between 1993 and 2009, the BU became largely inactive. At this time traders were focussed on expanding their economic activities. The introduction of formal local representative structures and regular courts alongside the removal of the formal role of the exclusionary *Jirga* and limitations on the right of the landless to purchase land, together reduced the need for many of the BU’s functions. The absence of interest by traders in the BU as their representative institution removed its significance to local politics and local administrative officials. As a former BU president explained, during this period:

“there was no structure, no functions, and hence traders were not interested in its [BU] affairs. Because of this, the government [administration] would not consider it important in any matter.” (Faqir interview, 01/05/16).

Impetus for the revival and reform of the BU arose following the curfews imposed by the military in 2009, which closed the Bazaar for four months as part of a military operation against militants (ICG, 2013). The need for the trader community to have representatives to negotiate a relaxation of the curfew and for the military and local administration to communicate with the 5,000 plus trading community, stimulated the reactivation of the BU. Reforms introduced in 2009 saw the introduction of regular three-yearly elections based on a ‘one shop one vote’ system, with representatives elected in the form of a ‘ruling panel’ comprised of 5–6 members drawn from different political parties and classes, alongside an ‘oppositional panel’. As neither an economic (landed/landless)



nor one political group had the ability to control the BU, individuals seeking election were required to make alliances across these boundaries to protect their particular interests. Members of different political parties hence formed alliances to support the candidate of their choice, with members of a single political party often supporting rival candidates. Large traders in the bazaar avoided directly contesting elections but instead patronized a group of their own choice to represent their interests in the BU.

The revitalisation of the BU had multiple impacts upon local power relations within the more decentralized governance structure. It provided the trading community with an increasingly powerful institution through which to articulate interests of bazaar traders and influence other fields. Where poor service delivery by government departments affected the economic interests of the bazaar, BU representatives were strongly proactive. For example, in 2012, the BU actively stopped officials of the Water and Power Development Authority (WAPDA) from replacing a high voltage transformer with a low voltage transformer for the bazaar. As the then president of the BU described:

“they [officials of WAPDA] came twice after midnight to take that away. Each time, I was informed by bazaar watchmen. We [the BU] stopped them twice, then [started a war of press releases and finally the DC intervened to resolve the matter.” (Faqr Khan interview, 01/05/16).

As an alternative sphere of representation and electoral competition to the less frequent local government elections, the BU encouraged political leaders to actively maintain close connections with the local community. An elected mayor of the Union Council in Batkhela explained:

“the voters from my constituency [of local government] in the bazaar will not be more than 40 to 50. However, I try to help anyone who asks for help because I will go back to these traders tomorrow to ask them to vote for the candidate of my choice.” (Yasir Khan interview, 21/08/16).

Support of the BU in local politics also provided an important source of power for local political leaders to influence local administration. As a former member of the provincial assembly for Malakand district stated:

“we [political leaders] influence the administration in favour of the Bazaar Union so that if we need them [the bazaar representatives] tomorrow, they can support our strike or procession against the administration.” (Shahab Khan interview, 17/06/16).

As administrative officials became less powerfully positioned in the configuration of local governance, they sought to maintain smooth working ties with the BU and use it as an effective communication channel with the large trading community. Officials discreetly used the BU's elections as a means of acquiring the informal support essential to their ability to govern the district effectively, and to prevent the BU from falling into the hands of political leaders not supportive of administrative officials. Where officials did seek to assert their power against the BU leadership, they still needed to work alongside other elements within the BU. For example, in 2016 the DC attempted to use his formal power over granting approval for BU elections [7], by backing the call of the opposition panel within the BU for re-elections; an action which resulted in a severe division in the local political leadership.

Actors across all fields were strongly conscious of the limitations of their formal authority and regularly used informal sources of power to realize their field-specific objectives. Whilst interactions between officials across administrative departments were governed by formal regulations, their practice demonstrated regular and multiple use of informal channels. In one exemplar case, a

lower ranking official of the *Tehsil* municipal office wanted to reconstruct a police station destroyed several years earlier by militants and which had become a major waste dumping state. In the absence of any municipal funding, he used his informal relations with the BU to get them to influence the DC into using revenue he controlled, which was generated from the passenger transport stand in Batkhela, for this purpose (Faqr Khan interview, 01/05/16). Similarly, formal political representatives regularly operated via the BU to influence the local administration over service delivery, including protests against water shortages, electricity outages and road building. A local UC mayor who organized a six-hour road-block against low power voltage and long-hours of electricity outage, attributed the success of that protest to the BU's involvement:

“the Bazaar Union fully cooperated with us in blocking the road and closing down the bazaar. That was the reason that the issue was resolved for the time being.” (Noorullah interview, 11/08/16).

Overall the BU played a central role in the shift away from the past landowner/bureaucracy elite nexus towards the development of an elite-trader nexus from 2009 onwards [8]. The evolving position and resources of the BU were central to the dynamics of change in the distribution of power within local governance, which shaped institutional interaction across fields and the actions of reflective agents.

## 5. Discussion: Power within, institutions and local governance

The field-analytical framework for the institutional analysis of local governance developed here and rooted within the relational concept of 'power within', provides new understanding of how the different fields of power in which formal and informal local institutions operate, and the interactions between them (see [Table 2](#)). Structural conditions were not durable but rather constantly evolved through a mutually constitutive process of top-down formal institutional change and bottom-up socio-economic transformation which operated unevenly over space ([Khan, 2019a](#)) (see [Table 3](#)). Since institutions were embedded in social, economic and political structures, transfiguration within these structures resulted in institutional change and the emergence of new institutions constituted within particular spaces, as exemplified by the BU.

Evolving structural conditions and institutional transformations were seen in a number of key dimensions that drove change in local governance in Malakand district. These included changes in the institutions pertaining to land ownership, traditionally through the *riwajnama* and its subsequent erosion via the introduction of universal property rights; the shifting role of the *Jirga* and loss of its formal role with the arrival of elected local government; as well as the growth of Batkhela Bazaar as a centre of local economic activity and the emergence of the BU traders' association as an increasingly powerful local institution. The resulting outcomes of these new institutional arrangements for the positions of different social groups (traders, landowners, landless poor, public officials), depended on the nature of the power relations which surrounded and imbued new spaces of participation across the governance realm ([Gaventa, 2006](#)).

The reorientation of agents' actions to exercise power, both individually and collectively within and across fields of local governance (see [Table 2](#)), was a reflexive engagement based on an agents' understanding of their position within the existing power structure and shaped by the dynamic distribution of capitals ([Bourdieu, 2014](#)). As a generative mechanism, habitus shaped agents' consciousness of the relative power of the institutions of

local governance. The field-analysis demonstrated the shift in positionality of traders within local governance; from exclusion, to active participation, and the creation of their own elite class of powerful local actors. Reflexive understanding of their changed position within local fields of power led traders to act more forcefully in the spheres of representational politics and local administration. This was evident both through individual agency, challenging local landowners and government officials and developing their own set of local followers, and collective action, via the BU. Recognition by landowners and administration officials within Malakand district of their changed relative positions and resources, resulted in them acting in quite different ways. This was demonstrated in how they sought to work with the BU and powerful local traders, as they came to understand that their traditional ability to exercise 'power over' and 'power to' within local governance had decreased.

Within this analytical frame, the state and its formal institutions are neither constant (Faguet, 2015; Bourdieu, 1994), nor 'all powerful' (Bourdieu, 2014; Paolucci, 2014). Within a decentralized governance arrangement, the powers delegated by formal institutions to administrative officials depend greatly on local power configurations within which the state and its institutions are embedded, and where officials with delegated authority operate. In this way, spatially constituted configurations of local power, animated formal and informal institutions, with the agency exercised by state institutions to shape power relations taking various forms. This includes co-opting informal arrangements that reinforced power asymmetries, or adapting to changing realities to maintain legitimacy and control. In Malakand, state co-option had been pursued historically through formalizing the domination of the landed class and exclusion of the landless class via the institution of the Jirga. Adaptation was evident through the administration's recognition of the BU's representative and communicative roles, and its consequent formal and informal working with different elements of the BU to retain legitimacy and deliver state agendas. Top-down institutional change, or what Brinkerhoff (2016) calls institutional un-freezing, also had profound implications for configuring local power relations. The introduction of universal property rights in the Malakand region in the 1970s empowered landless individuals, who had economic capital to purchase land but had been previously denied the right to do so. This drove the major transformation in the distribution of resources and the relationship between power and institutions, constituted locally within the site of Batkhela Bazaar.

Field analysis demonstrated the changing positionality and interactions between key institutions operating across the fields of power of the marketplace, political representation and local administration and how these drove the evolution of local governance structure in the Malakand district (see Table 2). These interactions were defined by the various rules, socialized roles, forms of capitals (social, political, economic), and knowledge that generated long-standing practices (habitus) (Bourdieu and Wacquant, 1992; Paolucci, 2014), within which the struggles over capital and generative actions took place. As fields and their inherent struggles changed, the enduring ways of understanding the world and acting upon it evolved, as actors responded to the objective structural conditions in which they found themselves (Kashwan et al, 2018).

## 6. Conclusions

This paper has contributed to existing theoretical debate on the power-institution relationship within governance, through placing the notion of 'power within' at the centre of analysis. In so doing, it has been possible to demonstrate empirically how power shapes institutions and institutions shape power. In a context where

bazaar development was the main driver of the local economy, the field-analytical framework enabled analysis of the evolving dynamic interaction between existing and new local institutions, formal and informal, to demonstrate the relative positions of legitimate authority. In this respect Batkhela Bazaar is of wider relevance as an archetype of the growing business spaces evident within small and medium sized towns across Pakistan, and the global South more widely.

The different fields of marketplace, political representation and local administration, and the interactions between them, generate the multiple arenas of struggle which constitute local governance in Batkhela Bazaar. Struggles for power were evident within each field, for example within the local administration between municipal and district levels, between local political representatives on a party and non-party basis, or between bazaar traders. However, these within field struggles were also strongly linked, as analysis of the evolution of the BU demonstrated. Here municipalities informally used the BU to pressurise district level or elected representatives, or officials engaging both formally and informally with the BU to maintain personal support or deliver local services. Actors used power derived from one field to influence these other fields. By fundamentally linking power and space through the notion of field in this way, it is possible to specify empirically how power within local governance is realised in practice in particular sites; both through the interaction between formal/top-down and informal/bottom-up transformative processes, and the playing out of power struggles within and between fields.

Shifts in local power relations and the structure of local governance, resulted in agents' own understanding of their individual powers changing to influence the formation of intra-class and intra-party alliances. This generated new individual and collective interests within bazaar politics. Social mobility was enabled through the interface between processes of economic change and partial and discontinuous liberal democratic reforms, including political decentralization. The state, through its acts of omission and commission, exercised a critical role in shaping local power dynamics. In Batkhela Bazaar, synchronous with growth in its size and power was a fundamental shift in local governance; from an informal space within a highly centralized governance structure controlled by an exclusionary feudal/bureaucracy nexus, to its gradual institutionalization into an incompletely decentralized local governance structure, dominated by an elite-trading nexus.

By accounting for the role of agency, space and the distribution of power in producing specific, place-based, formal and informal institutional configurations, the relational conception of 'power within' captures a key dimension of power and its role in shaping institutions and their interaction at the local level. Focusing analysis upon the role of power in shaping the interplay of formal and informal institutions, identifying different fields of power (economic, political and administrative etc.) and their interconvertability, shows how power animates the interaction of institutions which is of relevance to wider debates on the nature of institutional change within polycentric governance. 'Power within' not only connects interlinked institutional arenas within the local governance structure but also begins to explain how power operates at the interstices between formal and informal institutions unevenly over space. In so doing it makes an important contribution to existing theoretical conceptions of the power-institution relationship within governance. In moving beyond binaries of 'power to' and 'power over', and 'institutions as rules' and 'organizations as players', this paper identifies the need for further empirical research to validate, refine and modify the notion of 'power within' to enhance institutional analysis of local governance.

This approach is particularly important for understanding developing state contexts. Here the operation of power within local governance via interlinked formal and informal institutions com-

prises a crucial arena for development, yet central state institutions are often overly dominant and/or weakly developed subnationally. The response, in the form of decentralization programmes as a means of modernising state structures to improve political participation and service delivery at local and provincial levels, has often failed to deliver on intended outcomes. Yet evaluating the relative success or failure of these programmes has to commence from a starting point that recognises the place-based embeddedness of the state and how 'power within' animates interactions within and between state and non-state institutions of governance.

There are key implications here for development practices and policy aimed at the improvement of local governance. First, programmes aimed at strengthening local and regional governance need to proceed across their design and implementation through careful, spatially sensitive, analysis of the relationship between power and institutions operating across local, subnational and national levels. Crucial in this respect is identification of the power which various spheres of governance possess, the agency exercised by the state within this power configuration, as well as the role of individual and collective agents. Developing this understanding to inform the design and evaluation of decentralization programmes and associated local and regional governance initiatives, is a necessary prerequisite to improve their effectiveness.

Second, as processes of political decentralization are enacted alongside wider socio-economic change sponsoring increased social mobility, new institutions of interest articulation inevitably emerge. A major governance challenge relates to how these novel institutional forms can interact with the formal decentralized governance structure in a progressive and inclusionary manner. As demonstrated through the emergent role of the Bazaar Union in Batkhela, such new institutions can be highly effective in channelling voice, communicating local grievances and acting responsively to meet certain local needs through delivering local services and infrastructures in contexts where the local administration is largely ineffective. Yet simultaneously they present the risk of replacing one form of exclusionary feudal-bureaucratic elite with a new one incorporating wealthy bazaar traders, to produce a style of governance that bypasses the local administration and weakens fledgling local democratic governance. Furthermore, where the involvement of political parties within the Bazaar Union becomes dominant, its role can be reduced to simply that of amplifying rifts between the local administration and elected officials.

The development challenge here is how to harness the benefits from increasingly powerful locally based institutions capable of generating broad-based participation and resources for local investment, in a manner that is inclusive and supportive of the formal institutions of decentralised governance. To achieve this requires ongoing commitment to the development of various effective governance mechanisms. In the case of Bazaar Unions for example, improved regulation over electoral practices and the extent and role of political parties, could help to avoid elite capture and ensure broad-based and transparent representation which extends beyond constrictive party-political interests. With a degree of regulatory control in place, the ability of the BU to communicate effectively with a large bazaar community could be utilized more fully for local service delivery, for example through allocating funds via the BU for health and sanitation and waste-picking services. Such an officially recognized role could also see the BU being used as a means for generating regular taxes for these purposes in a manner that the existing local administration is unable to do. Through such processes, which improve the articulation of emerging local institutions with the formal institutions of local governance, new institutions can retain and augment their

positive roles in channelling voice and improving service delivery, whilst supporting the local administrative field and promoting greater diversity and responsiveness in representational politics.

- [1]. We draw here on Bourdieu's field theory, with its attention to the particularities of the state at the local level and its application to the local politics and governance of the developing state context (Rankin et al, 2018), and not upon Bourdieu's state theory which has been criticised for its inapplicability to the governance context outside continental Europe (Schinkel, 2015; Scott, 2013).
- [2]. A simple distinction between institutions as rules, and organizations as players, has shown to be untenable (Greenwood et al, 2014; Hodgson, 2006). Organizations, such as the Bazaar Union, are made up of individuals with conflicting objectives. Characterizing such organizations only as actors and not also recognizing them as institutions, leads to ignoring these internal power struggles and the rules governing interactions within and beyond the organization (Hodgson, 2007). Neither all organizations are institutions in all circumstances, nor all institutions are organizations. The Bazaar Union in Batkhela is both an actor in some circumstances but also an institution of a particular type. As power configurations are not fixed, neither is the evolution of organizations within an institutional arrangement. As Ostrom (2011: 9) recognises, each "institutional arrangement is different and is presumed to require its own explanatory theory".
- [3]. Union Councils are elected local government bodies. They are the lowest tier of local government within the Pakistani government system, sitting below the Sub-divisional (*Tehsil*) and District levels. Union Councils are comprised of various 'neighbourhood councils' (for urban areas) or 'village councils' (for rural areas). Malakand District has two Sub-divisions and 28 Union Councils. Batkhela Bazaar extends over three Union Councils, which are comprised of nine neighbourhood councils (three for each of the Union Councils).
- [4]. Districts in the 'provincially administered tribal areas', previously either princely states or areas with special status in Pakistan, each had their respective *riwajnamas* (written customary codes): Swat and Malakand protected area (now Malakand district) had their respective *riwajnamas* and Dir had its own set of rules known as *Dastoor-e-amal*.
- [5]. A series of special provisions in the criminal and civil procedures were introduced in the 1970s for the PATA which formalized the role of Jirga in the new legal system. A decision of Peshawar high court in 1990, latter upheld by the supreme court in 1994, struck down these special regulations and the formal role of Jirga.
- [6]. In the Pakistani context, religion remains an important source of power in local politics but requires financial capital too. As Abou Zahab (2013: 58) notes, in the "traditional system Mullahs could not sustain a network of political patronage as they lacked financial means, but now they have access to money and have created space for themselves in the society".
- [7]. Elections to the BU require the approval of the DC, with the DC able to veto the decision to hold an election on the grounds of security, thus affording the local administration some formal authority over the BU.
- [8]. Amirali's (2017) findings from study of the food grain market in Okara (Punjab) identify a similar shift in power relations.



## CRedit authorship contribution statement

**Muhammad Salman Khan:** Conceptualization, Methodology, Investigation, Formal analysis, Writing – review & editing. **Stephen Syrett:** Conceptualization, Methodology, Writing – review & editing.

## Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

## Acknowledgements

We acknowledge useful comments on earlier versions of this paper by Dr Asimina Christoforou, Professor Frances Cleaver and Professor Daanish Mustafa. We also thank the editor and two anonymous reviewers of World Development for their very valuable comments. **Funding** This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

## References

- Abou Zahab, M. (2013). Kashars against Mashars: Jihad and social change in the FATA. In M. Marsden & B. Hopkins (Eds.), *Beyond Swat: History, society and economy along the Afghanistan-Pakistan frontier* (pp. 51–62). London: Hurst and Co.
- Ahmed, A. S. (1980). *Pukhtun Economy and Society: Traditional Structure and Economic Development in a Tribal Society*. London: Routledge and Kegan Paul.
- Akram, S., Emerson, G., & Marsh, D. (2015). (Re) Conceptualising the third face of power: Insights from Bourdieu and Foucault. *Journal of Political Power*, 8(3), 345–362. <https://doi.org/10.1080/2158379X.2015.1095845>.
- Amirali, A. (2017). Market power: Traders, farmers and the politics of accumulation in Pakistani Punjab. *DPhil thesis*. St. Catherine's College, University of Oxford.
- Asad, T. (1972). Market model, class structure and consent: A reconsideration of Swat political organization. *Man*, 7(1), 74–94.
- Bardhan, P., & Mookherjee (Eds.). (2006). *Decentralization and Local Governance in Developing Countries: A Comparative Perspective*. Cambridge MA: MIT Press.
- Barth, D. (2012). *Local government system in Khyber Pakhtunkhwa: a historical analysis*. GIZ: support to good governance in Pakistan Program: Peshawar.
- Bennett, A., Acton, L., Epstein, G., Gruby, R. L., & Nenadovic, M. (2018). Embracing conceptual diversity to integrate power and institutional analysis: Introducing a relational typology. *International Journal of the Commons*, 12(2), 330–357. <https://doi.org/10.18352/ijc.819>.
- Bourdieu, P. (1991). *Language and Symbolic Power*. Cambridge: Polity Press.
- Bourdieu, P. (1994). Rethinking the State: Genesis and Structure of the Bureaucratic Field. *Sociological Theory*, 12(1), 1–18. <https://doi.org/10.2307/202032>.
- Bourdieu, P. (2005). *The Social Structures of the Economy*. Cambridge: Polity Press.
- Bourdieu, P. (2014). *On the State: Lectures at the College De France, 1989–1991*. Trans. Fernbach, D. Cambridge: Polity Press.
- Bourdieu, P., & Wacquant, L. J. (1992). *An Invitation to Reflexive Sociology*. University of Chicago Press.
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77–101. <https://doi.org/10.1191/1478088706qp0630a>.
- Brinkerhoff, J. M. (2016). *Institutional Reform and Diaspora Entrepreneurs: The In-between Advantage*. Oxford: Oxford University Press.
- Cleaver, F., & de Koning, J. (2015). Furthering critical institutionalism. *International Journal of the Commons*, 9(1), 1–18. <https://doi.org/10.18352/ijc.605>.
- Dewulf, A., & Elbers, W. (2018). Power in and over cross-sector partnerships: Actor strategies for shaping collective decisions. *Administrative Sciences*, 8(3), 43. <https://doi.org/10.3390/admsci8030043>.
- Faguet, J.-P. (2015). *Transformation from below in Bolivia and Bangladesh: Decentralization, local governance, and systemic change*. London, UK: The London School of Economics and Political Science. <http://eprints.lse.ac.uk/61170/>.
- Fischer, H. W., & Ali, S. S. (2018). Reshaping the public domain: Decentralization, the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), and trajectories of local democracy in rural India. *World Development*, 120, 147–158. <https://doi.org/10.1016/j.worlddev.2018.09.013>.
- Fletcher, A. J. (2016). Applying critical realism in qualitative research: Methodology meets methods. *International Journal of Social Research Methodology*, 20(2), 181–194. <https://doi.org/10.1080/13645579.2016.1144401>.
- Gaventa, J. (2006). Finding the spaces for change: A power analysis. *IDS bulletin*, 37(6), 23–33. <https://doi.org/10.1111/j.1759-5436.2006.tb00320.x>.
- Geiser, E. (2013). Producing civil society, ignoring rivaj: International donors, the state and development interventions in Swat. In M. Marsden & B. Hopkins (Eds.), *Beyond Swat: History, Society and Economy along the Afghanistan-Pakistan frontier* (pp. 163–178). London: Hurst and Co.
- Goodfellow, T. (2018). Seeing political settlements through the city: A framework for comparative analysis of urban transformation. *Development and Change*, 49(1), 199–222. <https://doi.org/10.1111/dech.12361>.
- Greenwood, R., Hinings, C. R., & Whetten, D. (2014). Rethinking institutions and organizations. *Journal of Management Studies*, 51(7), 1206–1220. <https://doi.org/10.1111/joms.12070>.
- Hadiz, V. (2004). Decentralization and democracy in Indonesia: A critique of neo-institutionalist perspectives. *Development and Change*, 35(4), 697–718. <https://doi.org/10.1111/j.0012-155X.2004.00376.x>.
- Hodgson, G. M. (2006). What are institutions? *Journal of Economic Issues*, xl(1), 1–25. <https://doi.org/10.1080/00213624.2006.11506879>.
- Hodgson, G. M. (2007). Institutions and individuals: Interaction and evolution. *Organization Studies*, 28(1), 95–116. <https://doi.org/10.1177/0170840607067832>.
- Icg (2013). Pakistan: Countering militancy in PATA. *International Crises Group; Asia report*, 243, January 15.
- Jackson, D. (2018). Explaining municipal governance in Kosovo: Local agency, credibility and party patronage. *Southeast European and Black Sea Studies*, 18(2), 165–184. <https://doi.org/10.1080/14683857.2018.1474543>.
- Jan, M. A. (2017). The emergence and transformation of Batkhela bazaar (Pakistan): Ethnic entrepreneurship, social networks and change in underdeveloped societies. *Journal of South Asian Development*, 12(3), 308–330. <https://doi.org/10.1177/0973174117733554>.
- Javed, U. (2019). Ascending the Power Structure. In S. A. Zaidi & M. McCartney (Eds.), *New Perspectives on Pakistan's Political Economy: State, Class and Social Change* (pp. 199–215). Cambridge: Cambridge University Press.
- Kashwan, P. (2016). Integrating power in institutional analysis: A micro-foundation perspective. *Journal of Theoretical Politics*, 28(1), 5–26. <https://doi.org/10.1177/0951629815586877>.
- Kashwan, P., Maclean, L. M., & García-López, G. A. (2018). Rethinking power and institutions in the shadows of neoliberalism: An introduction to a special issue of World Development. *World Development*, 120, 133–146. <https://doi.org/10.1016/j.worlddev.2018.05.026>.
- Khan, D. (2019a). The interplay of space, class and institutions. In M. Meccarthy & A. S. Zaidi (Eds.), *New perspectives on Pakistan's Political Economy: State, Class and Social Change* (pp. 130–152). Cambridge: Cambridge University Press.
- Khan, M.H. (2010). *Political Settlement and the Governance of Growth-enhancing Institutions*. [https://eprints.soas.ac.uk/9968/1/Political\\_Settlements\\_internet.pdf](https://eprints.soas.ac.uk/9968/1/Political_Settlements_internet.pdf).
- Khan, M.S. (2017). Legalizing informality: the case of Batkhela Bazaar, Malakand, Pakistan. In eds: Horodnic, I., Rodgers, P., Williams, C. and Momtazian, L. Eds., *The Informal Economy: Exploring Drivers and Practices*. London: Routledge, pp.191–210.
- Khan, M.S. (2019). Governance, marketplace and social capital: the role of Batkhela bazaar in the evolving governance of Malakand region, Pakistan. *PhD thesis*, Centre for Enterprise and Economic Development Research, Middlesex University London. <https://eprints.mdx.ac.uk/26365/>.
- Kluttz, D., & Fligstein, N. (2016). Variety of field theories. In S. Abrutyn (Ed.), *Handbook of Contemporary Sociology*. New York: Springer.
- Lang, R., & Mullins, D. (2020). Field emergence in civil society: A theoretical framework and its application to community-led housing organisations in England. *VOLUNTAS: International Journal of Voluntary and Nonprofit Organizations*, 31(1), 184–200. <https://doi.org/10.1007/s11266-019-00138-z>.
- Maxwell, J. A. (2012). *Qualitative Research Design: An Interactive Approach*. New York: Sage Publications.
- McCullough, A., Toru, S., Syed, R. & Ahmed, S. (2019). Why services won't always buy legitimacy: everyday experiences of the state in Swat, Pakistan. *SLRC Working Paper*, 82. <http://hdl.handle.net/11540/10598>.
- Mohan, G., & Stokke, K. (2000). Participatory development and empowerment: The dangers of localism. *Third World Quarterly*, 21(2), 247–268. <https://doi.org/10.1080/10436590050004346>.
- Moss, D. (2010). A relational approach to durable poverty, inequality and power. *Journal of Development Studies*, 46(6), 1156–1178. <https://doi.org/10.1080/00220388.2010.487095>.
- Morrison, T. H., Adger, W. N., Brown, K., Lemos, M. C., Huitema, D., Phelps, J., ... Quinn, T. (2019). The black box of power in polycentric environmental governance. *Global Environmental Change*, 57. <https://doi.org/10.1016/j.gloenvcha.2019.101934>.
- Mudliar, P. (2020). Polycentric to monocentric governance: Power dynamics in Lake Victoria's fisheries. *Environmental Policy and Governance*. Advanced Online Publication. Doi: 10.1002/eet.1917.
- Nadeem, M. (2016). Analysing good governance and decentralization in developing countries. *Journal of Political Science and Public Affairs*, 4(3), 209–227. <https://doi.org/10.4172/2332-0761.1000209>.
- Navarro, Z. (2006). In search of a cultural interpretation of power: The contribution of Pierre Bourdieu. *IDS Bulletin*, 37(6), 11–22. <https://doi.org/10.1111/j.1759-5436.2006.tb00319.x>.
- Nantongo, M., Vatn, A., & Vedeld, P. (2019). All that glitters is not gold; power and participation in processes and structures of implementing REDD+ in Kondo, Tanzania. *Forest Policy and Economics*, 100, 44–54. <https://doi.org/10.1016/j.forpol.2018.10.01>.



- Olivier De Sarden, J.-P. (2006). *Anthropology and Development: Understanding Social Change*. London: Zed Books.
- Ostrom, E. 2011. Background on the institutional analysis and development framework. *The Policy Studies Journal*, 39 (1), pp. 7-27.
- Paolucci, G. (2014). The state and economics. In A. Christoforou & M. Laine (Eds.), *Re-thinking Economics: Exploring the Works of Pierre Bourdieu* (pp. 62-73). London: Routledge.
- Rankin, C. M., Nightingale, A. J., Hamal, P., & Sigdel, T. S. (2018). Roads of change: Political transition and state formation in Nepal's agrarian districts. *The Journal of Peasant Studies* (online version). <https://doi.org/10.1080/03066150.2016.1216985>.
- Saunders, B., Sim, J., Kingstone, T., Baker, S., Waterfield, J., Bartlam, B., ... Jinks, C. (2018). Saturation in qualitative research: Exploring its conceptualization and operationalization. *Quality & Quantity*, 52(4), 1893-1907. <https://doi.org/10.1007/s11135-017-0574-8>.
- Schinkel, W. (2015). The sociologist and the state. An assessment of Pierre Bourdieu's sociology. *The British Journal of Sociology*, 66(2), 215-235. <https://doi.org/10.1111/1468-4446.12120>.
- Schmitz, A., Witte, D., & Gengnagel, V. (2017). Pluralizing field analysis: Toward a relational understanding of the field of power. *Social Science Information*, 56(1), 49-73. <https://doi.org/10.1177/0539018416675071>.
- Scott, A. (2013). We are the State. Pierre Bourdieu on the State and political field. *Intrasformazione: rivista di storiadelleidee*, 2(1), 65-70. <https://doi.org/10.4474/DPS/02/01/LSS67/06>.
- Smith, C., Elger, T. (2014). Critical realism and Interviewing subjects. In Edwards, P. K., O'Mahoney, and Vincent, S. (eds.) *Studying Organizations Using Critical Realism: A Practical Guide*. Oxford: Oxford University Press, pp. 109-131.
- Steinmetz, G. (2008). The colonial state as a social field: Ethnographic capital and native policies in the German overseas empires before 1914. *American Sociological Review*, 73(August), 583-612.
- Stokke, K., & Selboe, E. (2009). Symbolic representation as political practice. In A. Tornquist, N. Webster, & K. Stokke (Eds.), *Rethinking Popular Representation* (pp. 59-78). New York: Palgrave.
- Swartz, D. L. (2008). Bringing Bourdieu's master concepts into organizational analysis. *Theory and Society*, 37(1), 45-52. <https://doi.org/10.1007/s11186-007-9053-x>.
- Swedberg, R. (2011). The economic sociologies of Pierre Bourdieu. *Cultural Sociology*, 5(1), 67-82. <https://doi.org/10.1177/1749975510389712>.
- Torring, J., Peters, B. G., Pierre, J., & Sorensen, E. (2012). *Interactive Governance: Advancing the Paradigm*. Oxford: Oxford University Press.
- Whaley, L. (2018). The critical institutional analysis and development (CIAD) framework. *International Journal of the Commons*, 12(2), 137-161. <https://doi.org/10.18352/ijc.848>.
- Wilder, A. R. (1999). *The Pakistani Voter: Electoral Politics and Voter Behaviour in the Punjab*. Oxford: Oxford University Press.