

Dispute Settlement Mechanism in Tribal Pakistan

(A need of attention for human rights compliance)

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Independent and transparent judicial system along with economic and political freedom is prerequisite for transforming a subsistence society into dynamic one. It is universally admitted that low cost and in time provision of justice is basic human right. However, there exist certain geographic frontiers like tribal areas of Pakistan where these human rights are exploited. These places are intuitively the houses of ignorance, cross gender violations and extremisms that instigate the further societal strata. The poor state of infrastructure, lack of political control, illiteracy along with costly justice attract the people to join parallel judicial system like Jirga which they consider a cheap and immediate solution of their feuds. The informal courts use superstitious techniques for resolving the disputes. The accused has been directed to saunter at the blazing embers with bare feet, jump into the water in specific timing, touch with his tongue to a heated Chisel etc. People have accepted such outdated investigation techniques as a religious and customary obligation. On the other hand Islam does not allow such style of dispute settlement. Therefore, this paper is designed to interrogate about the techniques for providing justice among tribal community as well as an awareness tool in order to eradicate such rituals and techniques.

Keywords: Custom, Dispute, Jirga, Justice, Tribal

Introduction

Tribal areas of Pakistan constitute diverse socio-cultural and economic resources. These federally administered areas are often regarded as house of poverty, criminal belongings and violation of basic human rights. The 21st century which is era of globalization and technological developments even could not loosen the subsistence values about the life in these areas of geographic and social exclusion. History revealed that evolution of human civilization delivered unprecedented benefits towards art of living. Although tribal administration was once vibrant enough to deliver easy access to justice but with the evolution of resources and newer developments in approximately all fields of life there is no need to be stuck with older lifestyle.

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5) PROFIT AT PAR WITH CONVENTIONAL BANKS

It is recommended that the profit ratio should be enormous for the leading Islamic Banks which are healthy growing.

6) BETTERMENT OF SOCIETY

The concept of Islamic Banking system is a part of whole and Islamic economic system which motive to promote a society on equity and justice. Islam prohibits the *Riba* or interest which leads unjust and exploitative. Paying and changing an interest is unjustified under the Islamic religious framework. The harmful consequences of *Riba* or interest which categories the widen gap between rich and poor which lead to instability and social inclination in the economic.

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Hypothesis 1: There will be no significant difference in the perception and performance of junior bank officers and senior bank officers in the frame of marketing in the Islamic Banking Industry of Pakistan.

The views of the junior and senior officers of the banks were satisfactory regarding the perception and performance in the frame of marketing under the Islamic banking of Pakistan because they have been professionally trained from the same banking institution. They administrated their job as per their cadre, capability and proficiency. Hence both used their prudent potential to provide quality service to maximize the satisfaction level of their customers under the Islamic banking system.

RECOMMENDATIONS

The subsequent recommendations are furnished:

1) AWARENESS ITS REAL ESSENCE

It is recommended that the true essence of Islamic Banking and its components feature should be promoted among the consumers. Islamic marketing leads to satisfy the customers impressively with their core services.

2) PROMOTE THE ISLAMIC MARKETING TACTICS IN PAKISTAN

In Pakistan the implementation of Customer Relationship Management practices are to be focused. Customer Relationship Management is a desk where they deal the task of consumer outlet by adding related data about their customers with providing efficient services. It is recommended that standardized excellent service of Islamic bank to magnetize the great number of customers.

3) PROMOTE MICRO FINANCING

It is recommended to flourish the consumer banking it is necessary to promote micro financing in every dimension of Islamic banking of Pakistan.

4) EXPANSION IN PRODUCT AND SERVICES

The quality of product are as per the standard of promotion which as it had attributed. Dealing the customer with adequately, satisfied with the features of products and services as well as defined benefits. It is recommended that expansion in product and services facilitate the customer demand and expectation.

TESTING OF MAJOR HYPOTHESES

NULL HYPOTHESIS

There will be no significant difference in the perception and performance of junior bank officers and senior bank officers in the frame of marketing in the Islamic Banking Industry of Pakistan.

Analysis of the Problem

1. H_0 : $\mu_1 = \mu_2$
2. H_1 : $\mu_1 \neq \mu_2$
3. α : 0.05
4. Test Statistics : t-test

$$t = \frac{\bar{X}_1 - \bar{X}_2}{SE_{\bar{x}_1 - \bar{x}_2}}$$

5. Decision Rule : Reject H_0 if computed $t \geq 1.96$

Referring to Table t, we find that the tabulated value of $t = 1.96$, with $df = 178$ at $\alpha = 0.05$ is greater than the computed value of $t = 1.27$. Therefore the null hypothesis is upheld and it is concluded that there is no significant difference in the perception and performance of junior bank officers and senior bank officers in the Islamic Banking Industry of Pakistan.

From the examination of the table, it is clear that the of junior bank officers and senior bank officers views regarding marketing about the Islamic banking are same.

Table 4.1. show the application of t-test for testing the null hypothesis

CONCLUSION

The basic purpose of the study was to analyse the degree of the bankers perception and performance in the frame of marketing in the Islamic Banking Industry of Pakistan and make recommendations for increasing satisfaction among the bank employees so as to improve the effectiveness of marketing services of the Islamic banking system.

The cumulative rating of the bank by the respondents was Agree or Moderately Agree. Out of 180 respondents, 43% were Moderately Agree, 45% were Agree, 10% were Strongly Agree, 1% were Disagree and 1% were Strongly Disagree.

Hypotheses was developed. The results are presented below:

DATA ANALYSIS

Two types of analytical techniques were used. First, qualitative analysis of the questionnaire were made and the results were described in the narrative form.

The second type of technique used was quantitative. Table with frequencies and percentages were used for description of data. For statistical inference, t test of significance was used. In testing the hypotheses involving two groups, the t test was used. In the light of the findings, several concrete recommendations were made for the betterment of Islamic banking system.

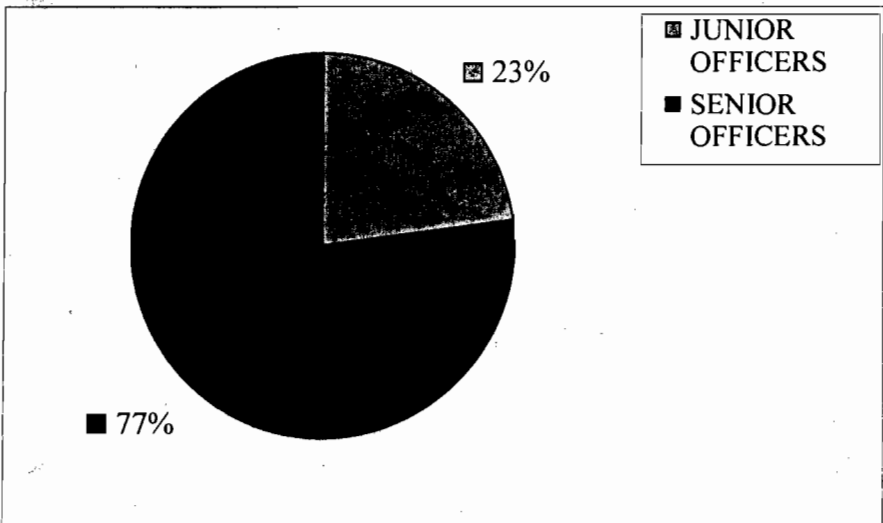
COMPOSITION OF THE SAMPLE

Table and Pie Chart shows the distribution of Bank Officers & Managers by Post Level.

Table 1

Distribution of Bank Officers & Managers by Post Level.

POST LEVEL	FREQUENCY	PERCENTAGE
JUNIOR OFFICERS	42	23
SENIOR OFFICERS	138	77
TOTAL	180	100



It is evident that 77% of the Bank Management consisting were Senior Officers and 23% were Junior Officers.

STATEMENT OF PROBLEM

Evaluate the Bankers Perception and Performance in the frame of Marketing in the Islamic Banking Industry of Pakistan.

STRATEGY

The overall strategy of research was survey. Survey research is the most extensively used research type in research. It involves the collection of data at one point in time from a random sample representing the population at that time. This study investigated the perception and performance of Banker in Islamic banks in Pakistan provided. Study population by the Islamic bank employees. The researchers explained the questionnaire and objective of the investigation, define its purpose, significance of the project what is expected from the respondents.

The total number of 751 Islamic Branches of Conventional Banks and Sub Branches of full-fledged Islamic Banks. Their cumulative deposit portfolio were Rs.390 billion. (SBP, Islamic Banking Bulletin, Dec, 2010)^[20].

It was not feasible to carry out a census. Consequently stratified random sampling design was adopted. In the final stage of sampling cluster sampling design was used. In this design, the unit of sampling is not an individual banker but all the customers of the Islamic Banks present on the day of the survey. The total sample size was 180 bank employees from the Islamic banks of Pakistan. The break down of the sample is mentioned below:

BANK BY GENDER				
	SOUTH	CENTRAL	NORTH	TOTAL
ISLAMIC BANKS MALE	125	17	14	156
ISLAMIC BANKS FEMALE	18	3	3	24
TOTAL	143	20	17	180

RESEARCH INSTRUMENTS

Tailor-made questionnaires were developed for bank employees (See Appendix No. I). The questionnaire for bank employees was comprised of 59 items. The items of the questionnaire were drawn from the content field in consultation with the experts, review of the literature and the judgment of the researcher. The procedure ensured the content validity of the questionnaires.

Islamic marketing based on its ethical law where no exploitation influences their customers in any manner such as deceit, deception or fraudulence. Any immoral performance does an injustice that wipe out the concepts of equality and fairness with humankind which is the essence of Islamic idea (Saeed, Ahmad and Mukhtar, 2001) ^[17]. Thus, adopting the Islamic marketing ethics ensures that the seeds of harmony are planted and a proper order in society is provided, thereby enhancing the dignity of, and upholding the rights of human beings.

Islamic banks face the marketing challenge by coming up with a full array of genuinely distinctive, innovative and competitive products. In Pakistan, Islamic banks have adopted a different strategy to influence their customers; they have offered innovative products and efficient services to their customers according to their requirements. The price of products are compatible as compare to conventional bank which influence the customer to move forward across the Islamic Banks. The marketing strategy of Islamic Banks is purely *Halal* based like "*Riba free*" is a promotional slogan of Islamic banks. They facilitate their customers by placing the Islamic products to fulfill the requirement of their customers. They promote their product in such way the cost of promotion return bank through the customers (http://www.EzineArticles.com/?expert=Ahsan_Ayub) ^[18]. Like the products of "*Labbaik Hajj and Umrah*" and "*Laptop Ease*" are successful consumer financing products by Meezan Bank Limited of Pakistan. (www.meezanbank.com) ^[19]. Islamic banks have an active focal point on emerging their customer friendly. Provide Islamic preferences to conventional banking products, aligned with their mission to offer a one stop shop for inventive products and services to their customers under the boundary of *Shariah*.

This study is designed to fill in the gap and its main objective is to identify the salient features of Islamic marketing and to evaluate the possible role of bankers as may be perceived by the customers of Islamic Banking in Pakistan.

METHODOLOGY

The methodology implemented for this paper is briefly conversed below:

It could be argued that the objectives of Islamic marketing cannot be separated from the objectives of the Shariah. From the above presentation on the philosophy of Islamic marketing, it is clear that human is Allah's envoy in this world. Therefore, the trust that Allah gives must be utilised in all aspects of life, including marketing. Although in reality, different ways might be taken to utilise that trust as long as they meet certain principles. Those principles, according to Ahmad (1989) ^[13], are follows:

- Agree with the principles of Islamic law or Shariah.
- Achieve the economic and social goal of Islamic civilization.

ISLAMIC BANKING AND PAKISTAN

At the end of 70 Pakistan originated their banking system into Islamic paradigm, effective from July 1985 all commercial banks transfer into Islamic banking regime. (Tahir and Umar, 2008) ^[14]. The rapid switch pose hurdles on execution however, from 2001 structure has develop for flourish of Islamic bank and then first license of Islamic bank had honored to Meezan bank in 2002. The transforming of economic and financial system on Islamic path has passed 22 years though the entire effort in useless. However Islamic banking system movements revitalize in 2002, presently there are five full-fledged Islamic Banks. viz: Meezan Bank Limited, BankIslami Pakistan Limited, Dubai Islamic Bank Pakistan Limited, Burj Bank (Formerly Dawood Islamic Bank Limited) and Al Baraka Islamic Bank (Pakistan) Limited with 751 Islamic Branches of Conventional Banks and Sub Branches of full-fledged Islamic Banks (SBP, Islamic Banking Bulletin, Dec, 2010) ^[15]. Islamic banking network spread more than 07 main cities of Pakistan, 79% of Islamic Banking network consist in Sindh and Punjab region.

MARKETING STRATEGY OF ISLAMIC BANKING IN PAKISTAN

The Islamic marketing system is a principle of justice and value maximize for society. The system represent and raise the living of standard of the people in common throughout commerce purpose. The Islamic moral guiding principle assuring respect individual freedom as well as both bankers and consumers also. (Khan, 1987) ^[16].