

Abstract

The study on "Social Exchange between Lenders and Borrowers in an Informal Money in an Urban Community". The objectives of this research is to study the social obligation between lenders and borrowers, especially person obligation, gratitude, trust. Relationship between them would explain the rise, the continuity and the end of the informal money. Social Network Concept was employed to organize data. Social Exchange Theory was used as a framework in analyzing and explaining relations of a social exchange in the informal money.

As for research methodology and data collection, the researcher used a method based on a qualitative methodology. Data collection took one and a half year. It was both a documentary and field study. It was composed of participant observation, an informal interview, biography study, social mapping and a group session. Besides triangular data were also examined. The place where the study was conducted was Mooban Rak Thai, Amphur Muang, Samutprakan. Group samples were 11 lenders and 14 borrowers.

The study found that a change in context of a community, especially economic, was one of conditions leading to more informal money. With data on lenders well explored, it was found that lenders must have capacity to establish networks, have wide experience and full potential to enforce the rules. Borrowers had to live within the said networks. The informal money network was linked with other social networks, for example, gambling network etc.

The process of informal money consisted of fund sources, methods of getting access to information, method of lending and implementing the rules. The process showed connection of a social exchange among individuals within the informal money network. This was especially clear between lenders and borrowers. the connection showed reciprocal, conflict, and interest protection, which led to arising, continuing and ending of the informal borrowing system.