Chapter Five

Markets as Urban Space for Consumerism

"The consumer market has achieved an uncanny feat of reconciliation and blending two mutually contradictory values which are both avidly sought by members of an individualized society: it offers in one package deal the badly missed assurance and the keenly desired yet elsewhere unavailable guarantee of goods-replacement, even a money-back guarantee, in case the presently sought assurance wears off and a new assurance needs to be put in its place. The consumer market promises, and delivers, the reassuring certainty of the place without the frightening prospect of mortgaging the future" (Bauman 2001:24).

The motif of this research is the abundance of consumption practices revolving around the urban space (market) as discussed earlier. Certainly we can identify a 'generalised shift' in social practices and mentality that unleashes desires to express individuality, and directs these desires to consumer products, and creates new spaces where these products are sampled, purchased and enjoyed (Appadurai 1996:72). Such spaces are said to be constructed in ways that enclose and separate activities from wider spheres to the extent that they represent 'a complete world, a kind of a miniature city' (Jameson 1991:40). These spaces are organized around grandeur, leisure, and the spectacle that becomes the cause of consumption popularly known as 'markets'. The word 'market' refers both to the act of trading between buyers and sellers at prices decided by supply and demand, and to the place where buying and selling of goods occur. It is where buyers and sellers, people and goods converge at the same time and place as a centre of distribution. The process by which an individual develops transacting with other people is the specific patterns of socially relevant behavior. The young and the old acquire skills, knowledge and the attitude relevant to their acting as consumer in the market. This chapter deals with markets as a one form of postmodern urban space and its associated influence over consumerist loyalties. As navigating these spaces becomes a part of everyday routine of a modern life led by civilized citizens.

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5.1. Markets As A Postmodern Space

These marked urban spaces has been a special site of attraction for the society to flourish and sustain its survival. Directly and indirectly markets has been recognized as a postmodern space facilitating socialization and exchange. The functional aspect revolving around these spaces were distribution and exchange, and their activity was not limited to material goods alone. Whilst, these markets brought people together in the same place at the same time leading to exchange between people along with exchange of information. As markets are usually crowded with people; they are integral sites of framing new relationships. People even enjoy glancing through the goods displayed at the window panes which is popularly known as ‘window shopping’. Nevertheless, market is a place for consumers to purchase vis-à-vis enjoyment, and observe others’ as well as their activities.

As market is a place where people from all walks of life gather to invoke a crowd like image. Thus, sometimes leads to commotion and disorder which doesn’t means that business is conducted haphazardly. Fixed customs and rules are applied as there is order within disorder. These microcosms are organised around consumption, leisure and the image and are regulated by surveillance, gate keeping and crowd disciplinary technologies (Shields 1989). Though these markets are noisy and chaotic spaces this noise and disorder enables them to feel a sense of natural gathering of emancipation. These shopping malls are an apt example for this. In other words, we draw an understanding of how markets got assimilated as part of the capitalist system and how they involve consumers as participants, buyers and sellers in the market spaces. Essentially, what role do they play as a catalyst to the spirit of consumerism. In contemporary times markets are in the form of malls and shopping centers that caters the society with their noise and tout fulfilling their social self. Therefore, in this study the role of market acting as an incentive for strengthening consumerism by escalating consumption is primarily discussed.
5.2. ‘Market’ as an Active Site for Consumerism:

In the much debated large scale system of consumption vis-à-vis consumerism, we have talked about the creation of false needs as compared to their actual needs. The turn of twentieth century saw consumption as a major driving force of modern capitalism. Post modernist like Baudrillard and Bourdieu, acknowledged consumption as semiotic codes of signs and objects facilitating status and class to the consumers. In retrospect, they talked of consumption, without really engaging on where really they come in contact with the commodities? Where does pressures act as stimulators in their transition from individuals to consumers? What really attracted these new breed of consumers towards a particular set of brands and style? What actually triggers their lives to make them in a sense consume? And what impulses, thoughts they acquire while they are consuming? This all and more is discussed as part of our study of aggravating consumerism in the market place.

The agents working behind the above discussed introspection, is the urban space along with an ideological constraint working in unison. I have observed, when peoples’ purchasing power increases they get expose to the mechanization of the marketplace at a very early stage. At this point, a tendency is developed to recognise them as avante garde of consumerism. Their lifestyles gets strategically mainstreamed into the consumer culture in particular, facilitated by the spectacle of the markets space. Thus, the above premise executes the assumption that urban space (market) is the most naturalized structural design to trigger consumption both symbiotically as well as practically by all means. What is distinctive about consumerism is the lure of material goods. As a contrast, consumption acts a major force behind the presence of modern consumer society. What is being consumed by whom, why and where, holds significance in present times. The primary focus is on peoples’ purchasing power and mass consumption leading to an acquisitive desire for more commodities and insatiated desire for novelties. The mass demands and mass consumption that are perpetuated by mass media transforms markets into a social institution.

The investigation was pertinent in the twentieth century, partly because of
growing materialistic needs vis-à-vis the change in the overall system of values, beliefs and culture of consumption. Europe and America were the epicenters of exaggerated consumption of household items and apparels which later got dispersed all over the globe. However, the trend suggests liberation experienced through the use of these material commodities in our day to day lives. The post liberalization era has provided the understanding of a wider variety and more choices as to what was earlier available. As a consequence, to unravel the culture of consumerism one has to delve into the structures (markets) and its sites of consumption as a way of life.

5.2.1. Markets and the Modern Consumer:

The modern consumer acts primarily within the market as a place to purchase and sell goods. Markets have a fundamental role to play and it caries an ideological common sense of consumerist conformity as well. This is in effect of the postmodern space\(^2\) and it's associated influence on consumerist activities at the market places. The catharsis of urban spaces-markets was a major breakthrough for the fulfillment of the innate desires. In the post liberalization era, the transformation of shops into department stores and the accessibility of goods hastened the needed effort to modernize consumption practices. The markets began to beautify the urban landscape-towns, cities and metropolitans. The journey of small stores to departmental stores to malls are historically interesting. Instead of producing false needs, these new sites of consumption offered opportunities to explore the actual needs as well. Analytically, consumerism is a behavioral model of a mental state delving deep into action for better commodities for a better lifestyle(combining utility and style).

This fact becomes problematic for sociologist as well as for anthropologist, studying consumerism keeping in mind the expenditure and the income of the country. For example, it is almost an indispensable need for some to a buy a luxury flat along with

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a SUV (small utility vehicle) in a posh areas of metropolitan cities. Even though, this might be for the comfort, convenience, and extra concern for a better living and not effectively for conspicuous consumption.

Thus, the argument, carry forward the above act of consumer being observed as an act of responsible consumption or not? Does this by any chance forego the purchases because they have other responsibilities or lesser income or more important needs of savings? All the above are the pertinent questions indeed? Individuals get influenced by advertising tactics and take consumption decisions impulsively, however partially in the marketplace. This has been proved in the findings of our study, though it is subject to constraints. For this reason, the society is collectively gaining the impact of the above made consumption decisions right at the market place.

5.2.2. Markets and Consumption Decisions:

Based on the above premise, consumption acts as a bridge for the self vis-à-vis the social self being recreated at the market place. "The truth about consumption is that it is a function of production, and not a function of pleasure, and therefore, like material production, is not an individual function but one that is directly and totally collective" (Baudrillard 1988:464). Hence, the needs and consumption are the mere extensions of the collective efforts sui generis of the society. Consumption is also defined as "the selection, purchase, use, maintenance, repair and disposal of any product and services". This at its heart carries the economic foundation of the role of consumption which at the same time cannot be ignored. Some also interpret it "as having a vote in the maintenance of the market structure; each time they purchase, they cast a ballot" (Mayer 1991:16-21). The above connotation also makes a consumer socially responsible for his actions towards the collective well being of the society.

This is indeed a very significant part of the consumer's personality to decide what

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to buy and what not to buy. The conscious choice of not buying is particularly typical of many ideological motivated models that aims to change social and cultural values within society. According to this model, the great strength of markets is that, in most cases, nobody must purchase a good they deem expensive. Because the demand generate the offer, market exchanges are positive sum games (Migone 2004: 174). While, this is an apparently straightforward description, the above is also an one sided argument. In order to express himself, the consumer is supposed to spend more than the average on something to purchase. In this regard, to actually differentiate the average consumer on the basis of income and expenditure was certainly a difficult task in this study. Different consumption practices were measured in the scale of attitude, values in relation to class, education, cultural and economic capital and of course income. It pursued the role of socio-economic factors particularly for which this chapter has been structured. Given the fact that the economic criteria is the sole criteria for accelerated consumption is one of the basis of this thesis. The significance of socio-cultural parameters holds equal value for the above specific discourse all over the world. This aspect is however ignored in the most studies of consumption and consumerism.

5.2.3. Markets Embody Power Relations:

Consumerism as an ideology of hedonistic pleasures derived from the consumption of certain goods and services has been part of a larger framework. This reflects a concomitant trend with that of consumer’s actions and experiences in maintaining the modern social standards. The innovative and dynamic nature of consumerism transmit pleasure by materially distinguishing itself from its antecedents. The production of mass goods provides ample opportunities to express individuality. Hence, the functional area to study the patterns was the market space as a socio-economic loci permeating all social relations in the name of consumerism.

The market represents one of the most important economic institution in contemporary society. Stigler has also noted that “economic theory is concerned with markets [and] it is, therefore, a source of embarrassment that so little attention has been
paid to the theory of markets\textsuperscript{4}. Social structures can be defined in a number of ways, but what is usually meant by this term is some kind of recurrent and patterned interactions between agents (buyers and sellers) that are maintained through sanctions. Though the economic theory hardly tells us anything besides the demand and supply mechanism in the market involved. In this context this is a more useful approach as to view markets in terms of exchange, especially if exchange is conceived in a broad sense. "Markets are more than the clearinghouses for goods and services; they frame exchange within specific socio-institutional constructs-which necessarily embody power relations that are reconstituted and recast during the process of exchange itself underscoring market processes-and marginalize alternative modes of exchange"\cite{193}. The observation made during the field work analyzed markets as units of socioeconomic field involving the politics of social structure vis-à-vis the embeddedness of the economic exchange. Likewise, other social structures markets have a dynamic role to play in the social exchange.

5.2.4. Markets as Units of Social Structure:

The above study tends to assume an ideal market whereby everything is dictated by the equilibrium of supply and demand. On the contrary, the neoclassical economists often suggest a vision of society as a giant ‘Bazaar’ in which everything is for sale (Borgatta:526). Whereby, the sociological view of markets is fundamentally different as discussed above, the emphasis is on the role of markets as structuring the importance of blocked exchanges (demand and supply).

At the same time, it stresses the embeddedness of behavior within the market structures. The sociological actor is seen as embedded in a network of social relations at the time that he or she engages in market transactions. This embeddedness means that a wide range of social ties exert continuing influence over how the actor will both make and respond to prices. “First, the individual actor is decisively influenced by social ties.

For instance, a consumer might choose not to do a business with particular retailers belonging to stigmatized ethnic group even when their prices are lower because members of the customer’s ethnic group genuinely believe that the products of the other group will be inferior or that contact with the stigmatized group will jeopardize one’s social position. Second, the individual actor’s dependence on social ties is necessary in order for him or her to accomplish a given economic goal. Similarly, a purchasing officer at a corporation might well do business with a particular supplier regardless of price consideration because of long-standing ties to that individual” (Granovetter, 1985 496-497).

Otherwise also, the transaction involves risks when more impersonal it is and less when more personnel it is. The central point is that the embeddedness ensures the real consequence diminishing the chance of guile and deceit from the suppliers side. Whereas, at one point the rational approach is to calculate his or her preference and at the other point actors are continually making their choices in reference to the behavior of others (Borgatta:526). This situation often makes them susceptible to the collective enthusiasm of the society. Thus, the above connotations delves deep into asserting markets as units of social structures and its relationship with consumption practices. However, this chapter will be an effort to highlight markets as explicit type of social structures encompassing the role of consumption and explicit consumerism in the market place

5.2.5. Market and Rise of Consumerism:

The markets availed anything from one place to another and relieved people of crises and enslaved them for easy availability of goods. All the above increased the consumer’s dependence on foreign goods and exploited the new consumers by selling dreams and fantasy. Tracing history, deems that people got more carefree and wage labor increased in order to buy more for their everyday lives as explained above. The rift between have’s and have-not’s widened as the managers controlled more capital and the labor got more engrossed in earning more wage for their families
To assert the above fact, American manufacturers increasingly started the stock exchanges and the aggregate value of the stocks and bonds held by 1903 jumped from one billion dollars to seven billion dollars (Baudrillard 1988:149). There was also the introduction of the credit card in 1950 as the foundation stone for consumer society. The great indoctrination of rural population into industrial labor occurred throughout the nineteenth century. The similar process of rationalization of the sector of production in the nineteenth century further accomplished the sector of consumption in the twentieth century. Having socialized the masses into a labor force, the industrial system went further in order to fulfill itself and to socialize the masses (that is, to control them) into a force of consumption (Baudrillard 1988:467). The depiction of the above is a vivid reminder of the interplay between production, consumption and urban social life as the harbingers of the contemporary forms.

5.2.6. The Interplay of Consumer Society and ‘Urban space’:

The root of this lies in increasing urbanization and industrialization—the individual is then free to choose his/her path towards self realization. In contrast, to specific histories of consumer products and industries, a broad historical view links the rise of consumer culture with the modern creation of ‘choosing self’ (Slater 1997:59). With people living more rational and anonymous lives traditional stable framework (family, religion, nationality), weaken and new sensibilities take place. The individual recreate ‘social self’ which was used to be reserved for the elite. From here, onwards there was a shift in the social structure, social values and attitude of the people towards consumption practices. To which, Frankfurt School, referred as ‘mass society’; which is the increasing plethora of consumer goods within concentration of population in urban-dwellers. But it was no later that consumption became the new way of life for the majority of the population. Hence, what emerged was a process whereby the consumer society (a society predicated on a market economy which had been in existence for centuries) was superseded by the consumerist society (an advanced state of consumer society in which private affluence on a mass scale emerged as the dominant force in the marketplace) (Migone 2004:818). Gradually then a new society was developed which is
built upon the thirst of novelty.

5.3. Modernism to Post Modernist Approach:

Consumerism has been at the root of both Fordism and Post fordism, and as such was incorporated in both the modes of regulation. It has undergone a major transformation since the early 1970s', as consumption became increasingly self-referencing more segmented and unequal. The table 5.1 below clearly represents the difference of consumption between both the periods.

Table 5.1.

Modes of Consumption of Modern Capitalism

<table>
<thead>
<tr>
<th>Accumulation Regime</th>
<th>Modes of Regulation</th>
<th>Modes of Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fordism</td>
<td><em>Fordist/Keynesian</em></td>
<td><em>Diffused/Egalitarian</em></td>
</tr>
<tr>
<td></td>
<td>Mass production; Taylorism; high wages; National; Markets; automatization; stable employment relation</td>
<td>Consumerism; relatively egalitarian consumption from the masses; advertisement; commodification and high levels of public debt</td>
</tr>
<tr>
<td>Post-Fordism</td>
<td><em>Post-Fordist/Neoliberal</em></td>
<td><em>Segmented/Unequal</em></td>
</tr>
<tr>
<td></td>
<td>Flexibilization of work and wage relations; international markets; low wages: just in time and batch production</td>
<td>Hedonistic consumerism; unequal consumption; high reliance on advertisement; increased levels of commodification: high levels of private debt</td>
</tr>
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</table>

(Source: Migone 2004:177)

Beginning in the 1970's the Fordist accumulation regime began to be replaced by the Post Fordist one. As part of Post Fordism, the improved technology and management practices developed in conjunction with capitalism. This transition became a critical factor in the shaping the socioeconomic structure of the society. There is certainly a disagreement between modernity and post-modernity about the evolution of consumption in the modern capitalism. The accumulation of material wealth has reduced time to
money; and potential leisure is often sacrificed to work in order to earn the wherewithal to pile up still more goods. This consumerist bias has been acquired in a long historical process; but its reached its modern extreme only recently. Consumerism is not an inevitable stage in industrial development. rather it has been a choice made within complex cultural, political and social contexts (Cross 1993:45).

The consumer lifestyle became the norm of the day when the fixed status groups and social classes were undermined. In this Post-Fordist era consumption was apparently more volatile and diversified as market segmentation served the interest of the consumer. Consumption was no longer determined by the producer but the consumption patterns, tastes and demands directed the production. In this period of disorganized capitalism, processes of globalization became enacted through the internationalization of capital in a world where the overload imagery of Simmel's modernity becomes ever-accentuated; where, in effect, postmodernism got “more modern than modernism” (Lash & Urry 1994:3).

The transition from modern to post modern has dominated the mass mediated consumer goods as an object of spectacle in the market place. Once established, such a culture of consumption is quite indiscriminating and everything becomes a consumer item, including meaning, truth and knowledge (Sampson 1994:37). The post Second World war years saw the emergence of a mass market. It was the growth of the working class transforming themselves as consumers. In order to keep the demands high for the increased consumption their wages were also kept high. Individuals were provided with adequate amount of resources which was more than necessary to consume. Consumption offered consumers not merely what they needed but also what they desired as all this while their desires were also created. Simultaneously their wants(desires) got transformed into needs. It was discovered until these needs virtually derived social relevance and the accessibility of these consumer goods transcended social classes into consumer classes (Veblen 1899). Thus, it was only after 1950, the entire consumer culture got visible and started reappearing in different forms.
Commodities had an increasing symbolic role to provide something of everyday existence to people regardless of their relationship to the consumer patterns. In effect, the consumer choice had become the fundamentals of emancipation in the modern world. The argument being that in contemporary society the notion of liberty is parallel with that of his or her role as a consumer. The essence of the above argument is that consumption appears to liberate consumers vis-à-vis ideologically strengthening the capitalist stranglehold. Further to establish the discourse is that if post-modernity means anything than perhaps it means the consumer society (Lyon 1994:68). Therefore, consumption encourages social solidarity by the system of meanings in the market place.

5.4. Socio-Historical Development of Markets in Relation to Consumerism

The rise of a consumer society did not come into being on its own until the onset of industrialization. The introduction of consumer society likewise depended on ideological and legal changes, encouragement of self expression through consumption practices. This era also witnessed visible signs of luxury and comfort and the shifting of goods and services from collective provision to individuals in the open market economy (Zukin; Maguire 2007:190) As production for subsistence came to be replaced by wage labour, people inevitably became consumers as well as producers. Marxist theory when broadened to account for the significance of increasing consumerism, it states “production and consumption are one and the same grand logical process in the expanding reproduction of the productive forces and of their control”(Baudrillard 1988:50).

The context is significant in relation to consumerism, as it enables us to move beyond the idea that commodities possess a use-value for innate needs of human beings. The above is contrary in relation to the contemporary times. Needs are constituted and shaped by desires in advance which is further fulfilled by commodities. Markets began to channel most of production and most of consumption with the advent of the industrial revolution. Industrialization encouraged the existence of vast emporia in which practically anything could be purchased. Shopping became quite a different experience in the department anyone: prices were fixed, there were free entry, and anybody’s was as
good as anybody else's. The fixed prices meant that there was none of the interminable haggling and bargaining that had characterized shopping. As well as the free entry meant that one is not obliged to purchase—necessary condition for the phrase—'just looking', came into existence (Corrigan 1997:50). However, markets were no longer confined to distinct areas but spread out geographically, a peculiar change that was found in the nineteenth century. With the help of advertisements as well markets expands at a much faster speed. The factors responsible for the spread of modern mass markets are still much in debate in the academic circles.

Though, the modern consumer market are usually traced to England in the second half of the eighteenth century as discussed in third chapter, its full appearance came roughly a century later. The argument carries forward the skepticism relating to the emergence of mass consumption goods. What kind of items were consumed by which kind of people? How they were distributed? And are there other factors responsible besides the industrial revolution for its growth and emergence of markets are some of the pertinent questions that needs investigation. There are two things that can be cited for the above such as:

- Firstly, to provide the majority of people with what they needed in their everyday lives.
- Secondly, there existed mass markets in production, distribution and finance. A prerequisite for all these markets to function smoothly was stability and order in society.

From a Weberian perspective, the modern mass market represents a further development of the rational market, initially created under the impact of ascetic Protestantism. Larger amounts of capital were needed for this type of economy to operate and the capitalist had to count on a steady demand as well as predictable behavior by the state and the legal system (Weber 1981:267-277). A consumer revolution in England, for the first time identified a society with material possessions prized less for their durability and more for their fashionability. An institution of single store system which was prevalent in the eleventh century opened up in the eighteenth century. The first shop
window of glass had begun to be installed in London to the amazement of foreign visitors; and a crude and early form of advertisement had also come into being which supplemented the information on shops signs and the traditional crying of goods (Swedberg 2003: 147). This developed a social class of consumers, marked by the use of consumption of goods and services irrespective of their ascribed status in the society. The laboring poor bought items of earthenware, cotton gowns and so on. On the contrary, the middle strata bought household items whereas the elite consumed the things exclusively made out of hand. As is expressed clearly "The two social groups that primarily sustained the emerging mass market were the middle strata and the laboring poor; the rich preferred items that were made by hand and were in any case too few to matter in this context (Fine & Leopold 1993:123).

Thus, segregated the consumer preferences subject to their social positions in the society. The above mentioned development took place in more or less all the other countries and also in the United States in the nineteenth century. The system of mass distribution changed and new forms of mass markets emerged. Shipping made things easier and consumers also started to travel in order to shop and trade, using transport and later automobiles. As discussed earlier as well, Henry Ford introduced Model T automobile, during this time. Standardized technology replaced the traditional handmade stuff and science gave new direction to production that lead to creation of new products. Single stores that were supplied by wholesalers had to compete with the chain stores. It was during this period that Macy's in New York and Bon Marché in Paris, two of the world's first departmental stores were opened (opcit Swedberg: 148). The rapid expansion of production by a rapidly expanding population witnessed the early nineteenth and the twentieth century. The change in demand was accompanied by changes in supply in an increasingly expanding marketplace which directed its goods to those consumers whose income was increasing rapidly. The expanded list of goods became the distinctive factors for tastes and lifestyles for the consumers. However, consumption related to liberation, collective identities and social solidarities became the inquisitive subject for researchers as well. Anxieties related to the bright lights, images and flashy ambience bombarded the consumers in the market place.
Between 1867 and 1910 shops expanded by 51.2% in Germany much faster than their population growth {34.3%}^5. The ever expanding sales brought revolutionary changes and commercialized the set up of society. And, consumers far from being passive hagglers became active recipients of the fixed prices, who can now freely move in the market place without being obliged to buy. Shopkeepers adjusted their display and increasingly finished goods for a particular social clientele. Consumers was seduced by the display of goods, and shoplifting became a serious concern during this period. This differentiation went hand in hand with a growing routinisation of communication and sales technique influencing the consumption practices of individuals. Shopkeepers and sales personnel were asked to discipline themselves and bad moods, and refrain from self-expression (such as the use of the strong perfume while managing customers)(ibid:51). Consumer practices existed beyond the market places as a tool to influence social structures. The consumer who became the new social actor tried to capture as much vision as can be consumed. The window shoppers were the irrational shoppers whose accommodating power were higher in the pursuit of fashion, trends etc. They are the ones who make impulsive purchases. Especially women who were upfront in the purchase decisions regarding their domestic necessities. Shopping became an emancipatory activity through which middle-class women defined a new sense of bourgeoisie feminine identity, carved out new public spaces, and got energized as political actors. This approach carries obvious affinities with recent theoretical interest in the 'subversive nature of consumption' 6.

Further around the twentieth century, the so called ‘multidivisional firm’ acquired the administrative capacity to handle the marketing of the production of enormous amounts of goods. In this way, people increasingly began to depend on marketing gimmicks and consequently stratification amongst the classes also enlarged. The population dependent on agriculture declined and their food habits changed in the coarse. In consequence to

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^5 Dr Trentmann Frank. *Beyond Consumerism: New historical Perspective on Consumerism*  
www.consume.bbk.ac.uk 26 Dec 2008 1730hrs.

what is discussed above, asserts the fact that "the new level of affluence characteristics of ‘consumer society’ meant that we are starting to live more and more under the silent gaze of deceptive and obedient objects, consequently, we are getting more and more absent to one another" (Baudrillard 1988:450). Keeping in sync with the sociological limitation, the study moves to its background dealing with conceptualizing markets.

5.5. The Sociological Approach to Markets:

The receding importance of traditional social structures force individuals to choose between different lifestyles and identities for themselves. The consequence of this abundant choices was subject to a risk of failure for the individual. This generates a sense of insecurity in everyday life as well as high degree of dependence upon ‘secondary agencies and institutions’ such as markets and the mass media, economic cycles and social policy and so on so forth (Beck 1992:128-131). The classical sociologists have worked for the emergence and contributions in the development of studying market as a social structure.

Marx contributed by stating that the economy played a major role in influencing the decisions of the state. Although Durkheim, has little to say, than Marx and Weber, his ideas are original from a different angle altogether. For Durkheim, modern industrial state had emerged so rapidly that it had not yet acquired a stable social structure. For him, society is foremost a moral entity and the rest can only come after it. Thus, to lay emphasis on its economic aspect will not solve any problems of the modern industrial state. What was missing in this situation—which to Durkheim represented “a veritable sociological monstrosity” as a layer of intermediary economic groups. He meant that such groups takes the form of corporations in every industry. Thus, the state plays an important role in economic affairs, but not with the aim of dominating the economy on the lines of modern welfare state. However, on the other side these corporations can become true representations of their economic as well as their social needs. In this way, it overcomes the unrest and unhappiness caused by the prevailing ‘economic anomie’. Envisioning the corporatist future he writes, “when individuals have interests in common and come together, it is not only to defend those interests, but also so as to associate with
one another and not feel isolated in the midst of their adversaries, so as to enjoy the pleasure of communicating with one another, to feel at one with several others, which in the end means to lead the same moral life together" (Durkheim 1893:xliii-xliv). Therefore, the bottom line from the above, is to subordinate the particular for the general interest of the society as well.

Although, Weber never advocated the supremacy of economy during the times of political and economic disturbances in history. Nevertheless, he was clear in discussing the role of the economy and the state. The state, according to him, is different from its counterparts, as it controls its territory and the political use of authority. In contrast, power entangled in the political organization controls more than the economic activities through its values, authority and violence. Initially, it was the village chieftain during wartime and later the church and the merchants subjugated the state for its violent legitimate practice of power. The use of violence, according to Weber is the characteristic of politics as peacefulness is of economy (Weber 1992:2). The three types of legitimate domination, he mentions also plays a major role in the organization of the economy-Legal, Traditional and Charismatic. Though, these three types are all primarily political in nature and ensures the continuous existence of the state (ibid:212-301). As is evident, he laid the foundations of rise and evolution of capitalism without whose reference to which, it would be impossible to discuss Weber's rise of capitalism for the protestant community.

However, in pre capitalist societies there typically exists a traditional regulation of these market by the political structures of the state. The highest degree of the market rationality was reached during capitalist societies. Likewise, the evolution of new capitalist spirit of the western capitalism got infused much early as in the sixteenth century itself. Consequently, the emergence of general rationalization of economic life including markets as well as the modern economic man came into being long back.

Therefore, coexistence of politics and economy is a series of historical coincidences to set up in future capitalism. Capitalist are not democratic by nature but prefer to act behind the scenes with the sole authority to gain a better command in
economy. Weber, no doubt emphasized markets for its political role considering it as an integral tool to implement power. A market may be said to exist wherever there is competition, even if only unilateral, for opportunities of exchange among a plurality of potential parties. Their physical assemblage in one place that can be in the local market square. The fair (the long distance market), or the exchange (the merchants’ market), only constitutes the most consistent kind of market formation. It is, however, only this physical assemblage which allows the full emergence of the market’s most distinctive feature, viz., dickering (ibid:636). Social action in the market begins with competition but ends up in exchange. An exchange is defined as formally free but, in addition it involves a ‘compromise of interests’. The market is an arena for “the struggle of man against a man”. Money “is primarily a weapon in this struggle,” and prices are “the products of conflicts of interests and of compromises”(ibid:72-108). Weber, was ultimately interested in the interaction between the market and the rest of the society. One angle through which this can be approached is the role that regulation plays in the market. The capitalist market in other words was the result of the long historical process.

Marx, commodities fetishism, talked about commodities as opposite to its use value, possessing a social clout which provides purchasing power that can be converted into money and, from there, into commodities of one’s choice. Marx developed his ideas about the fate of social relations when everything is reduced to a commodity i.e., can be bought and sold for money and in later phase when labor becomes a commodity (Marx 1844). It was the production of commodities, rather than their consumption, upon which he focused his attention upon. A commodity is a product which has not been produced for direct personnel consumption. Here, he focuses on the part of consumption, and on the intention of selling it in the marketplace. It is in this sense that the commodity becomes significant for its exchange value rather than simply its use value. Marx, thereby discusses, the process of “commodification” wherein all aspects of social life are interrelated with the laws of the marketplace. Subsequently, goods and services, people and relationships are apparently reduced to a monetary value in an increasingly alienated capitalist world. Marx, understanding of the alienation of the worker through the extraction of a surplus-value represents a key to understanding the ways in which
workers are forced to become consumers, by buying the products they or their fellow workers have made. Thus, by being obliged to buy, the consumer culture was itself being fuelled by the one who made the commodities. Marx, also contrasted the alienation that the worker necessarily experiences in a society dominated by private property followed by a class struggle.

To put it simply, there exist only two classes in the capitalist society bourgeoisie and proletarians, and those proletarians will eventually usher in a classless society by revolutionary means. He presented the economic analysis in a way as to ensure that commodities are created through labor; these are then exchanged for money; money is turned into capital; capital generates increasing exploitation and results in class conflict. What he meant to say was to proclaim, that the economy constitutes, "the real foundation of society and on this foundation-and dependent on it-"the legal and political superstructure is based (Marx 1859:20-21). Thus, it appears that Marx concluded the economic categories as supreme and elevated them into universal laws.

In retrospect, as of now, there is the postmodern milestone to understand the socio-economic relationship of markets with that of the state. Further development of the market-dominated society in the nineteenth and twentieth century is elaborated by Polyani(1944). He emphasized the non-economic factors as equally important in the development of the market economy. He objected to the "economistic fallacy" of equating the whole of economy with the market (Smelser & Swedberg 1994:266). According to him, there is a need to develop a new conception of economy that would be valid for all the social spheres or else destabilization of the society would occur. Seeking the advancing prototype as around the second world war, he was extra cautious demonstrating that the economy should not be identified with the market. Indeed, the market itself is a system embedded in society. To assert embeddedness, "the human economy...is embedded and enmeshed in institutions, economic and non-economic. The inclusion of non-economic is vital. For religion or government may be as important to the structure and functioning of economy as monetary institution or the availability of tools and machines themselves that lighten the toil of labor (ibid:14-15). The most important
contribution for the evolution of markets as a social structure and nothing beyond that comes from Polyani's cultural product of the market regulation system. "A market economy is an economic system controlled, regulated, and directed by markets alone; its order in the production and distribution of goods is entrusted to this self regulated mechanism....self regulation implies that all production is for sale on the market and that all income derive from such sales" (Polyani 1957:68-69). Accordingly, there are markets for all elements of industry, not only for goods(including services) but also for labor, land, money. Thus, in this way new forms of markets began to emerge and in addition they all had to coordinate and connect to each other.

Now, the most important contribution of Bourdieu (1990), outlined the idea that "economic life is largely the result of the encounters between actors with special disposition (habitus) in the economic field; and that the market is deeply influenced by the fields of which it is an integral part. The economic fields can be an industry, a country, the whole world, and so on and so forth. The industry and its structures consists of power relations among the firms which are maintained through capital in various combinations. There are dominant firms as well as a constant struggle goes on between them. Prices for example, are determined by the structures of the field, and not the other way round. The whole is not the result of prices; it is the whole that decides the prices" (Bourdieu 2000:240).

In contemporary societies what is consumed is not so much objects but images of objects, through which consumers imagine themselves as consuming subjects. Acts of consumption thus close the gap between subject and object but open the gap within the subjects. The departmental stores kind of a building are like open spaces, glass panes and electric lights are referred as 'strategies of enticement'. This has standardized consumer goods visible to all. (Leach 1993). Because living consumers can never be self-identical with the imagined consuming subject hence, the desires of the consuming subject are never completely fulfilled. The desire to consume is predicated on the lack of a stable identity. Purchasing and using a consumer object is a temporary and unstable attempt to occupy an imagined identity provoked by an image.
In addition, Baudrillard seems to be driving at a new sort of commodity fetishism. The most commonly invoked archetype of these new spaces include the hotel like complex, referring to shopping malls. Postmodern spaces render persons incapable of grasping totality (Baudrillard 1988: 59-60). They encourage the fetishistic consumption of commodities and ersatz pleasures. Sounding anew, a similar Marxian alarm over alienation and domination by use of one’s own commodities. Baudrillard, refers to these proliferating commodities as “these fauna and flora, which people have produced, have come to encircle and invest them, like a bad science of fiction novel” (op. cit Baudrillard 1988: 450). The basic idea behind the above premise is that the meanings are communicating through the system of objects. And at the same time, refers to them as majorily responsible for the human relationship to be absent to each other as a consequence of these system of objects. Thus, facilitates power to these markets through the agency of these commodities.

5.6. The Findings of Markets in Delhi and Gurgaon:

The field area of this study is heterogeneous market spaces chosen particularly for the spread of consumerism. The study analyses the embedded exchange as well as impersonal exchange through these market spaces. The more integrated a market is, it is more likely that each potential actor is linked to a large number of ‘others’. Even then, the finding of the study does not entails that hedonistic consumerism has in anyways replaced the traditional consumerism. Though, this is supported and encouraged by the income quintiles groups and a particular socio-economic class. The meaning and nature of consumption changed with the capacity as to what to purchase with the higher incomes and differential tastes. Hedonism reflects excessive consumption partially and often superimpose alien consumption patterns to specific societies. In this way, the notion of commodification as a negative connotation of extending commodity status to differential objects becomes a prerequisite to consumerist attitude. This in particular leads to a wider gap between those who can afford it and those who cannot. And leads to hegemonic discourse that equated individual expression with material possession (Migone 2004).
However, the results of this study presents a more extensive basis of market exchange which is strongly embedded in social relationship of buyers and sellers. Thus, the scenario in Indian society is still not grim as of western societies. The consumers are sensible to slip into the dreamlike state, but still not changing their decision making to the extent of being irrational. Thus, the finding of this study also revealed a complete disaggregate proportion of consumer classes and the respondents represents a heterogeneous group of all income classes. Especially, when dealing with the responses of the preference of the markets, the findings states that the ‘next door category’ of the market are preferably visited the most for their day to day purchases. This was for sure not restricted to any particular class, however was a common denominator of all the classes. This is to gauge on the fact that consumption is commonest denominator for all and preferred destination for shopping is still the traditional market areas. Although, talking about the Europe’s largest shopping center, Baudrillard writes “here we are at the heart of consumption as the total organization of everyday life, as a complete homogenization”(Opcit Baudrillard 1988:454). This spectacle of crowd is described by Jameson as hypercrowd (Jameson 1991), becomes all consuming more than the objects themselves.

Therefore, the study acts as a precursor in Delhi and Gurgaon to prove the fact that reconstruction of class politics takes place in the garb of consumerist activities in modern lives. All classes of people could enter, and so each class in its own enters the form of consumerhood. Thus, shopping places provides a platform to stake new cultural identities for themselves. The study brings forth, the fact that amongst all classes, new middle classes are more prone to upward social mobility. The Representation of Consumers and the Markets in their scale of preference for actual consumption is presented below. This is well represented in the table no.5.2:
Table No. 5.2
The Preference of Respondents for Market Types

<table>
<thead>
<tr>
<th>Malls</th>
<th>Low Class</th>
<th>Low Middle</th>
<th>Middle Class</th>
<th>Upper Middle</th>
<th>High Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>5</td>
<td>10</td>
<td>30</td>
<td>40</td>
<td>55</td>
</tr>
<tr>
<td>Next door</td>
<td>10</td>
<td>15</td>
<td>18</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Consumer Class</td>
<td>85</td>
<td>75</td>
<td>52</td>
<td>46</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: Field Survey 2007-08

Graph 5.3

The level of Consumption from Market Types.

Source: Field Survey 2008-09

The economic reforms ushered in are the results of the socio-economic condition and bright prospects of India in the world economy. Consequently, the transformation from a "sellers market" to a "buyers market" took place. In the above graph 5.3; the preference
for actual consumption takes place, predominantly in the next door markets as contrary to the responses written in the questionnaire. The fieldwork of the sample population is subject to flaws, however is a representation of the true sample. As can be seen above, the study finds out, that the maximum purchases are actually made in the ‘next door local markets’ on the basis of informal relationship shared with the shopkeepers. Nevertheless, malls, are the desired spaces to be explored by consumers, however not preferred for actual shopping to take place. The choice exercised by the consumer predominantly became the basis of the market economy practiced in the Indian society. Markets developed new ways of analyzing patterns of consumption. They got divided into numerous specialized niches as per their income level, age, household type, and locality, each to be "targeted" with particular products and stores. The Indian market, one of the most promising in the world, is fast evolving. So is the Indian consumer, across all socioeconomic strata, regions and town classes. In order to derive a thorough study of markets they were divided into three categories. To enable the heterogeneous consumers as one unit for the purpose of our research as mentioned below:

5.6.1. The Shopping Malls:

The Malls are the contemporary forms of shopping areas in the urban space. Improved sales technique, vast floor spaces, greater attention and increasing specialization are the characteristics of shopping malls. They have acquired the true epitome for quicker service to consumers as well as providing a leisure outdoor activity with your family and friends. Thus, the concept of ‘democratization of luxury’ (Corrigan 1997:50) is observed as consumers irrespective of caste, class, gender etc are free to move inside. The appeal is to suggest that, malls provides a spatial politics of everyday life, wherein the pedestrian could confront the capitalist rationalities of the city. From Jamesonian disorienting studies to Shields derive of a mall walker, the respecification runs from the commoditization of human nature to the capitalist social relations. These shopping mall are best illustration of the postmodern architectural designs. India's first true shopping mall — complete with food courts, recreation facilities and large car parking space was inaugurated as lately as in 1999 in Mumbai. (This mall is called "Crossroads").
5.6.2. The Central Markets or Bazaars:

This is typical of every city or town one has grown and been bought up in the urban environment. In every city is the traditional set up of important market space (popularly known as bazaar) before the advent of the above mentioned malls. They were integral for the important purchases and was earlier frequently visited to enjoy the urban space. These urban centers presents wholesale and retailing both at regular intervals and are specifically visited for shopping reasons. They are considered to be controllers of regional economy. This all and more sums up everything relating to the shopping centers across the urban areas in India. Now the traditional stores which are the true representation of Indian society has to be discussed.

5.6.3. Next Door Markets or ‘Bazaars’:

These are the next door markets often known for their neighboring warmth, availability and vicinity as they are near too one’s locality. Though much have been discussed in methodology as part of the research, they are placed in the spatial context as well. They provide the consumers with their day to day necessities and are based on impersonal relationship. They also treat their consumers like their family members. These markets are the most common category in developing economy like India. These markets are also observed to be focal points of interpersonal communication and produces maximum sales of Fast moving consumer goods as well as discussed in the second chapter. These traditional stores includes the next door markets by your residential areas. A typical format is the central grocery store that focuses on grains, foods, snacks and toiletries besides other home essentials. They are functional in their approach and provides employment opportunities and infrastructural development. Fruits and vegetables that are perishable are usually maintained and offered by exclusive vegetable stores and not by the normal groceries. These small stores are very personal and usually have strong embedded relationships with the local population. They are points of news and connection. They offer credit to the local population and help out in
times of crisis. They also have a very good understanding of requirements of the local population and have very low overheads enabling them to offer the best price for their products. It is not really a network since each store is individual or family owned and has no connection with the other. It does however represent a network since large consumer product companies like Unilever, Procter & Gamble, Colgate-Palmolive, Cadbury, Coca Cola, Pepsi and ITC use them as their source of major sale to the consumer. This includes Kirana stores, (as the modulated form of Mom and pop stores), in the academic literature evolved from the west.

India is a geo-economical and highly diversified country in which markets are seen as centers for material and social exchange. The socio-political debate in India today is hung up precisely on this point. Traditional retailers (kirana stores, street hawkers, and wet market stall operators) occupy an overwhelmingly large space in Indian food stores. Almost all of food and grocery being sold in this country is through traditional retailers. Therefore, most importantly what happens to their livelihood as modern retail expands is a sociological concern which should be recognized. What will really happen to these Traditional stores? This is the major concern in the minds of policy makers and think tanks of India. While the kirana stores may be growing at about 2–5 percent or so, organized retail may be growing at 20–40 percent plus. There are still simpler cultures in which exchange takes the form of reciprocal gift giving or the redistribution of goods and barter is the rule (Berry 1967:58). India like most other countries has a very large network of local stores. In small areas the market form has typically traditional forms: "Haats" and "Melas". One will find these in almost every village and locality. These are a mix of traditional and modern stores. Traditional outlets are small and cramped with little emphasis on alluring displays. They basically stock a limited range of inexpensive and popular items. Besides this, these stores stock and offer small eatables and soft drinks including biscuits, soft drinks, chocolate, sweets, bread and baked products. Many of them also sell fruits and a range of toiletries and cosmetics like soaps, shampoos, toothpastes and some creams. These small stores cater to the needs of their own local population and consumers who stop by for a smoke or a snack. The small local stores have dominated Indian market over the decades and are present in every village, town
and big cities. The findings reveal that these stores addresses the needs of the population in a particular area and is also the central point of socialization for consumers. The distribution networks of brands extend to this point to stay in touch with customer needs and preferences.

5.7. The Socio-Economic Growth-Trigger of Consumerism in India:

To begin, problematising the interrelationship between heterogeneous markets and historical, socio-cultural and political world. The emphasis in this study is on analyzing the local society and consumer culture through the lens of the market place. Given the above attitude, most of the structuralist have overemphasized the immaterial aspect of culture and economic culture in the consumer society. Only Gidden’s, for instance, refers vaguely to socio-economic circumstances that have influence on identity formation (Giddens 1991:82). The hefty pay-packets, nuclear families in urban areas, along with increasing couple earning double income(DINK) and emerging opportunities in the services sector are some of the causes for the growth of consumerism. These key factors have been the growth drivers which boast consumerisms almost all the preferences of life (such as Apparel & Accessories, Appliances, Electronics, Cosmetics and Toiletries, Home & Office Products, Travel and Leisure and many more). With this the modern format of India is witnessing a rejuvenation as traditional markets pave way for new formats such as departmental stores, hypermarkets, supermarkets and specialty stores. The finding of our study also indicate that social status and income still have a strong effect on the choices and everyday practices of consumers. The Indian market and culture of consumerism can be attributed to multiple factors. The socio-economic reasons responsible for the growth of consumerism as a result of this study are as follows:

- Urbanization and demographical patterns of Indian population.
- Burgeoning middle class population and rising disposable income.
- Plastic Money Revolution.
- The shopping revolution:Malls.
- The Location and Accessibility of the vast spaces in malls.
- Ascending lifestyle and urbane ways.
- Entry of MNCs and abundant choice for consumers.
- Emergence of modern Consumer.
5.7.1. Urbanization and Indian Demographic Patterns of Indian Population:

There is deep sense of individualization in reflexive modern conditions of the society. The urban life continues to provide the fodder for the conducive environment enabling consumerism to flourish lavishly. Urban space is a typical site of collective discourse of reproducing culture materially as well as socially. Against this vernacular spaces are featured events and people that foreground the market as "social nexus", aside the solidarities and contradictions (Yang 1998:25). The individual is constantly exposed to infinite variety of changing situations and sensations which are expressed in the form of an inner sense of loneliness. Thus, the consumer is associated, first and foremost, with the psychic overload of modern life. "The metropolis is indeed the site of modernity: the essence of the modern spirit, a spirit which is formed through the struggle on the part of the individual to defend him or herself in a hostile urban environment. The experience of modern city life then, is one of the self-preservation"7. This has been discussed in detail in chapter II and III as an outcomes of the field work yet the multiple facets are discovered as significant part of consumption in modern life.

The development of the Indian economy has come a long way since ages. More than one thousand of India's population 35-40% currently live in cities. This proportion is expected to increase to about 60% by 2025 8. Demographic and economic expansion of cities has taken place because of processes such as migration and industrialization; which tends to be accompanied by spatial expansion resulting in encroachments by cities upon adjacent peri-urban areas. At the same time, areas that were earlier distant from the city and rural in character have subsequently started falling within the cities reach or "band of influence". As a consequence, in no time we can witness the changing times of what Dipankar Gupta states, 'vanishing villages' in the garb of industrialization and

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urbanization. Typically then, increased interaction with and access to the city economy, in terms of capital, labour (public and private) goods and services will subsequently trigger the transformation of the rural to peri-urban areas. The rural-peri-urban to urban-continuum itself is thus dynamic in nature and the changes will be more marked around cities that are rapidly urbanizing or growing both economically and spatially as compared to slower-growing or stagnant urban cores. The creation of employment has not kept pace with the growth of urban populations. As a consequence, the traditional pattern of poverty incidence is rapidly shifting from rural to urban areas. Every day an estimated one thousand people come to live in Delhi alone. These include migrants from poorer states such as Uttar Pradesh and Bihar (National Capital Region Planning Board, 1996)\(^9\).

5.7.2. Per Capita Consumption Expenditure:

Differential income and consumption occur both within and among nations. Not only do developed countries tend to consume an inordinate amount of GDP, but within countries themselves consumption is highly unequal (Migone 2004:178). The income and the expenditure are the most pertinent parameters to measure the consumption index of any country. The entire classification of the consumers are perhaps on the basis of their income and spending patterns. The consumers are analyzed on the basis of their income groups to choose the consumer class as per NCR. The role of socio-economic power relations have replaced the analytical edge of traditional categories of classes (castes, social, culture etc). Nonetheless, the material consequence of power relations that structures socio-economic system remains evident. There is no doubt that GDP and personnel consumption has increased over the past decade. But the same consumption has highly unequal nature as the richest 5 percent of the worlds population has 114 times the income of the poorest 57 percent (Migone 2004:178).

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The income classification in the chapter second has been borrowed from the NCAER market demography report (1998). As per the estimates for 2007-08 the country's economy expanded by 8.7%. Reserve Bank in its annual credit policy projected the country's GDP to grow by 8-8.5% for 2008-09. Assuming the global financial and commodity markets broadly aligned with the central scenario sustainability of the growth momentum is subject to overcoming shocks and constraints along the way. The report said, the cyclical downturn in advanced economies and high commodity prices in international markets due to short-term supply shortages and high growth in economic activity in the emerging economies could act as shocks\(^{10}\). In the Marxist analogy the value of a commodity is expressed not itself but through its distorted forms of appearance, in prices. Moreover, it cannot be defined in isolation, but exclusively in relation to all other commodities in a process of exchange. In this relation of exchange value, it is materialized in money. The essential feature of the “market economy” (of capitalism) is thus, not simply commodity exchange but monetary circulation and money. The distribution of relative income, wealth and consumption remains the most powerful signifier of material hierarchy. Commodity exchange presupposes the positive sum of prices of all commodities involved. In this context of consumption vis-à-vis other drivers of growth in the economy, it would be useful to examine the behavior of the components of GDP from the aggregate demand side.

\(^{10}\)Economy to grow by 8.9%. NCAER
The table "GDP Growth Trends" compares the growth performance of the Indian economy from the demand and supply side in the 1950s and 2008. Private consumption has improved its growth performance in the 1980s and 2000s, but its growth stayed below the rate of growth of government consumption. The growth patterns, however, change was focused in the trends in the 1990s. Therefore, the subsequent knowledge of the income is essential to study the spread of consumerism. The Gross Domestic Product (GDP) at factor cost, which was 2.3% in 1951-52 reached 9% in financial year 2005-06.

5.7.3. Plastic Money Boom as a Trigger to Consumerism:

The principle for consumption is money itself. Within the contemporary sociology of consumption the issue of money has become linked to debt as well as credit, to the judgement of value, to the use of credit cards and to the relative expenditures of incomes on different types of goods (Baudrillard 1987). Baudrillard, himself discusses 'credit' as buying the postponement of the cash nexus as feature of consumer societies.
The principal means of living in the future is through credit and debt. As the Japanese philosopher Kojin Karatani explains, credit is claiming the future in advance. Credit is borrowing against your future to satisfy your desires in the present. Instead of waiting until you have enough money to buy something, credit permits the present satisfaction at the expense of the future. Also, when you are in debt, you don’t live in the present because you are anticipating future when your debt will be paid (a year for a TV, 3 years for a car, and 30 years for a house). So, in either case we are constantly living in Future. It is often alleged that consumerism led to spiritual impoverishment and hedonistic selfishness with its ‘live now pay later’ syndrome which ran a direct counter to the ascetic regimes, industry foresight and thrift with religion in general and puritan heritage in particular. To assert this fact, the television advertisement of Master Card act as a signifier in order to serve the purpose per se to explain the concept of consumerism. The caption line is as follows “Money cannot buy everything but for everything else there is Master Card. To simplify the above would be that the key for all material standards of life is money in the form of the credit card (Master Card).

Subsequently, the debate on the use of the credit cards in academic circles is limited for its capitalist significance. It often acts as a driving force behind the unwanted expenditure in the garb of self-gratifying consumption. Credit cards also played a key role in economic explosion by allowing consumers access to future income (through what are, in effect, loans against that income in the form of credit-card debt) and the resulting expenditures, many of which would otherwise not have been made.

Money is not a representation of material or of a commodity but the embodiment of the capitalist relationship. It can, thus, be produced within the framework of the expanded reproduction of this relation (i.e. independent of any commodity or material), and this is exactly what happens when the bank opens an advance credit account for a businessman client. The loans and the credits of every bank always amount to a sum

many times greater than its liquid assets. In the first place, the bank does not simply transfer already existing sum of paper money or gold (belonging to itself or to its depositors). It creates additional credit money (since credit money is created precisely the moment the loan is concluded, e.g. through loan-consolidation services), without making demands on some treasury or other. Credit is a demand on future production, but it functions as money (exchange value) in the present. Money, according to the Marxian analysis is the expanded reproduction of the total social capital reduced to a “commodity” with “intrinsic value”. Money (and credit money) is a form of appearance of the capital-relation: “It is the foundation of capitalist production that confronts commodities as an autonomous form of value, or that exchange-value must obtain an autonomous form in money (...) This must show itself in two ways particularly in developed capitalist countries which replaces money to a large extent either by credit operations or by credit money. (...) In former modes of production, this does not happen, because given the narrow basis on which these move neither credit nor credit money is able to develop” (Marx 1991:648-649).

The above cardinal thesis enables Marx to allow people to acquire goods and services which otherwise would be unattainable, at least for some time. The great expansion in credit-cards means that it is not sufficient for people to spend all their savings, and all their current income; they must also spend more and more of their future income by growing increasingly indebted to the credit-card companies. Likewise, workers in the early days of capitalism who were forced to buy their goods on credit from the company store is similar to the credit card revolvers owing their soul to the credit-card companies. They are often forced into a position of making payments for years at exorbitant interest rates. Furthermore, it is the exploitation of those who revolve their accounts, paying their installments every month. To use the credit for a limited amount of time (usually about 25 days) the revolvers pay the bill and the convenience users enjoy free credit. A similar dynamics pushes the credit-card companies to search new users of cards in various places, but most notably in our colleges and high schools.

This is a whole new source of business and involves groups who are likely to
become revolvers. Since, they often either lack jobs or are employed in low paying jobs (like those in the fast-food industry) which do not pay enough to allow them to extricate themselves from debt. Furthermore, reserving people at early years on consumer debt serves to make it more likely that they will develop a lifelong habit of deficit spending. Sociologist Robert Manning is critical, although the rhetoric is not quite as extreme, in *Credit Card Nation*. He describes the overall shift in America from industry and thrift to consumption and debt. This is reflected in the enormous growth in the credit-card industry resulting in 158 million cardholders, many with several different types and brands of cards. At the end of 1999, there were almost 248 million Visa cards and 181 million MasterCard’s in circulation. In early 2000 there was $603 billion in revolving consumer debt; households in which credit-card debt is not paid in full each month are in debt to an average of $11,575. Of course, such a level of debt is high in many ways, and least of the economic cost associates the extraordinarily high interest rates associated with such debts.

Finally, the credit-card companies do not use bulk of their profits from revolvers, they charge convenience users a fair fee for their access to short-term credit. Tentative moves have been made in this direction, but the negative reaction from mainly well-heeled convenience users has forced credit companies to backtrack. Charging convenience users fees serves to make the credit-card industry more equitable. This at times, might even be able to lower interest rates paid by revolvers that leads to the loss of convenience users and has negative effects on the bottom lines of credit-card companies. In India *buy now pay later* syndrome is pushing more and more people into avoidable debt. Credit cards are a new fad for the younger generation, alluring to the schemes without assessing whether the loans can be paid back without difficulty. The professionals swipe them for every transaction-grocery shopping, paying phone and electricity bills and other expenses. For instance, there were few responses during the field work related to this (as part of the interview) illustrated below such as:

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A Student: ‘I use my card for every purchase even for a transaction of rupees 100 in Reliance Fresh for vegetables to all monthly shopping for my family’.

For consumers cards are a combination of convenience and rewards, its usage has increased aggressively as per the need and demand. Credit cards are typically used for the purchases above Rs 1,000 but people have started using it for even around Rs 500. Petro card are most popular “the departmental stores category along with fuel and restaurant spending account for the most frequent swipes and in terms of value, jewellery, electronic goods and telecom account forms a major chunk”. The transaction value of credit cards too has dropped and the usage has become more casual. As per the report from the SBI “The credit card industry has grown at a compound average growth rate of over 30%, the usage of credit cards at retail outlets has nearly doubled from 30%-35% to 50%-60% over the last years”. The consumer durables revolution, the expansion of consumer credit, and the rise of modem advertising are inextricably interwoven. Increased availability of consumer credit fuelled the revolution while advertising both helped create mass demand for major durables and credit was accelerated by that demand.

Similar expansionism characterizes the leading credit card companies such as Visa, MasterCard and American Express, which, having successfully involved millions of Americans on credit and debt to do the same to the citizens of many other nations around the world. While credit cards throughout the world may name of local banks (just as they do in the United States), they also almost always carry the name and logo of an American credit-card company (to which part of the profits flow). These first two cases already demonstrate the international presence of American brands — for example,

13 This information was made public and spread through newspapers ‘business Times’ marked by the head of credit cards department. ICICI Bank;
14 Head Barclaycard India; Shoppers prefer paying through cards than cash The Economic Times 22.3.08.
15 ibid.
McDonald’s and Visa but many others such as Nike, CNN and MTV are also highly visible presences and powerful forces in many parts of the world\textsuperscript{16}. Therefore, in the realm of consumerism a strong case can be made that it would be far better to think in terms of Americanization when one thinks of consumerism.

\subsection*{5.7.4. Shopping Malls as Post Modern Form of Consumerism:}

The contemporary consumer market in India is reflected in sprawling shopping centers, multiplex- malls and huge complexes offering entertainment and food all under one roof. The mall provides leverage for a spatial re-specification ranging from the traditions of critical thought from Marx to Baudrillard. It is in totality a study of the capitalist social relation in the politics of everyday purchase. Shopping malls with strong postmodern designs generate feelings of disorientation, fantasy, anxiety so on and so forth.

\textbf{Illustration:}

\begin{figure}[h]
\centering
\includegraphics[width=0.5\textwidth]{image}
\end{figure}

This hyperspaces as depicted above is where people adapt to navigate the modern spaces in their everyday lives. Repeated visit to a given locale is in one way a pattern of getting acculturated to a particular society. The shopping mall is basically a post modern

\textsuperscript{16} Business Standard-Hindustan Times. Jan 7.2008.\textit{"The Global Players in the Credit card Companies"}.
space which bought the revolution in consumption patterns. We are “animated into agitated motion by the commodities and the architectonic features of the mall. No longer quite in control, one becomes a drifting ‘mall-walker’, when one’s body is drawn by non verbalized desires and attracted by curiosity as much as directed by a rational goal-oriented project”\textsuperscript{17}

Shopping malls cater to the increased purchasing power of the people. This also has a symbiotic association with the increasing pulse of loyalties amongst the consumer. To attract the customer the shoppers provides a wide range of product, quality, and value for money apart from creating a memorable shopping experience. There has been a shopping revolution since nineties in the Indian subcontinent. They are the wider social spheres to the extent that they represent ‘a complete world, a kind of a miniature city’-and the the particular type of crowd practice or flanerie as the hypercrowd’ (Jameson 1991:40). The signifier here is the market place and the signified is the consumer. Similarly to the fact, that there is no intrinsic or natural connection between a material object and an ideology. The itineraries of flanerie (ibid:41), is to derive just one example of ‘how the person is overwhelmed by the mall and caught up in its spatial logic of pedestrian lows, places for pausing at mezzanine railings, and store displays...Like fish in an aquarium it is difficult to distance ourselves physically or conceptually’(op cit shields 1994:207-210).

The shopping area is a space where needs are brought into being through the use of these commodities, our desires are shaped by the ambience and acquire the potential to accomplish the task. Shopping is like participating in a feast, a festive environment with a carnivalesque features of its own. ‘Clothing, appliances and toiletries thus constitute object paths, which establish inertial constraints on the consumer who will proceed logically from one object to the next’(op.cit. Baudrillard 1988:451). The spaces, locality and the ambience all these factors contribute equally for the increased spending patterns of a consumer. Thus, all these and the more was a sufficient reason to choose market for

the field work study.

5.7.5. Mall Space Encourage Consumption:

After conceptualizing shopping malls, it is important to discuss the urban space provided to them in India. The concept of shopping has been introduced and altered in terms of commodity boom and increased purchases ushering a revolution in shopping in India. The forms of the hypermarket and the satellite city are dedicated to creating a space of control that has taken its departure from the classical regime of surveillance which ... has itself become integrated ... into the interior design of the shopping centre' (Clarke:95).

Marketers and retailers tend to exploit these impulses which are their basic need of instant gratification. For example, a shopper in a market might not specifically be shopping for confectionary. However cakes and waffers, chocolate are prominently displayed at the checkout aisles to trigger impulse buyers to buy what they might not have otherwise considered. Alternatively, impulse purchases can occur when a potential consumer spots something related to a product that stirs emotions over the reason like soft toy or jewellery. Impulse purchase disrupts the normal decision making models in consumers brain while standing in a market space. The logical sequence of the consumers actions is replaced with an irrational moment of self gratification. Impulse items appeal to the emotional side of consumers. Some items bought on impulse though are considered functional and necessary for a shorter span in consumers' life and doesn’t occurs frequently.

This is a place where pedestrians can confront the capitalistic rationalities of the city. Given that attitude towards making purchases and spending more money are important for the identity-formation of the consumers. This aspect, however follows the economic capital in consumer culture. Commodities like food & groceries segment has undergone a transformation with super market chain like foodworld, Nilgiris, Apana Bazaar, Subhiksha etc. The apparel sector has seen the emergence of stores like pantaloon, shoppers'stop, Westside, lifestyle, etc. These stores have gained prominence in
fashion segment & chain like Archies, music world and crossword cater the books &
music market. The major companies is further elaborated minutely to cover most of the
consumption in India society. Modern formats of markets satisfy rising demand for such
goods and services with many players entering the bandwagon in an attempt to tap
greater opportunities. It is in the midst of an unprecedented boom that has driven
consumption in India. This continues to mark its prominence in all kinds of markets,
malls and stores. The new shopping malls that have been expanding their footprint across
Indian cities are well designed, built on international formats and integrated with
entertainment and restaurants to provide a complete family experience. The diagram
depicted below is the space distributed to malls provided in India. The maximum spaced
number of malls is in Delhi & NCR followed by Mumbai; and the lowest in Bangalore
and Pune, in spite, of the maximum spending power of younger generation in these
particular two cities. The graph 5.5 presented below as follows:

Graph 5.5

Predicted Mall Distribution Space in India

Source: Field Work 2007-08

These malls also known as hyperspace (op.cit. Jameson 1991:70) offers rows of
shops, most of which were small stores that promises bargains. This has also contributed
to large scale investments with major national and global players investing in developing
the social structure called shopping malls. They are blended culturally using a lot of
details and combine shopping with a lot of brand building, recreation, food and
entertainment. Malls also have a large store that serves as anchor for shopping and a

prominent restaurant that anchors the food needs of visitors. Most malls also feature a multiplex cinema that offers entertainment to the visitors of the mall.

Finally, the mall has large area and open spaces to allow visitors and families to hang-out. The particular space in these malls to be allotted to the shopping area is depicted below as well. No wonder maximum shopping area is in Delhi and Gurgaon as mentioned in the mall space provided to them. Gurgaon-part of NCR tops the list followed by Ghaziabad again part of NCR. The lowest coverage is in Greater Noida area which is a recent development.¹⁹

Graph 5.6

The Representation of Retail Distribution in NCR

[Graph showing retail distribution with Delhi, Noida, Greater Noida, Faridabad, Ghaziabad, and Gurgaon percentages]

Source: Field Work 2007-08

These new format malls are coming up in all the major cities of India. The new malls are air-conditioned which act as an investment for their consumers. The spacious areas and accesses which let them take a true breath of fresh-air from the earlier arcades and are the growth leaders in India. The government of states like Delhi and National Capital Region (NCR) are very upbeat about permitting the use of land for commercial development thus, increasing the availability of land for retail space. For this, rendering NCR alone 50% of the malls in India. The above analysis measuring NCR to be highest in the market space and the shopping malls one of the major reasons to choose as my field area already discussed in chapter third.

5.7.6. Ascending Lifestyles is an Urban way Phenomenon

Consumer lifestyles must have been the most common denominator of improved urban standards and increasing consumption. As has been repeatedly discussed that market is the womb from where the modern consumer is born. This section is most important in relation to the rising consumer aspiration in the market place. Consumption enforces social constraints on individual’s freedom in the emerging mall spaces but is significant in respect to how it helps them to identify themselves within those marketplaces. The intention here is that consumption has a particular formative role to play in people’s interaction with the urban environment. The realization of the consumption contributes both to the changing forms of social life and practices within it. The social structure creates the network arrangement in the markets configuration. Fundamentally, cities act as main loci of control and power in which symbolic forms of consumption play a prominent role. They are the sites of wealth accumulation harnessed by the ‘nouveau riche’ to display ostentatious forms of consumerisation. Within these are the multiple intersections between consumption and the delimiting spaces of the fun, leisure etc.

In the last few years, Indians have gone through a dramatic transformation regarding their lifestyles moving from traditional spending on food, groceries and clothing to lifestyle categories that deliver better quality and taste. This is important, as we have so long been studying the structure haphazardly. We have allowed ourselves to be ruled by the hyperreality of the modern world. The concept of hyperreality, is further illustrated by Baudrillard’s work on America. He compares the urban and natural landscape of America to cinematography. If you drive around Los Angeles in a car, or go out into the desert, you are left out with an impression that is totally cinematographic, hallucinatory (Dodd 1999: 81).

Lifestyle is usually understood as some sort of material expression of the consumer’s identity. The above emphasizes the role of lifestyles in maintaining the ontological insecurity and the coherence of self (Giddens 1991:81). The consumption of goods and services has an important role to play. As a result, the need to express a
particular lifestyle then creates desires for particular consumer goods. ‘Lifestyles are fragmented, stylized practices that are in constant state of agitation without necessarily assuming any particular order. In a postmodern world ‘everyone can be anyone’. Real life has turned into the art of living, reality into the aestheticization of everyday of life’ (Featherstone 1991:65-78). For post-modernist, lifestyles are structures, that people very consciously choose. Typical of this lifestyle is spending more than the average on social life and differential leisure related activities. This research aims to focus empirically on basic problem of understanding consumer consciousness that underpins consumption practices and choices from a market perspective. The conscious desires of consumers are then examined as they form part of identities.

5.7.7. Multiple Choice for Consumers:

This is probably the most compelling example of the trickle-down impact of liberalization in India. There are about 300 new malls, 1,500 supermarkets and 325 departmental stores built in the cities. An FDI Confidence Index survey by AT Kearney, retail industry is one of the most attractive sectors for foreign direct investment in India. India tops the AT Kearney’s annual Global Retail Development Index (GRDI) for the third consecutive year, maintaining its position as the most attractive market for retail investment. According to this year’s Global Retail Development Index India is positioned as the leading destination for retail investment. This followed from the saturation in western retail markets and big western retailers like Wal-mart and Telco entering into Indian market. Delhi is the epicenter of this boom with over 100 malls planned in the next 3 years. However, it is also predicted that most of these malls will struggle to make money. Retail sales (in real terms) are predicted to rise more rapidly than consumer expenditure during 2003-2008. The forecast growth in real retail sales during 2003-2008 is 8.3per cent per year (compared with 7.1per cent for consumer expenditure). Inevitably, modernization of the Indian retail sector will be reflected in rapid growth in sales of supermarkets, department stores and hypermarkets. This is because of the growing preference of the affluent and upper middle classes for shopping at these types of retail stores, given the conveniences they offer such as shopping ambience, variety and a
The Indian consumer market, which is the fifth largest retail destination globally, according to industry estimates is estimated to grow from the US$ 330 billion in 2007 to US$ 427 billion by 2010 and $637 billion by 2015. Simultaneously, modern retail which presently accounts for 4 per cent of the total market is likely to increase its share to 22 per cent by 2010\textsuperscript{21}. Organized retail accounts for a mere 4% of the $322 billion market, which is poised to double over the next five years. However the unorganized sector witnessed a closure rate of 4.2%( only 1.7% closures were attributed to the competition from modern retail)\textsuperscript{22}.

India’s retail industry accounts for 10 percent of its GDP and 8 percent of the employment to reach $17 billion by 2010. Continuing the robust growth of the organized retail in India, according to the ‘Credit Rating and Information Services of India’, the industry raked in US$ 25.44 billion turnover in 2007-08 as against US$ 16.99 billion in 2006-07. India has one of the largest number of retail outlets in the world. Of the 12 million retail outlets present in the country, nearly 5 million sell food and related products. Even with this large number of outlets, organized retail accounts for only 4 per cent of the total market, opening huge growth potential in this segment \textsuperscript{23}. Though statistics could not have anticipated the growth of consumerism due to the unorganized stores in a country which is run by hawkers, multi level marketing, kirana stores,(mom and pop stores), has made the trust based credit facility and many more in making it a friendly neighborhood. Although, my study revolves around the organized setting of the markets of three categories namely next door markets, town centers and malls, still the

\textsuperscript{20} http://www.ice.gov.it/estero2/india/distribuzione.htm

ICICI Venture Funds Management Company is the first Indian finance company to have taken interest in supporting retail and mall ventures in India. 14 Dec 2008 2030hrs

\textsuperscript{21} http://www.fundoodata.com/companies/42/fmcg)important 25 Nov 2008 14hrs.

\textsuperscript{22} ICREAR-International Council for Research on International economic Relations Report.

\textsuperscript{23} www.atkearney.com,2006 -Kearny are the biggest research group works in accordance with the consumption and development patterns in India.
unorganized sectors and the village economy will run parallel in this densely populated nation. Thus, the outcome of this study is subject to primary as well as secondary sources reveals a clear picture of consumerism in India.

5.7.8. Creation of Modern Consumer-(Spending More & Saving Less)

The most significant is the evolution of the modern consumer in malls, town centers and flea market or the next door market as described above. Here what have been observed are the multiple loyalties to the variety of objects of our daily use and not so daily use as well. They follow the everyday routine to capture the spirit of the consumer society. Consumer are not emotional fools as is explored in the advertising chapter. Hence, the objects one buy are a signifier to the emotions and the ideology one carries along the time of purchases one makes. Inspite of the fact, that being a consumer sometimes means fantasizing and dreaming about objects, and this gets a stimulus when the consumer comes face to face with the objects. There are as many layers of emotions as can be imagined with in human-beings. It was fashion again that enthused investors and retailers to think of large format stores in mid nineties in India. With the advent of Big Jo's, Ebony, etc. in Delhi and the value retailing chains of Pantaloons in several cities across India, the market started looking different.

Illustration:

On an average in 2004, Indian consumers spent about 51 percent of their total expenditures on food; in rural areas was about 55 percent and in urban areas it was 42 percent according to National Sample Survey (Planning Commission 2004). Although India has a large rising middle class, its income levels are much lower than those in developed countries. Most Indians are very price sensitive. In 2008, inflation crossed the
9 percent mark, triggering a series of inflation-debate encircling everybody. However, policymakers need to remember that policies to rein in inflation should not conflict with the interests of other major stakeholders in the economy, especially producers (farmers).

5.8. The Structural Framework of the Markets: Case Studies

The thematic concern is to observe behavior of consumers in the hustle bustle of malls; the crowded streets of towns in central markets or in their personalized behavior in the next door markets. Especially, this was the criteria for which my interview schedule was made. The entire exercise was to determine their lifestyles and preferences they like to acquire in their consumption patterns. In one way it is a (pre-capitalist) community of simple commodity production, as many Marxists have imagined that “had we gone further, and inquired under what circumstances all, or even the majority of products take the form of commodities, we should have found that this only happens on the basis of one particular mode of production, the capitalist one” (Marx 1990:273). Meanwhile, it is also a strategy to explore your inner self when one comes across something one wanted to do for long but never got an opportunity before. Consumerism is self liberating and connecter to the world around us at the same time. Keeping this in the background I came across some interesting responses for the unstructured questions asked during the interview schedules such as:

Response I

“Shopping is a great high for me, after all you congratulate yourself for the great job done well. It is a way to pamper myself even if no one does, isn’t it then all empowering in itself” (working women)

Response II

“It is a way to explore the world around me, an experimental exercise where everything
of life’s hectic schedule shifts backward and only certain fancy things comes in the foreground. Also even to get the day to day stuff is a wonderful excuse to come out and breathe fresh air-communicating with others” (A Housewife)

Response III

“I don’t know but I forget everything once I am out for window shopping as it’s a complete leisure time for myself with no disturbance from anyone else. I feel at peace, man even if it is only for a while, doesn’t matter”. (A Bank executive)

The above statements are certainly not to be read out objectively as it carries subjective connotations more than what it states clearly. Their engagement with the urban fabric is a disinterested one that lacks grounding in the pragmatic regimes of the everyday life. Indeed “it is the intellectual and not the shopper, who constitutes the ideal-typical flaneur of contemporary postmodern spaces, being excluded from the real play of social activities ... Such academic-cum-touristic activity encourages neither the development of everyday wayfinding strategies nor the patters of repeat visitation that enables ordinary people to navigate those tricky postmodern spaces” (Bourdieu 1977:1-2).

This necessarily implies that, somehow, the impact of inappropriate choices is not limited to lifestyle changes but changes a person completely. The significance of shopping in people’s lives is a distressing activity that deserves additional research attention. It comprehends the people’s ability to define and identify themselves. They engage in reflexive ways with social and semiotic ways even though they are unable to grasp the totality. All choices related to consumption and everyday life are not simply decisions about how to act, but also about who to be (Giddens 1991:82). They opened the wide horizons which I wanted to portray in my research portraying market place as the as the ‘local way of life’ an agent of consumerism. Nevertheless, it truly depicts the utility of the heterogeneous markets picked up for the study as then I would have never known the exact pulse of the consumers. Several theories have suggested that consumption has constructed meanings through the goods and services they actively consume. Consumption is interactive in the social sense as far as they provide an arena which
distinguishes one social group from another. They often suffer inequalities associated with access to resources, and yet is simultaneously integrative in providing platform to consumers to which they belong to, a particular fashion code or a community of shoppers (Miles 1995:54).

Thus, the conceptualization of casual significance of consumerism and markets is both constraining and enabling. Most of the people who believe in shopping see it as a stress buster and for the rest; it is a medium to pass time. But it is observed, that when we actually go out it becomes a medium to interact with the rest of the world. From a hawker's vegetables to toiletries available in the next door market we categories everything from the dairy stuff to occasional purchases. The consumer has to go a long way in the cities finding across the steady mushrooming of supermarkets, hypermarkets and departmental stores looking for variety and better deals. They are catagorised and explained below such as:

*Branded Stores* are the exclusive showrooms either owned or franchised out by a manufacturer;

*Specialty Stores* focus on a specific consumer need, carry most of the brands available;

*Department Stores* are the large stores having a wide variety of products, organized into different departments;

*Supermarkets* are extremely large self-service retail outlets as compared to Hyper- mart;

*Hypermarkets* which are larger than a supermarket, sometimes with a warehouse appearance, generally located in quieter parts of the city (Wikipedia).

After analyzing consumerism and consumption patterns followed in the markets, the need to define the ontology has been satisfied to an extent. The organized market has opportunities to grow in India in spite of the *kirana* stores because these *kirana* shops will get benefit of the growing economy. The argument that the *kirana* shops will be affected by these malls is only myth. The organized market is attracting more and more Indian as well as foreign players of the markets. As the study shows that a major portion of the organized sectors will be developed in small cities and towns, this opportunity has
not been encashed by *kirana* stores and they are unable to meet the requirements of the customers. Therefore both the malls and *kirana* stores can play simultaneously in India.\(^{24}\)

**Summing up:**

The importance of the above study indicates that consumerism is not always negative but has to be treated with caution. Even though, self referential consumption has become the norm of modern day at least for better off financially. The emergence of bigger markets undoubtedly gives consumers a wider choice of goods, more convenience, and a better shopping environment, among other benefits. This is feasible because it can take several formats, from small neighborhood stores in densely populated cities to large air-conditioned malls in the periphery. Organized retail can appear small but spread in all local markets, providing the convenience of a neighborhood *kirana* store but with procurement on a mass scale that keeps prices low and provides greater variety. With a reasonably long history of organized retail, the United States has shown that many organized retailers have been able to hold retail prices down, especially for mass-consumption goods. Retailers like Wal-Mart have held the U.S. inflation rate down by at least 1 percentage point (normal inflation hovers around 2–4 percent). The success of such retailers to hold the price line comes largely from their efficient national and global sourcing and scale economies. In India, given a very large price-sensitive population, holding the price line for a large mass of consumers could be a great boon to consumer welfare. However, that boon is not likely to happen overnight. Some chains have announced plans to start business hubs in rural areas. *DSCL’s Haryali Kisan Bazaars, Mahindra and Mahindra’s Shubh Labh Stores, Tata/Rallis’s Kisan Kendras, Escort’s rural stores, and ITC-led Choupal Sagars* are similar business hubs that provide value-added services like credit services, soil-testing facilities, education services, and agri-input supply to village farmers. In many countries, it takes decades for retail to extend into rural areas. The study reflects that almost all the convenience and neighborhood stores launched by modern retailers cater not to high-end consumers

primarily but to middle- and lower-income groups. These consumers are attracted to low, discounted price offers. The “Everyday low prices” and “Saving is my right” slogans of the Subhiksha chain have been instrumental in wooing customers and thus escalating the growth of daily footfalls. The underlying idea was to give better prices to both farmers and consumers and reduce the gap between the two prices. This shows that this will induce sufficient competition and price wars that will eventually help consumers at the front end and possibly farmers at the backend.