SUMMARY AND CONCLUSIONS

In summarising the thesis on the spatial and economic aspects of Informal Retailing in Coimbatore, this chapter highlights the major observations and findings.

Although hawking is a characteristic of third world countries, it is also exists in other metropolitan cities of the world. It is essentially an urban phenomenon arising out of meagre economy, poor resources and lack of planning on one hand, and rapid urbanisation, and increase in urban population, without corresponding industrial development on the other.

Urban population increases due to the rural - urban migration process caused by urban pull factors like employment opportunities generated by industry and service sectors. However the informal sector cannot be attributed to only the rural - urban migrants, according to Samal (1990). In almost all the studies, local people were also involved in the informal sector because of general levels of inequality.

The urban informal sector attracted world wide interest hardly two decades ago, but noteworthy research works have been published by T.G. McGee, Ray Bromley, Bienefeld, Caroline Moser, Tse, Salah - El - Shakhs, and Chris Birkbeck. According to McGee, Colonial rule has also influenced the formation of the informal sector in third world countries, and there is a need to plan for the "bazaar economy".
In India, most of the contribution has come from social scientists like T.S. Papola, A.N. Bose, R.S. Tiwari, Samal, Madhu Sarin, S.V. Sethuraman, Aziz, Aditya Prakash, and Aitreyi Manjundhar. Madhu Sarin and Aditya Prakash have done elaborate socio-cultural case studies of informal retailing in some Indian towns.

Studies by Mabogunje suggest that the importance of the informal sector is directly proportional to the size of the city. Papola attributes the growth of the informal sector to the slow growth of the organised sector. He further states that the informal sector in administrative towns is smaller than it is in pilgrim towns (subject to limitations); and that the informal sector does not consist only of migrants.

LOCATION AND MORPHOLOGY OF COIMBATORE

The study area is limited to the Corporation limits of Coimbatore city, where the strong industrial base provides opportunities for skilled and unskilled labour. There is a large floating population as people are attracted especially from Kerala, barely 40 kms away.

A sizeable number of slums along the Northern, Western and South Eastern parts of the city, especially along railway lines, major roads and water bodies, are where a number of poor people and migrants reside.

Clusters of hawkers are generally concentrated in the central
business core of the city, and gradually reduce towards the outer core. Clusters of informal retailing therefore tend to be located near commercially strategic points. Goods (Perishables and non-perishables) are generally purchased from the wholesale centres in the city, and sold with a margin of profit. A number of hawkers are migratory, and carry their goods to the area where even a temporary demand exists. Informal manufacturing is more significant than informal retailing, which has hardly received any attention so far in Coimbatore.

Coimbatore dates back to the 12th century. The 1981 census classifies Coimbatore as the third largest city in the state of Tamil Nadu. It is an industrial city with cotton ginning and spinning mills, and foundries which provide job opportunities. It is located on the Tamil Nadu – Kerala border and the climate is influenced by the Palghat gap. A number of tanks circle the city, resulting in the growth of wet point settlements, and restriction of the spatial spread of the city to an extent. Coimbatore has a protected water supply from the Siruvani dam. Educational, medical and other services are readily available. Parks, movie theatres and playgrounds are major services of recreation. Nearly 40% of the population of Coimbatore city has a migrant component, and approximately 50% of the hawkers interviewed were migrants.

Traditional land use became diversified with the onset of colonisation. The South and South-Western parts of Coimbatore
were the points of earliest settlements. Later developments were around the North, North-Eastern and North-Western areas. In the North and North-East the industrial land use is predominant especially in Ganapathy, Peelamedu and Tudiyalur. Changes in road and rail networks gradually transformed the land use of the city. During colonial rule, the Eastern part of Coimbatore (Race Course and adjoining areas) were European residential areas. These were later taken over by the indigenous rich. Planned residential areas from the 1930's included places like R.S. Puram (West), and Tatabad (North). More recently with a tendency to overlap fringe areas, the residential spread has reached Saibaba Colony.

Industrial growth of Coimbatore has been in two stages viz from 1941-51 and 1956-60. By the turn of the century although the establishment of textile mills had begun, medium and light engineering industries also began to assume importance. Textile mills are generally located close to the CBA and at Uppilipalayam, Peelamedu, Trichy Road, Singanallur and Ramanathapuram. Medium and light industries are found in Ganapathy Maniyanakarampalayam, Avarampalayam and Pananaickenpalayam. Engineering units (light and heavy) are on Mettupalayam Road, Jail Road and Trichy Road. Industrial land use has expanded on National and State highways and even extends almost upto Avanashi (a town 50 Kms away from Coimbatore).

Coimbatore exhibits variations in providing goods and
services, so that the business centres within the city are classified as Central Business Area, Secondary Business Area, Principal Business Arteries, Connecting Business Streets and Isolated Store Clusters. The CBA is in the core of the old town and specialises in wholesale and retail trade and forwarding and clearing business. Over the past three decades the CBA has progressed and expanded. The land use in the Secondary Business Area is highly commercial, with banks and branches of various commercial ventures.

CLASSIFICATION OF INFORMAL CLUSTERS:

Due to the spatial spread of informal clusters in Coimbatore city, they are classified as clusters within the CBA, clusters in Secondary Business Areas, clusters on Principal Business Arteries clusters on connecting business streets and clusters in Isolated store cluster. Hawkers in the CBA deal in a wide variety of goods from perishables to non-perishables like textiles and fancy goods. 56% of them earn more than Rs.15/- a day, 77% of them are found near the daily markets, and have peak hours of business from 8 AM to 12 NOON. 66% of the hawkers in the CBD are natives and 65% of them reside within city limits.

Inside the Secondary Business area, hawkers also vend perishables and non-perishables. 65% of them earn more than Rs.15/- a day and 64% are located near formal retail outlets. 58% of the hawkers are natives and 84% reside within the city. On Principal
Business Arteries, 62% of the hawkers trade in perishables, and 60% earn more than Rs.15/- per day. 52% of the hawkers sell near formal retail outlets and 56% of them are natives. 86% of the hawkers live inside the city.

On Connecting Business Streets 33% of the hawkers are natives, 72% earn more than Rs.15/- a day 60% hawkers are near formal retail establishments and 82% of the hawkers live inside the city limits.

The hawkers in Isolated store clusters tend to sell near points of heavy pedestrian traffic. 90% of them are domiciled within the city, 60% are natives, and 70% earn more than Rs.15/- a day.

**ORGANISATION OF INFORMAL RETAILING**

Informal retailing is also characterised by shifts. The shifts are influenced by pedestrian and vehicular traffic flow, and are with regard to time and location. Pedestrian traffic is generally at its peak in Coimbatore city from 5 to 7 PM on the major arteries in the CBA and Secondary Business areas.

Hawkers generally desist from opening permanent, full time establishments and move from one place to another to avail of the advantage of traffic concentration. There is also the uncertainty of continuation in the trade, as they maybe evicted by Corporation officials at any time. Although informal retailing is an
unorganised sector, and not well entrenched in the city of Coimbatore, there is a discernible pattern in the goods retailed the number of hawkers, and the income generated in each cluster.

In an urban economy, the informal sector is inter-related with the formal. The relationship between the two is complementary at times. Since the informal sector is neither independent nor exclusive, it has backward linkages to a certain extent (Hrishman, 1959).

Hawkers in Coimbatore depend upon formal retail organisations for their inputs especially non perishables. Of the 350 hawkers observed, 57% purchased daily, 32% weekly and 11% monthly. 54% observed that fluctuations in sales was due to the monsoons, while 19% attributed it to the scorching heat.

Hawkers depend on moneylenders and their own finance to a great extent. Banks and other credit institutions hesitate to finance hawkers, as informal retailing is considered temporary, and maybe removed from the urban scene at any time by overzealous bureaucrats. 87% of the informal retailers serve poor and middle class consumers, who find prices exhorbitant in formal retail outlets.

For the systems of informal retailing to have emerged, there must have been a set of conducive socio-economic characteristics, a study of which is essential to understand the reasons for the existence of many clusters. The data indicates that 86% of the
hawkers are male and 58% of them are in the 20-40 years age group. 75% of the hawkers are literate, although education cannot be considered a prerequisite for successful hawking. Most of the hawkers were found to have taken to this occupation because it required less capital investment.

It is presumed that migrants are more prominent in the informal sector, than they are in the formal. Informal retailing in Coimbatore indicates a steady flow of migrants from within the state, and also from the neighbouring state of Kerala. Of the 350 hawkers in Coimbatore, 161 were migrants, 42% of whom had arrived within the past five years. Almost all the migrants cited economic reasons and rural poverty as causes for migration. According to data available from the Slum Clearance Board, and the studies of M. Sakthivel (1990) and D. Devaraj (1991), nearly 42% of the migrants in slums are from within the state, and 46% from outside the state. The number of slums have also steadily increased from 147 in 1970 to 231 in 1980.

The districts of Madurai, Tirunelveli and Ramanathapuram from where a majority of them hailed, have not shown much industrial development, and this indicates that very little has been done in rural areas to counter push factors.

On the basis of purposive sampling, consumers who were actually buying from hawkers were interviewed, and 68% of them were found to be on a multipurpose trip. Middle income group
patronage was observed as the strongest. Consumers patronising hawker clusters in the CBA seemed to be drawn from far off locations. In other areas however, hawkers generally catered only to locals. Further the informal clusters in the CBA tend to have their peak hours in the mornings, while the hawkers in other locations, have a greater number of consumers in the evenings.

The primary consideration influencing the shopping timings seems to be awaiting of low prices, and obtaining fresh vegetables. The preference for specific informal retail clusters is based on reduced prices, proximity to residence and fresh commodities. Informal retailing caters to various consumers from different walks of life, and more specially to the poor and middle income groups. Irrespective of the goods they trade in almost all the hawkers serve more than 100 consumers per day on an average.

**THE ANALYSIS**

To analyse the data collected variables which would contribute towards explaining the general trend and hypotheses were retained. These variables ranged from personal to temporal and economic aspects of hawking. The Principal Component / Factor Analysis identified common characteristics, and related the factors obtained to the 25 informal clusters observed. The 25 clusters were then grouped on the basis of similarities. The variables chosen broadly represented almost all the aspects of hawking, without any bias. Seven factors of eigen value 1 and more
than one, and accounting for 84% of the total variance were obtained.

The first factor "Livelihood" accounted for nearly 24% of the total variance and less capital investment was the primary consideration, followed by an average daily earning capacity. Negative loadings on hawkers with primary schooling, less competition are other characteristics of this factor.

The second factor "Transition" was loaded positive on hawkers with less than five years experience. Negative orientation on native hawkers and those with more than ten years experience, were suggestive of a new establishment for migrants.

Factor three "Subsidiary" is a specific factor though moderately defined.

The fourth factor "Location" had positive loadings on hawkers selling perishables near formal municipal markets. This factor is of importance as the capacity of hawkers to compete with established markets is indicated. Negative loadings on vendors in the younger age group suggests that this process could be well established, with the involvement of older hawkers.

Factor five "Clientele" loading positively on the hawkers who serve up to 150 consumers a day and negatively on those selling domestic wares. This implies that hawkers are approached primarily for perishables.

Factor six "Illiteracy - Distance Decay" indicates the illiteracy of the vendor, and the fact that hawkers live in adjacent slums.
Factor seven "Advantage Hawking" is a weakly defined factor which focuses on hawkers who have been previously employed.

Factor scores were next obtained to assess the 25 locations of informal markets on the basis of factors. Standardised cases illustrated that with regard the Factor 1, Jail Road, Oppanakara Street, P.N. Palayam and Raja Street were similar, but directly opposite to Town Hall, Dam Nagar, Gandhipuram and Trichy Road. On Factor 2 "Transition" however V.O.C. Park, Avinashi Road and State Bank of India Road were similar. Jail Road, Oppanakara Street and P.N. Palayam were together at the opposite end of the scale.

Factor scores were next represented graphically, identifying areas similar in aspect to Factor 1 and 2. Graphs were drawn up for all the seven factors.

The 25 locations of informal clusters were next grouped by the single linkage method with the seven factors as the variables for the linkage analysis. The Summary of the Cluster Analysis indicated that neither Factors "Livelihood" "Subsidiary", nor "Clientele" were good discriminators. The Factor 2 "Transition", Factor 4 "Location" and Factor 6 "Illiteracy Distance Decay" were the discriminating factors.

PROBLEMS OF THE PHENOMENON

In Coimbatore informal clusters are usually observed crowded
around established daily markets and retail outlets, more especially in the CBA. This has resulted in severe traffic bottlenecks on Big Bazaar Street, Oppanakara Street, Town Hall, Ukkadam, Raja Street and Gandhipuram where informal retailing tends to be clustered near the daily markets. Another location with a similar problem is the Mettupalayam road cluster located near Flower Market. On State Bank of India Road, Jail Road, Avinashi Road and V.O.C. Park, there is no problem of traffic congestion.

It can therefore be summarised that problems arise mainly because hawking is concentrated only in certain locations to an unprecedented extent, which calls for dispersion. Pedestrian and vehicular traffic are hindered during peak hours, especially in the commercial areas of Coimbatore city. Hawkers located near municipal daily markets are also a hindrance at times to the consumers who wish to approach these outlets. Public hygiene is a chronic problem due to overflowing drains caused by dumping of garbage, and the danger of diseases being spread in the rainy season.

The hawkers are also confronted with problems. From the factor analysis it has been observed that hawking is a means of livelihood which requires neither education nor much capital investment. For migrant hawkers (30%) who have come to Coimbatore due to extreme poverty, this is a means of subsistence. They
reside in slums and contradict the view of many social scientists that hawking is not a symptom of underdevelopment.

It seems to be an alternative to extreme deprivation, with the neglect of small scale industries and capitalistically inclined Government policies. Despite the limited capital requirement, a good number of hawkers are financed by money lenders. Banks and other credit institutions hesitate to lend financial assistance to hawkers whose trade maybe suspended at any time by Corporation and other officials. Their main problem is therefore insecurity and instability, while earning a living which borders on hand to mouth.

Although the problems in Coimbatore are mainly in the Central Business Area and to lessen extent in the Secondary Business Area, and not to such an alarming extent as in the city of Madras, it is necessary to regulate informal retailing in Coimbatore.

A start can be made by banning the use of push carts by hawkers in the CBD, and restricting the CBD to hawkers of only a great many years standing. Huge bins should be provided for garbage disposal to end the dumping of garbage intermittently along roads. Since hawking provides a means of subsistence to the underprivileged sections of society, and caters to consumers in the lower and middle income categories, Government should regulate hawking by allotting them fixed sites to pursue their trade. This should be done after careful consideration as the hawkers should find it remunerative to operate from the new sites and not return clandestinely to the overcrowded CBA. Philanthropists and social
organisations can be involved in contributing towards providing cheap bunks for hawkers. This can be done specifically in areas where there is not much of a concentration of informal clusters. Since it is not plausible for the daily markets to be expanded and renovated, certain arterial roads may be allocated for hawkers to meet the requirements of specified areas. A certain number of hawkers who deal in perishables, maybe accommodated in existing daily markets. Informal clusters can also be specialised and developed along the lines of China Bazaar in Madras.

CONCLUSION

The study by the International Labour Organisation has clarified that the informal sector is not only complementary to the formal sector, but also contributes to lessening the burden of unemployment and abject poverty. Empirical studies on the informal sector have also shown that it is composed largely of rural and small town migrants. In Indian cities informal retailing may not be a transient, "one-might stand" for migrants, and urban poor, but rather a lasting feature. Hence since there is hardly any hawker regulation policy in Coimbatore except that it is illegal and punishable a comprehensive policy from the State Government is called for. The Town and Country Planning Department can evolve a comprehensive policy for hawkers, in the new structural plan of the Coimbatore agglomeration.

Forty years of independence in our country have stamped out
neither illiteracy nor unemployment. There are people who live in luxury and those that border on starvation. There are Government plans and programmes that benefit some while the others have to fend for themselves. Their efforts have to be supplemented and stream-lined.

People without a means of livelihood and immigrants in search of subsistence could pose problems for society. Their attempts to overcome deprivation by hawking, should be viewed in a proper perspective. They should be given aid assistance and encouragement to help systematically stabilise this phenomenon, from which consumers also derive satisfaction. Confronted by prices that never come down, and pay packets that never seem to compete with spiralling costs, informal retailing is apparently more relevant to day than ever before. A beginning can be made by developing and stream-lining informal retailing in fast developing urban precincts, which lack facilities. This will highlight and develop the positive aspects of informal retailing, rather than emphasise the negative facets, which are indeed few in the final analysis.