

**CHAPTER IX**  
**CONCLUSION**

**Town-country networks and urban development:  
Summary presentation.  
Concluding propositions**

This chapter tries to answer the basic objectives of **the** study through summarising and analysing the final **conclusions** drawn from both the case study regions.

The conclusions that can be drawn from the details provided in chapter III to chapter VIII is that Dharmavaram is experiencing better growth rate than **Markapur**. **More** importantly it is functioning as a generative town providing employment and development in the hinterland leading to the conditions of total urbanization. In contrast Markapur is experiencing *enclave urbanization* due to the attenuation of its erstwhile linkages with its hinterland and the gradual decline of the slate **industry**

The reasons for the different growth models being experienced by **these** two towns lie not only in the differences in the hinterland economy but also in the changes that have occurred in the town-country networks of both the regions and their influence on the urban **development**

From table 9.1 we **can** observe that, though **Dharmavaram** region is more drought prone and has less irrigation facilities **than** Markapur. there **are** significant differences in the land use patterns and **cropping patterns** in the two **regions**, resulting in better level of surplus **generation** in Dharmavaram. While the gross cropped area is high (45%) in Dharmavaram, it is low (22%) in Markapur region. Further, the cropping patterns of Dharmavaram region are dominated more by commercial crops (68%) than food crops (11%). Whereas in Markapur region, food crops still play an important role occupying 48% of the gross cultivated area.

**TABLE: 9.1**  
**Differences Between Dharmavaram and Markapur Hinterlands**  
**(Percentage)**

S.No.	Variables	Dharmavaram Hinterland	Markapur Hinterland
1.	<b>Area under forests</b>	10.5	<b>47</b>
2.	Area under barren & uncultivable land	14.5	<b>07</b>
3.	Current and other fallows	19.5	10.5
4.	Gross area sown	43	20
5.	Area under irrigation to net sown area	12	18.5
6.	Area under food crops	11	<b>45</b>
7.	<b>Area under commercial crops</b>	88	52
8.	Average size of land holding (in acres)	<b>6.1</b>	5.3
9.	Population supported by agriculture	38	36
10.	Proportion of cultivators to total agricultural population	52	<b>35</b>
11.	Proportion of agricultural labours to agricultural population	48	<b>65</b>
12.	Number of groundnut mills	22	<b>05</b>
13.	Number rice mills	20	<b>14</b>
14.	<b>Literacy</b>	<b>31</b>	<b>26</b>
15.	<b>S.C. Population</b>	<b>14</b>	<b>20</b>
16.	Average monthly income of silk weavers in Dmm. and slate workers in <b>Mrkp</b> regions. (in Rs.)	3420	<b>814</b>

Source: Item 16 is from Household data of this thesis. Item 1 to 7 and 9 to 13 are from Handbooks of Statistics of Anantapur and Prakasam districts, 1992-93, item 14 and 15 are from the 1991 census. Item 8 is from Agricultural Census, 1990

The above table shows that Dharmavaram region has better land use and cropping patterns. Growth of commercial crops, viz., groundnuts, mulberry

are facilitating agro-processing and marketing leading to the **development** of **agro-based** industries in Dharmavaram town and its **hinterland**. On the other hand, **Markapur** region is dominated by subsistence food crops **having** little potential for marketing, processing and generating **agro-processing** industries.

Pattern of Town-Country Networks in **Dharmavaram and** Markapur: Summary Presentation.

A careful analysis of the functioning of the **town-country** networks of Dharmavaram and Markapur regions during the past three decades leads to the following conclusions.

**DHARMAVARAM:**

Before 1970:

Master weavers had total monopoly over silk **industry**. To \* large extent they were the owners of **means of production**. Few weavers though owned instruments of production were dependent on master weavers for their employment and supply of raw material. Master weavers owned various production agencies and thereby maintained complete **dominance on** various sections of silk industry. Labour was completely subordinated to **the** capital and the conditions were suitable for formal **subsumption of labour** to capital. Explaining the same conditions **Chevalier quoting from liar\*** says

**"The formal subsumption of labour under capital involves exclusive ownership of means of production and the concomitant appropriation of (absolute) surplus value".**

1970 to 1980:

From early 1970s, the nationalisation of banks **and the** provision of loans to weavers brought some significant changes in silk **industry**. People from various castes started entering silk industry and wearing began to spread more rapidly both in town and hinterland across all **castes**.

1980 to 1993:

Production of cocoons in the hinterland of **Dharmavaram** triggered the establishment of silk reeling and twisting units which again led to easy availability of raw material locally thereby further decentralising the distribution of means of production of silk industry. The **establishment** of a separate sericulture department in 1980 and its various schemes **gave** impetus to the development of production of cocoons, weaving and **smoothened** the relations between various agencies of silk **industry**. The silk industry became a major source of gainful **employment** intertwining the development of both town and its hinterland.

As the ownership of the means of production underwent **changes** the erstwhile monopolistic dominance of master **weavers** declined and relations became more mutually interdependent where various **sections** began to enter into market field with equal bargaining **powers**. This led to the **commodification** of the **labour-power** of the labour weavers and increased their scope to become self-employed **independent weavers**. This was facilitated by the **decentralisation** of various **productive agencies** of silk industry thereby the surplus began to flow to various **sections** leading to the **around development**.

Thus, formation of town-country linkages **and changes in the relations** of production led to **the commodification of labour- power and triggered**

**wide-spread** development. It is pertinent to recall **the** statement of Manfred **Bienefeld** where he says, the transformation of labour power into a 'commodity 'to be sold in a market eventually changes **the** relationship of products and removes the fetters for the system's potential for **expansion**. Once wages and prices were free to respond to 'market signals', extensive opportunities for the generation of investible surplus appears.

Thus, the intensification of **town-country** networks both at the intersectoral level and at the inter-group level in a generative and mutual beneficial manner changed the pattern of **development** in the region from "enclave urbanization" to "total urbanization" leading to overall development of the region.

#### **MARKAPUR:**

##### 1970s:

1. During 1970s **Markapur** has fairly good growth due to the full **swing** of its location based **industry**, that is, production of stone **slates**. **Though**, this did not improve the economic conditions of the **mine workers** due to the exploitative relations in **mines**. **It brought few benefits** to factory workers as they were paid minimum **wages**. **However, there was poverty** in this **employment**. **But, this is much better** when compared to the conditions of absolute poverty **in hinterland**. **Thus, factory employment** became a **major** pulling source for migration during **1970s**.

##### 1980s

2. **From 1980s** the location based economy of **Markapur** began **declining** due to the advent of **enamel, plastic** and **cardboard** **slate industry**, where **few**

materials were brought from parts of Maharashtra and **Karnataka**, thereby the town's Linkages with its hinterland **particularly** from the **point** of view of slate industry began declining. Thus there was weakening of the total urbanization process of 1970s and a **process** of enclave urbanization began in 1980s.

3. Besides weakening of **linkages**, the exploitative relationships in terms of concentration of means of production, the **non-commodification** of labour-power, the subcontracting system, multiple leasing **system**, piece-wage system, decreasing employment opportunities due to labour saving mechanisms, further affected the growth of the town.

It is pertinent here to recall the differentiation that Karl Marx had proposed between the "Division of labour in society" and "Division of labour in manufacture". The division of labour within **society presuppose** • dispersal of those means among many **independent** producers of commodities. the division of labour within manufacture **presuppose** • concentration of the means of production in the hands of one capitalist. The contrary **networks** functioning among different groups in **Dharmavaram and Markapur** could be analysed by describing these two processes **functioning in Dharmavaram and Markapur respectively**. In **Dharmavaram** the functioning of SUM industry resembles Marx's concept of "division of labour in society" while in **Markapur** the functioning of Slate industry resembles the **Marx's concept** of "division of labour in manufacture".

Marx **describing the division of labour in manufacture says**

"The connection between various partial operations in a workshop is mediated through the sale of labour-power of several workers to one capitalist, who applies it as combined labour-power, thereby concentration of the means of production in the fa\*r»is of one capitalist."

**Marx further** says the **division** of labour within a workshop implies the undisputed authority of the capitalist over **men**, who **are** merely the members of a total mechanism which belongs to **him**. **Whereas**, the division of labour within society brings into contact independent producers of **commodities** who acknowledge no authority other than that of competition of the coercion exerted by the pressure of their reciprocal interests. Discussing on the division of labour in **manufacture** Marx further says that

"In the division of labour in manufacture there is generation of capital or surplus **value** at the expense of the worker. It increases the socially productivity power of labour for the benefit of the capitalist instead of the worker. It produces new conditions for the domination of capital over labour. Thus, it is a more refined and civilized means of exploitation".

Thus, we can understand that in **Dharmavaram** there is predominance of "division of labour in society" (though there is presence of "division of labour in manufacture" in large scale **reeling** and twisting unit\* which are few in number). Every **one** here is a small **independent producer**, who with the help of his family members (some times employing one or two **outsiders**) produce their commodities.

The hold of the capitalist (merchant in **Dharmavaram**) on the independent producer is **less**. The capitalist has direct contact only with his immediate predecessor in the production process of silk **reeling**. Relationships and transactions between **all the functional groups** are governed by mutual dependence and equal **say** on the flow and distribution of surplus value leading to high generation of Actual Economic fr-jrt>im\* facilitating generative urban and regional **development**.

In **Markapur**, there is **monopoly** in ownership of **means of production** leading to **non-commodification** of labour power. **Further**, the presence of



surplus labour market led to the development of various exploitative processes and dependency relationships between various groups **involved** in the production process spread over in town and country of **Markapur** region. This resulted in appropriation of huge amounts of surplus by few **sections** and proletarianization of large majority of sections leading to conditions where there is generation of Potentially Investible Economic Surplus.

According to Paul Baran potentially investible economic surplus is one which is not available to society because its monopoly production prevents its production, or if it is produced, is wasted through luxury consumption. He further says that the income differentiated between high and low **income** recipients and much of the failure of the former to channel their income into productive investment may also be due to monopoly. Thus the non-realization and non availability for investment of '**potential**' **economic surplus** is essentially due to the monopoly structure of capitalism

The generation of capital in **Markapur** is due to exploitation of thousands of landless labourers and small and marginal farmers who are engaged in slate mining and industrial activities both in town and hinterland by a few mine and factory owners. Thus, the capital is concentrated in few hands thereby there is high '**potential economic surplus**' in Markapur. This matches the oft repeated comment in **Markapur**, that, there are lakhs of rupees with industrial and nun\* owners of **Markapur** locked in their houses

Whereas in **Dharmavaram**, since there is dispersal of profit among various sections, there is domination of '**actual economic surplus**' with a lot of scope for investment of this surplus **fee\***ing to the conditions of total **urbanization**

It is evident from the earlier discussions that **in Dharmavaram** region the productive relations are generative and productive to all groups where the element of "exchange" is fair **and** there is flow of surplus" to all sections involved in the **town-country** linkages. This may be mainly because of "commodification of labour **power**" in Dharmavaram region due to conditions of distribution of ownership of means of **production among all** sections involved in the production process. However, this may be **also** due to the formation and intensification of town-country linkages **and** to the various welfare policies of the government.

In Markapur region, in spite of intensive backward linkages, Markapur never attained generative urban development due to the dominative and exploitative relations between the various productive **groups** involved in the linkage process. **Consequently**, the surplus concentration **is** in few hands at the cost of proletarianization of vast majority of the propJe There is, therefore, **underdevelopment** of the hinterland and **subsistence** urban development in **Markapur**

The tables 9.2 and 9.3 presented **below** clearly reflect **the above arguments**. The differences between the **economy** of the **Dharmavaram and Markapur** towns is brought out through **selective indicators in Table 9.2** which are **self-explanatory**. Further, **Table 9.3** presents in **summary form** the main arguments showing the **differences in the growth models** of the two towns.

**TABLE:9.2**  
**Differences Between Dharmavaram and Markapur Towns**

S.No	Variables	Dharmavaram Town	Markapur Town
1.	Monthly income of <b>silk</b> weavers in <b>Dharmavaram</b> and slate workers in Markapur respectively (in Rs)	2619	1010
2.	The growth rate of Dharmavaram and Markapur during 1951-1991 (percentage)	437	286
3.	Argo-servicing and sales units	23	12
4.	Fertilizer units	15	06
5.	Cloth stores	100	62
6.	Garment shops	10	03
7.	Electronic goods shops	10	02
8.	Financial corporations	300	28
9.	Liquor shops	28	06
10.	Restaurants	20	12
11.	Lodges	10	04
12.	Theatres	09	04
13.	Groundnut mills	28	05
14.	Rice mills	08	05

Source: Item 1 is from the household data of this thesis. Item 2 is from Census of India. Item 3 to 14 are from municipal data and field interviews.

**Table 9.3.**

Comparison of **Dharmavaram** and Markapur

**DHARMAVARAM**

1. The Employment potential is increasing. This is reflected in terms of increasing number of agro-based industries, silk industrial units, general trade and commerce

1. The employment potential has come down significantly. This is due to the decreasing household units, traditional stone-based slate industries and labour-based mechanisms in budget slate industries

2. Since the monthly incomes of the silk weavers and workers of silk industry are high (Rs.2619) the buying, consuming capacity in Dharmavaram is high.

3. Due to better buying and consuming capacity, there is rapid development of general trade and commerce and thereby the consumer industry is strong.

4. There is dispersal of surplus among all groups in Dharmavaram town. Accordingly, the scope for capital investment is high.

5. There is rapid spread of built area. Trends of increasing investment in real estate and land speculation are visible. Hence there is great demand for construction industry.

6. It provides ready market for agricultural goods produced in the hinterland. Consequently, there is rapid spread of cultivation of mulberry and groundnut. Accordingly, the town functions as a strong & effective market centre and agro-processing centre.

7. The town's role on hinterland is increasing. Dharmavaram provides employment to hinterland people. There is spillover of town's activities to hinterland and weaving has become a great source of off-farm employment in the hinterland. Further, the workers of silk dyeing units, groundnut mills are mostly from surrounding villages.

2. Since the monthly incomes of slate workers is low (Rs.1010) they are debt ridden, hence their buying and consuming capacity is low.

3. Due to low buying and consuming capacity, the general trade and commerce is of subsistent type dominated with informal bazaar economy.

4. There is concentration of surplus among few groups. Accordingly, the investment avenues in town are less. Consequently much of the capital is either locked or invested in other areas.

5. There is little spread of built area in the town. The only extension colonies are slate workers colony and ekalavya colony which have slum conditions without any proper housing and drainage facilities.

6. Markapur is a weak market centre and agro-processing centre. Most of the product of commercial crops like cotton, tobacco, is marketed in major towns like Guntur, Vijayawada, Nagpur rather than Markapur.

7. The town's role on hinterland is decreasing. With the declining trend of slate industry, the employment levels of hinterland people working in town has gone down significantly. Previously people from 25 to 30 villages used to work in slate industry. Presently people from only 5 villages travel to Markapur to work in slate industry. The extent of slate mill workers has also gone down sharply. Consequently there is seasonal migration of hinterland people to other areas.

### Concluding Propositions:

The intentions in **explaining** the **various exploitative** and **generative** processes in **Markapur** and **Dharmavaram** respectively, like **subcontracting** or putting out system, multiple leasing system, expansion of **non-specific** labour, piece-rate system, **non-commodification** of labour power (in Markapur) and commodification of labour **power**, distribution of means of production, formation of generative and productive relations (in **Dharmavaram**) is not to describe merely the **production** relations between various sections of people involved in regional **economy**, but more specifically to explain through these processes, the sphere of **exploitation** and non-exploitative relations of production and impact of these relations on the local economy and on the development of the town and region

The subordination of labour to **capital**, and the **generation and** appropriation of the surplus functions through **these various complex** relations of **production** In Markapur region through careful **observation** of the above described exploitative **processes**, we can identify a whole networks of intermediaries and **parasites** involved in the production process. We can observe the exploitation of slate **workers** by slate factory and company owners who are in turn exploited by slate market agents the etc) we can visualize the **impact** of all **these activities** on slate industry and on regional **underdevelopment**

The various processes **described in Markapur** explain the **structure**, **dependency and internal *fexniraxioc*** which are very important to understand fully the **impediments to economic development** at the regional and local level.

This shows that, though linkages build **interrelationship between** urban-rural economy of a region, it is the **nature** of relationships **between** various production groups involved in the linkages which actually determine the different kinds of surplus generation vis-a-vis urban and regional development.

The spatial and **inter-sectoral** relations (linkages) and social relations (which together constitute **town-country** networks) **are** mutualIT influential as they have origin basically in the mode of **production** (of a region). The dialectics of town-country networks are products of the mode of production of a given economy. The changes in the ownership of **means** of production, the extent to which **commodification** and **non-commodification** of labour power occurs at regional level influence the dialectics of town-country networks leading to either regional **development** or **underdevelopment**.

The spatial forms of development and **under development** are not only reflections of resources available in the **region** but more **particularly** town-country networks occurring at a regional level. Any attempt to develop regional urban development **necessitate changes** in the town-country networks wherein attempts should be **made** to remove the **dominative and** exploitative forces in mode of **production** in the **region** and **generation** of mutually additive and **non-exploitative** production relations. Any interventions bypassing **these aspects** like **provision** of **services** **infrastructure**, and **communications** have a **limited role** in **generating** regional urban **development**. Indeed they **might** even **result** in **increasing** the exploitative **processes** leading to **underdevelopment** of the **region**.

NOTES:

**James.M.** Chevalier, p 164.

**Manfred Bienefeld, "Urban Employment: A Historical Perspective", in** Ray Brombley & Chris Gerry(ed.), 1979, p.32.

<sup>3</sup>**Marx** Karl., "Capital", Vol.1, 1976, p 476.

<sup>4</sup>**Ibid**, p 476.

<sup>5</sup>**Ibid**, p 477.

<sup>6</sup>**Ibid**, p 486.

David Booth in **Ivax Oxaal (edt)**, 1975. p 67