CHAPTER - VII
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Weekly markets (haats) have been recognised as the sole economic institution in the tribal economy of Koraput district that fulfills the exchange needs of the tribals on a large scale. The subsistence agrarian characteristics of this economy do not provide any viability for the daily market places. No doubt few traders, known as 'sahukars' in the locality, are functioning in some villages from their residential bases as daily marketers who render both the sale and purchase services to the local population. But, the varieties of stocks they keep for sale are limited and the prices charged by them are too high on one hand and the prices they offer to purchase the agricultural or minor forest produce from producers or collectors are too low on the other hand. This discourages the producer or collector sellers-cum-buyers to visit such traders excepting in emergencies. Thus, they exclusively depend on the haats for their requirements. The presence of large number traders, both buying and selling, in the haats creates an atmosphere for these producer or collector sellers-cum buyers to make competitive bargain for both of their objectives, which in turn depend on their marketing intelligence, capacity to resist the pressure of the non-tribal traders and some other external factors.
The haats, due to their economic importance, act as the nerve centres for tribal and rural development (Rao, 1980; Wanmali, 1979; 1981; Jogaiah, 1983; Rao, 1986; Bansal, 1994; Swaminathan, 1994). They are the main channels for the distribution of local product and goods brought from outside areas (especially urban areas) in the villages. Similarly, they serve as the assembling centres for the rural produces which are forwarded to the higher grade markets for urban consumption. These markets act as the centripetal centres for the collection of small marketable surplus of the farmers and exert centrifugal influence in terms of providing grocery and allied consumer items apart from agricultural inputs to the producer sellers (Rajagopal, 1988; 91). This is the reason why 26,805 number of weekly markets are thriving throughout the country parallelly along with hundreds of sophisticated urban markets. India is a country of villages and more than 80 percent of the Indian population lives in villages. For all small purchases, they can not even afford to go to the urban markets.

Besides, the weekly markets serve as country clubs where the villagers meet and acquaint themselves with the people of other villages. This helps them to widen and strengthen their social circle (Mehta, 1980; 156). They are the live-channel of communication in tribal areas which the tribals never want to miss (Gupta, 1985; 487). They use the haats as the places of recreation and amusement which provide them necessary diversion from the dull routine of agricultural life.
Moreover their regular interaction with the outsider non-tribals in the haats give them better exposure to widen their awareness level.

Towards the end part of this century one must agree, a lot of social transformation is progressively taking place. There have been changes in the social and cultural values of the people. With the growth of mass communication media especially televisions network, their attitude towards life is also undergoing a sea-change. Even the tribals in the remotest corner of the countryside are being influenced by such great transformations. These are being increasingly reflected in the weekly markets. There has been spurt in their demand for urban fashoinable products in these markets. Thus, one will not be surprised to see mini packs of Surf or Nirma detergent powder, Lux, Liril or Lifebouy toilet soaps, sachets of coconut oil, shampoo and pan parag in the tribal markets. The crowd at the shops of imitation jewelleries, cheap cosmetics and stationery items amply proves the increasing fascination of the young tribal ladies for such products. The clothing style of the young tribal boys and girls has already changed. It is thus often difficult to distinguish, excepting from physical features, between a tribal and non-tribal.

In the foregoing chapters discussions were broadly based on various aspects of the market mechanism of the tribal haats in the Koraput district and the economic as well as social impact of such haats on the hinterland population and
the visiting urban traders. It will be repetitive to mention all the findings of the study in the present chapter. Thus, this chapter tries to list some of the major findings in the light of the hypotheses set for the study.

Hypothesis - 1 The defective management and administration of haats fail to prevent the marketing exploitation of small producers in general and tribals in particular.

The haats of the district are managed either by the Regulated Market Committees or Panchayats or local bodies. There are two R.M.Cs in the district at Jeypore and Dumuriput which manage 49 (56.98%) haats. The remaining 37 (43.02%) haats are managed by the Panchayats. The regulated Market Committees manage the haats from their respective headquarters through their field staff whose numbers are not adequate to put reins on the exploitative tactics adopted by the buying traders. They have, of course, been able to ensure the use of standard weights and measures by the buying traders to a major extent, but in respect of ensuring the proper use of such weights and measures they are found to be ineffective. The primary concern of the RMC personnel is found to be centered on the collection of market rent and fees from the selling and buying traders, producer or collector sellers, and the buyers of live stock etc. With their primary motto to maximise the collections, they put least importance to check the fraudulent buying practices of the traders.
Secondly, the scope of the authority of the market committees is limited to regulate the trade practices of some specific agricultural produces, where vegetables, in spite of their large arrivals in the haats, remain out of the ambit of such scope. Due to this, the strong buyers’ lobby put tremendous pressure on the sellers of such produce to sell at huge bargain price.

Thirdly, the buying traders of agricultural and minor forest produce locate themselves haphazardly, mostly at different entry points of the haats or at some distance from the haats which make the supervision practically difficult.

Fourthly, the dishonest supervisory staff and the commission agents appointed by the Regulated Market Committees in bigger haats to assist in the collection of market rents often act as the exploiters of the tribal farmers and small producers.

Fifthly, the connivance between the buying traders and some marketing officials has made the efforts of the RMCs to check the exploitation of the tribals and small producers futile.

The conditions of the management of Panchayat haats are still worse. The panchayat authorities, instead of managing the haats themselves, find it convenient to auction the haats to some private contractors. These contractors, with their
profiteering intentions levy excessive charges on the market participants and hardly take any interest to prevent the exploitation of tribal and small producer sellers by the buying traders. The panchayat authorities, too, are rarely seen interfering with the fraudulent trading activities in such haats.

Thus, the hypothesis about the ineffectiveness of the management and administration of haats in preventing the marketing exploitation of the tribal and other small producer sellers is found valid.

Hypothesis- II The poor infrastructural facilities in the haats often force the producer sellers to make distress sale.

The availability of infrastructural facilities in the haats of Koraput district is examined in Chapter-III in the context of the RMCs haats and Panchayat haats. It is found that the RMCs managed haats are having feeble infrastructural facilities like office-cum-godowns, sales platforms and tube-wells. The godowns are too small to accommodate large market arrivals. In none of these haats weighing and grading facilities are available. The Panchayat haats, however, do not have any facilities at all. As such in the haats, excepting the traders of urban goods having erected their own temporary sheds, the producer sellers display their produce on the open space being exposed to the vagaries of the nature. Thus, they are forced to make distress sale during the rainy and summer seasons. During the post
harvest period also when the market arrivals are maximum and there is no facility for storage, the farmers are found to sell at abnormally low prices.

In the context of the above issues the hypothesis, thus, is found to be valid.

Hypothesis- III  The tribal cooperative marketing institutions have failed to solve the marketing problems of the tribals.

There are two tribal cooperative marketing institutions, namely LAMPS and TDCCOL, operating in the district with the objective of solving the tribals’ marketing problems and save them from the exploitative clutches of money-lenders, sahukars, middlemen and their commission agents. They are expected to collect the surplus agricultural produce (SAP) and minor forest produce (MFP) from the tribals through their branch office-cum-collection centres or directly from haats, and sell the necessary consumer goods to them at fair prices. However, the performance of these two institutions in respect of the procurement of SAP and MFP, shows a deplorably decreasing trend. The continuous losses suffered by them have eroded their capital base and made them incapacitated to fulfil their objectives. The performance of LAMPS in consumer business is negligible and the TDCC, although appears to be successful in it, the credit certainly is not due its sale of necessities to tribals, but due to its institutional order supplies and growth in the turnover of the fair price shops located in the urban areas.

Thus the hypothesis about the tribal marketing institutions can be accepted as valid.
Hypothesis -IV The consumer buyers spend more on food items than on the non-food items in the haats.

The buying habits of the consumer buyers are discussed in the Chapter-IV where it is found that a tribal buyer spends on an average around Rs.26/- per visit to haat while a non-tribal buyer spends around Rs.42/- during a visit. Their expenditure pattern reveals that the tribals spend about 49% of their expenditure in haats on food items and 51% on non-food items. Thus, it shows that they give more or less equal importance to both food and non-food items. On the contrary, the non-tribals spend only 35% of their expenditure on food items and nearly double the amount (65%) on non-food items. Considering the expenditure patterns of overall buyers (tribal and non-tribal buyers taking together), it is found that they spend 42% on food items and 58% on non-food items.

Thus, the above hypothesis that the buyers spend more on food items than on non-food items in the haats is found to be invalid and hence, it is rejected.

Hypothesis- V While the distribution of non-tribal traders in different types of trades is uniform, the tribal traders are more confined to petty businesses in the haats.
The distribution of traders in different types of trades have been discussed in the Chapter - V which shows that the non-tribal traders are involved in all types of trades, whether major or minor. The tribal traders on the other hand, are more engaged in petty businesses and their presence is negligible in major trades. The co-efficient of skewness calculated on the basis of the volumes of transactions also indicate similar fact. It is negatively skewed to the extent of -0.43 in case of tribal traders explaining their presence being concentrated in petty businesses. In case of non-tribal traders the co-efficient of skewness is only -.002 which implies that their distribution is symmetrical in different types of trades.

Thus, the hypothesis is justified.

Hypothesis- VI The volume of sale and income of the traders attending haats have increased.

The change in volume of sales of the tribal as well as non-tribal traders measured over a period of their haat trading indicates (after adjusting the money value with the cost of inflation index) an average increase of 15.54% and 17.60% respectively (Chapter VI).

Similarly, change in the business income of the traders (Table 6.13(a) & 6.13(b) shows increase in their income level over a period of 5 years. Around 16% of tribal and 11% of non-tribals have shifted from the minimum range of monthly income of less than 500 to the next higher range of income, that is, Rs.500 to Rs.1,000/- per month. As a result, the percentages of traders at this range of
income has increased by around 11% for tribal traders and 5% for non-tribal traders. The percentages of increase in the income of traders at higher ranges are, however, less.

In view of the above findings, the hypothesis about the increase in traders sales volume and income can be accepted as valid.

Hypothesis - VII The trader population, especially that of the tribal traders, has increased in the haats.

The growth rate of population of traders in the haats over a period of one decade is examined in the Chapter-VI (Table 6.14 and Figs. 6.2(a) (b). It is found that the population of tribal traders has increased from 48 to 80, accounting for a growth rate of about 67% and the population of the non-tribal traders has increased from 189 to 299, indicating a growth rate of about 58%.

Thus, the study finds that the increase in the trader population during the last one decade has been remarkable. However, the rate of growth of tribal trader population is more than that of the non-tribal population in the haats. Hence, the above hypothesis is accepted.
Hypothesis -VIII  Continuous interaction with the non-tribals in the haats has brought about some transformation in the socio-economic life styles of the tribals.

The extent of transformation of different aspects of the socio-economic conditions of the tribals due to continuous interaction with the non-tribals in the haats has been analysed in the Chapter-VI. The analysis reveals that such interaction has been able to influence the clothing pattern and general appearance of the tribals. The young tribals are now observed to be using clothing pattern similar to that of the non-tribals and using many urban consumer goods to develop their general appearance. Besides, change also has occurred in their food habits, language and health awareness.

In the economic front, too, significant transformation has been observed in their marketing intelligence and cropping pattern. Hence, the hypothesis is proved valid.

Conclusions:

From the above findings of the study, the following conclusions emerge:-

Haats, the most important marketing channel of the tribal economy of the Koraput district, are in a state of mismanagement and maladministration. The haats under the management of the Regulated Market Committees are slightly better off
than the Panchayat haats in respect of infrastructure, rates of market charges, and their sizes in terms of market arrivals and population. In other respects, all the haats are almost equal. There is least interference by the market authorities in the unfair trade practices of the traders. Often the management staff are blamed for joining hands with the unscrupulous traders in cheating the tribals and small producers.

The infrastructural facilities provided in the RMC managed haats are too feeble to ensure an efficient marketing system. In no haat information cell, weighing and grading facilities are available. The Kunduli and Kotpad haats are considered as market sub-yards by the RMC, Dumuriput and RMC, Jeypore respectively. Even in these haats the above facilities are not available. Thus the producer sellers remain unaware of the prevailing market rates and the correct weight, and grades of their produce. The buying traders, in order to take advantage of such lapses of the market authorities, scatter themselves in different locations, so that the producer sellers can not compare the prices immediately.

Lack of storage-cum-credit facilities in the haats also compel the farmers to sell at distress prices during the post harvest period. The farmers are also not aware of such facilities being available to them at the RMC market yards of Jeypore and Dumuriput, so that they can store their produce till the market rate is
high on one hand, and can pledge their stock to the market committee for some loan to meet their immediate financial need.

Vegetables and live-stock (goats, sheep and fowls) are also important arrivals of haats besides the agricultural produce, but in the absence of any regulation, the marketing of such produce remains completely unorganised. Thus, the price which a producer seller receives from his buyer, entirely depends upon his individual capacity to resist the pressure of the buying trader lobby. Of course, one satisfying development that is fast taking place in the haats is the presence of more number of buying traders from different areas both inside and outside the district (Rayagada, Nawrangpur, Ganjam) and State (Andhra Pradesh and Madhya Pradesh). They are often found competing among themselves to purchase vegetables and live-stock. Thus, a situation of producer sellers market is visible in the haats in such trades. But the producer sellers are not able to take the full advantage of such situation due to lack of adequate market intelligence.

The two tribal marketing institutions (LAMPS and TDCCOL) have not been able to solve the marketing problems of tribals due to continuous losses and severe financial crisis. They are unable to visit the haats for collection of SAP and MFP from the tribals. Even though, sometimes financial arrangements are made with the national level marketing institutions like NAFED, TRIFED or Private organisations, yet, due to bureaucratic procedural delays, the funds do not reach
the hands of the field staff in time. Thus, when these staff go to haats maximum 
tribals will have already disposed of their produce to the private traders or their 
commission agents. Often these personnel, in order to achieve their procurement 
targets, are also alleged to have informal tie-ups with the private traders to 
purchase the produce in the haats on their behalf and sell to them on commission 
basis. Such types of situation certainly do not prevent exploitation, even if the 
tribal marketing institutions are present in the haats.

In spite of several market imperfections the contribution of the haats to the 
transformation of tribal economy is well felt. They have been able to influence the 
cropping pattern of many farmers including the tribals. They are now cultivating 
cash crops and vegetables in more areas for increasing their income. Interest is 
also developing among other farmers in such cultivation, but due to the lack of 
cultivable land and irrigation facilities, especially in the highland region of 
Koraput, most of them are not able to switch over to such crops. Besides, the lack 
of investment capacity for the commercial cropping by the marginal, small and 
tribal farmers stands as a major hurdle in such transformation.

Haats are able to deliver all the goods required by the hinterland population 
for their day-to-day living. The consumption pattern of the tribals of this poverty 
stricken economy is simple and confined to limited wants. So, one will find in the 
haats limited varieties of goods in lots and prices that suit every body’s pocket.
The expenditure incurred by the tribal buyers in the haats is less, averaging between Rs.20/- and Rs.30/- per haat while the non-tribal buyers spend more amount ranging from Rs.40/- to Rs.50/- on average. The tribals spend equal amount on food and non-food items, but the non-tribals spend more amount on non-food items than on food items in the haats. One of the major causes of this is that most of them are self-sufficient in food items as producers or they procure these items in the villages in exchange of their labour, cash or credit. The recent development in the distribution of rice by government under the PDS system has also reduced the demand for such items in the haats.

One can, however, observe the change in the consumption patterns of the tribals and local non-tribals especially the younger ones in the haats. There is a marked increase in their fascination for urban consumer goods like artificial jewelleries, cosmetics, toiletries, beauty-aides, attractive colourful sarees and dress materials, etc. But, in the event of their low affordability to purchase genuine and quality products, the haats are packed with the imitations and low quality products. These products, no doubt, are cheaper than the genuine products, but certainly dearer in terms of cost-quality comparisons. If efforts are made to prevent the entry of such spurious goods to haats on one hand and by the supply of genuine goods in the form of economy packs on the other hand, the tribal and the local non-tribal people will be benefitted and will be able to improve the conditions of their living.
The haats also have other economic and non-economic roles as well. People like to link up their visit to haats with some work, if any, like going to banks, block office or hospitals. The study has also revealed that on haat days, the number of people visiting banks and hospitals located at haat villages are more than on non-haat days. The haats are like country clubs for the local population to have recreation and amusements and exchange of information among themselves. However, these places are hardly used by the government machinery to disseminate information relating to various tribal and rural development programmes. This could improve the awareness level of the people and they could benefit from such programmes.

Haats are the potential rural development centres. With the rapid growth of transportation in the rural areas, these places can act as nodal centres for rural and tribal development. So, these places should receive adequate attention from the government in the form of creating various infrastructural facilities like sales platforms, rest sheds, shopping complex, post office, police out posts, hospitals and banks, information centres weighing and grading facilities, etc. These facilities will enhance the catalytic power of the haats to develop and transform the tribal economy of the district.
Suggestions:

Suggestions for policy implementation to develop the tribal haats, LAMPS and TDCC and thereby, the tribal economy are presented below in a nutshell:

1. The number of field staff of the Regulated market committees need to be increased. The RMC should send at least one supervisor and five market guards to bigger haats and one supervisor with two market guards to smaller haats under their control. At any rate, the appointment of private commission agents be stopped.

2. There is a need to suitably amend the legislation of the management of weekly markets, whereby the local community will be given an effective role. For this purpose, at least fifty percent of the producer members of the market committees and fifty percent of the market guards be from amongst the tribals of the locality.

3. The field staff (supervisors and market guards) may have to be given special training to enable them to detect the novel tactics applied by the buying traders to exploit the tribals and small producer sellers.

4. The market authorities shall have to be given adequate power to impose penalty and fine on the fraudulent traders and cancel their licences to procure SAP and MFP from haats.
5. The village Panchayats have to be discouraged from auctioning their haats to private contractors who, instead of putting any check on the undesirable activities taking place in the haats, rather promote and encourage them. The Panchayat authorities need to manage their haats themselves for the benefit of the tribals and small producers.

6. The tribals and small producers need to be exempted from paying any market rent or fee.

7. The marketing inspectors from the government should pay regular visits to the haats to check the fraudulent trade practices.

8. The voluntary organisations (NGOs) working in the locality may also be given the responsibility in the above respect. The cases of unfair trade practices brought in by them should be immediately investigated and action taken against the dishonest traders.

9. The market authorities need to announce through P.A. system about the prevailing rates for different agricultural, minor forest produce, vegetables and livestock etc.

10. They should instal weighing and grading facilities to help the tribal and small producers know the correct weights and quality of their produce and the expected price they are going to receive by selling their produce.

11. The buying traders should be prevented from sitting at different locations. A specific area may be earmarked for them to sit. This will help the
producer sellers to compare the prices and sell to the trader offering the highest prices for their produce.

12. Adequate infrastructure in the form of covered sales - platforms, buyers rest sheds, and storage godowns need to be created in the haats in least at the minimum. These facilities will help the producer sellers to avoid distress selling due to storage problem or bad weather conditions on the haat days. Subsequently, depending upon the availability of finance, other facilities like permanent shopping complex, hospital's, police out post, post office, banks, public information cells etc. be established.

13. In order to create the minimum infrastructure the Central Government need to provide adequate financial assistance to the RMC and Panchayat authorities. Crores of rupees have already been spent by the Central Government on various tribal development programmes over years without achieving any eye-catching result in the district. Thus, if some portion of the finance meant for such developmental programmes is diverted for creation of infrastructure in haats, it will not make a big difference in the success of such programmes. On the other hand, the haats will be equipped with sufficient facilities for smooth marketing functions.

14. One of the major reasons of the post harvest sale by the tribal and small producers is their compelling financial need for consumption purposes. So, they may be granted consumption loans on the pledge of their value of
stocks. This amount may be deducted from the sales proceeds of the produce when the farmers will sell during the favourable market condition.

15. There is an urgent need to revamp the losing tribal co-operative marketing institutions (TDCCOL and LAMPS) operating in the district. The first step in this direction is to increase their capital base that will improve their financial soundness to carry on the credit and trading functions. The State Government, for this purpose may seek the financial assistance from the Central Government in respect of (1) more equity participation, (2) accommodating the existing losses and (3) providing adequate amount of working capital with a view to making these institutions viable. Constant monitoring of the activities of the LAMPS and TDCCOL will help them revive and stand on their own.

16. The managerial staff of the above institutions need to be imparted training as regards to the management, supervision and control of various issues especially credit and marketing issues. Further, in order to enable these institutions grow in the right direction, besides serving the tribals, appointment of professional managers with specialisation and experience in rural marketing appears absolutely necessary (Behera, 1997; 94-95).

17. The LAMPS and TDCCOL, instead of working as independent tribal marketing institutions, need to work collectively for the growth of tribal economy. The LAMPS should be allowed to work as grass root level organisations in the collection of agricultural produce and minor forest
produce from tribals with the co-ordination and financial support from the state and national level co-operative marketing organisations like TDCCOL, OSCMF, NAFED and TRIFED, and other buying institutions. These organisations should send their purchase advance in full before the post harvest market arrivals and offer attractive commission to LAMPS. These steps will increase the financial soundness of LAMPS so that they will go to haats in time to procure the SAP and MFP from the tribals and small producers and thus, save them from exploitation. The TDCC, similarly, should take necessary steps to send the market advance to its branch office-cum-collection centres in time for procuring the SAP and MFP directly from the tribals or through LAMPS. In order to ensure that the funds so provided are not misutilised the regional officers of the concerned state and national level organisations may make frequent supervisory visits to the LAMPS and the Branch offices of the TDCC.

18. The TDCC and LAMPS should be allowed to work in a broad frame work of policies and free from political and bureaucratic interferences.

19. The selling traders have to be prevented from selling the imitation and spurious brand products. On the other hand, the reputed manufactures of urban consumer goods (especially toiletries and cosmetics) should enhance the distribution of their products in the form of economy packs and sizes through the selling traders. Further, as a social service measure, they should make sustained efforts through suitable media about the harms of using
spurious products and the benefits of using genuine products. The tribal and rural people of the Koraput district are poor, simple and illiterate. Unless, they are educated about the drawback of using the spurious products, they will prefer to purchase the cheaper low quality goods without realising that they are being cheated. Thus, continuous brand awareness campaign in these areas will be able to influence the tribal and rural population to go for quality products in order to get adequate return for their hard earned money.

Scope for Further Research:

Although this researcher has made some efforts to enquire into various facets of the weekly market mechanism in the tribal economy of Koraput district, yet it can not be claimed as a comprehensive study. There are other related aspects which need further study. Some of these aspects are:

1. Scope for retail trade business in the tribal areas of Koraput district.
2. Trading Activities in the fairs of Koraput district
3. Influence of seasonal factors in the marketing and trading activities of Koraput district.
4. Role of women traders in Tribal Economy.
5. Marketing efficiency of urban consumer products in the tribal and underdeveloped areas.
6. Scope for marketing of non-farm produce in Koraput district.
In depth study in the first two areas will help to understand the other marketing net-work of the district and to compare the efficiency of these net-works with the weekly market systems. The study of influence of seasonal factors on marketing and trading activities will throw light on the seasonal variation of the market arrivals vis-a-vis their prices and variation in the trading of different products. Women traders constitute an important component of the retail and haat trading activities of Koraput district. Study about them will highlight their business proficiency in different trades. The study of marketing efficiency of urban consumer goods will help to understand, the marketing channels of these goods and to identify the most efficient channel in terms of cost and effectiveness. Research on the scope of marketing of non-farm produce will help to identify the most efficient marketing channel for such products.