CHAPTER 3 \textit{(Marketing System)}
MARKETING SYSTEM AND MERCHANT COMMUNITY

From the contemporary records, it seems that the bazaar system was in its infancy and little in use in view of the fact that the brisk traffic was carried at the doors of home-sum-shops of the traders and customers while a little was carried on in the open markets.

Even at the height of the middle ages some trade and some industry were, as to speak, dispersed over the countryside and were frequently carried on as part-time activities ancillary to agriculture.

Many of these dispersed activities were served by markets functioning as centres of occasional commerce. The most occasional were the commercial operations of the village markets to which agricultural producers, like peasant producers of all times and countries, occasionally brought the surplus products they had to sell. The peasant producers were not, however, the only frequenter of the local markets. The latter also drew to themselves the travelling merchants whose function was partly to gather rural produce for subsequent resale and partly to retail

   Lawrence, *Valley of Kashmir*, p. 380.

in the countryside, the merchandise of urban province.
we find them in our documents described as hucksters, Bakalas.
The men who acted as woolmen or wool brokers, who bought up wool
and wool felt in small quantities from petty producers for
delivery to wool wholesalers.

Urban merchandise was often distributed over the
country side by the same men, although now and again, we come
across men who apparently operated wholly as travelling retailers
of merchandise. Most of them apparently were agents of merchants
in the towns. The Srinagar merchants operated as whole-salers,
importing their goods from abroad or buying them at great fairs
and distributing them in the towns and villages through the agency
and hucksters. In all probability the village markets were the
main scenes of their operations; but judging from some occasional
references, a huckster might also visit individual homes and run
a veritable network of collections with local producers. In
general, the local village markets served as the main channel of
their activities in the country side.


4. File N0: 146-1147 Sect A. Year 1919, N. A. L.
However, small and scattered village markets were not the only places where professional sellers and buyers met and where trade could be conducted at periodic intervals. In various places in the Valley, a number of centres of great deal of trade, whole sale as well as retail, flowed through great fairs, usually annual but sometimes semi-annual or quarterly gatherings of merchants at which goods were exchanged and financial settlements of some importance took place.

However, it seems in the fitness of things to mention here that besides the specialized lanes and home-cum-shops, there were some special markets or bazaars in Srinagar, where the commodities of general nature were openly marketed. Among these the markets of Maharej Ganj and Jamia Masjid were worth mentioning. Jamia Masjid was the most important place where the Muslims gathered in large numbers on all Fridays and on the eve of various Muslim festivals. Maharaja Ranbir Singh banned the commercial transactions there and founded the new market, Maharej Ganj, after his name.


60. A. H. H., p. 852:
Maharaja Ganj is one of the important bazaars of modern Srinagar where brisk of internal trade of Kashmir is conducted.
Another important place of brisk commercial transactions was the ghat, the station of the boats where the goods were loaded to and unloaded from the boats. These ghats served as important transit depots and formed the brisk trade centres where from the goods were distributed to the other parts of the locality. The deep-rooted tradition of these ghats as the most convenient, profitable and active places of transactions can be had from the fact that in spite of the overhauling change in the marketing structure and means of communication, these ghats still play a significant role in Kashmir as the vital places of commercial transactions.

Besides, the regular shops, the petty dealers and shopkeepers also carried on their business in movable stalls. Thus as we find this time also in Srinagar, the green sellers of fishermen and women carrying on their business in movable stalls was also common during the period.

The intermittent and highly scattered, and to some extent unprofessional commerce flowing through the local markets and fairs did not, however, draw to itself the bulk of trade. Most of the trade during the period of study eventually came to be conducted by professional whole-time merchants operating throughout the year from their places of business in towns.

Commercial Morality

Rigging, cheating, adulteration, cornering black-marketing and inflation by the businessmen and the shopkeepers was a common feature and can be expected to be worst in the absence of market regulations.

The shopkeepers resorted to strange business dealings. They belittled the commodities of others so as to purchase them at low rates and extolled their own in order to sell them at high prices.

Cornering, hoarding and black-marketing were the common habits of the merchants. No sooner did the country face the scarcity of any commodity, either due to the failure of crops or the blockade of roads leading to the outer world, than the merchants resorted to hoarding to raise the prices of their commodities up, in spite of the warnings and regulations by the state against cornering and black-marketing. In the time of scarcity of commodities, the merchants not only charged exorbitant rates but exploited the suffering conditions of the people by exchanging their commodities with precious articles which were not duly paid. As a result of these fluctuations, the conditions of the masses became very pitiable. A number of people while not affording to pay these exorbitant rates perished especially when the prices of the staple food, i.e., rice went up while as the merchants delighted in such time.

8. Ibid.
9. Ibid.
There were special clans and particular communities in trade. Laurence refers to wanie or Bakals and the professional muleteers or mukebans. As regards the wanie, they formed an important trading class who traded in salt, sugar, spices and many other articles. The latter class known as muleteers or mukebans existed in Kashmir and traded with the Punjab bullock drivers.

There was another class of traders known as Galladers or grain merchants in Kashmir. They imported grain from villages to supplement stocks provided by the state and thus sold the same to the urban people. It is said that the wanie allowed the export trade entirely to be carried on by the outside traders particularly the Punjab's mainly due to the lack of enterprise and consequently, the Punjabi's formed an important trading class in Kashmir. Lastly, the labourers in Kashmir could be enlisted in a minor trading class. These labourers who worked as coolies in the Punjab during the winter spent their wages in the purchase of the commodities.

The labourers sold the goods to their respective families or they would sell the same to others.

13. Ibid.
15. Ibid.
Apart from the merchants discussed above, there were special classes and particular communities in trade. They can be grouped in two classes. First those who were exclusively traders and traded in commodities either brought from other countries or locally produced. Secondly, those who were producers as well as distributors of the first category. The large scale business was in the hands of few families, who dealt in both the indigenous and foreign goods. While as the petty business in towns was also carried on by the professional merchants; among these merchants and traders, there were some who undertook a special trade of a special commodity. For example, there were the grain merchants who specially dealt in grains.16

Of the second type of merchants, mention may be made of craftsmen who sold their finished goods at their houses directly to the customers or the dealers of those goods. Similarly, there were the producers of such goods like vegetables, milk etc., who also sold their goods directly to the customers either in the markets of the towns or by peddling from locality to locality and village to village.17

Independent master-worker of cottage generally sold his goods to the big manufacturers or dealers who owned sale depots at a number of places.18 At times he carried the articles in boxes

16. Ibid.
17. Ibid.
and moved from place to place and sold them directly to the intending buyers. Generally, he hawked around the grounds in Srinagar. Lacking in knowledge about the market, there was very little possibility for him to get in touch with the outside markets. Even in Srinagar, he did not know at what prices such goods were sold by others. The outside market was reserved for the dealers.

Earlier, there were also no rules and regulations regarding hawking in Srinagar. As a result, there were numerous complaints against the hawkers over-crowding and their harassment to visitors. Such rules were framed by the government for the first time in A.O. 1904, but were amended and made more stringent in A.O. 1914. Under these rules everyone hawking in the localities of Kathi Bagh and Munshi Bagh and the other camping grounds in or near Srinagar city was required to obtain a licence with a metal badge, bearing the serial number of the licence, to be displayed on his person. The police were authorized to arrest and prosecute any hawker who violated the rules. The visitors also, if molested by any trader or hawker, could hand him over to the police or report the number of his badge to them.

In the Jammu province too, a trader sold his wares either directly by striking a bargain with a customer or by doing so indirectly with the shopkeeper. Sometimes either he went to the nearest village or town in order to find a customer or the buyer himself came down from the hilly areas to Jammu to make his purchases. The outside trader usually got his requirements through a Kothi Wala or commission agent. But as the means of communication and transport were then very difficult, he rarely found an outside customer at his own place. Generally, therefore, he sold his goods to the local shopkeepers.

A dealer, on the other hand, adopted different methods of selling his product. He sold his goods directly to the customers as well as to merchants from outside. At times the middlemen also brought customers to his shop and charged a commission in lieu of his services. Besides, these middlemen used to have their men all over India, who kept them well informed of the movement of merchants. Their service was so quick and reliable that as soon as a merchant left for Kashmir, even from as far on a place as Calcutta, the middleman came to know of it. He then sent his touts even up to Delhi to meet the merchant to take care of him all along the way showing him warm hospitality. On his arrival in the Valley, the middlemen took charge of the merchant and brought him to the dealer where it was upto the latter to  

persuade him for shopping. The manner of Kashmiri shopkeepers (dealers) were charming, says Dermot Norris, "they will invite you to a picturesque Inner room of their shops and will give you Chino tea and Panjur rotis, but if they can fleece you, they will get another very effective method adopted by the dealer or shopkeeper to make his customers buy atleast something and was to show them the orders of earlier ones as entered in a book with their names and addressed and also the prices of articles as well as the dates by which these things were to be delivered? This was however, done with a view of impressing upon the merchants or customers the fame and reliability of their own shop and also to assure them that the prices charged were 'reasonable' besides the dealer also showed them letters commendatory written from his earlier customers regarding the quality of his products.

From A.D. 1870 onwards, sales also began to be effected through occasional exhibitions in India and outside in which local exhibits were sent in good numbers. Orders booked on these occasions were executed later on.

In addition to these methods of sale, the development of the means of transport and communication in the nineties of the last century and consequent rush of tourists also provided the dealer as well as the independent master-washers with other means also. Now a dealer also engaged hawkers who with their boxes full of wares, went around the house-boats and camping grounds in

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Srinagar during summer and found their way to India during winters. Besides selling ready-made articles, they also booked orders for others according to their samples. Even the visitors to Kashmir used to place their orders for particular articles during their short stay in the Valley. These orders were then executed through postal parcels.

Apart from this, the dealer living outside the state and dealing in Kashmiri goods had their agents in Srinagar, who made purchases either from the shops or independent master-washers and despatched the goods to their dealers in India. The dealers in turn, sold these through their selling branches in various parts of the country. Then there were also the agents of foreign concerns who purchased goods from local dealers and manufacturers and sent them to their consignees in such countries as England, France and America.

The different methods of sales mentioned above were, however, not in the interests of independent master-washer or small workshop owner. He had to face the stiff competition not only from the big manufacturers but also from the other workers of his own category and in this competition, the prices slumped

27. Donohue Meilon, op. cit., p. 162.
even below the initial cost level with no proper marketing organization so the prices were entirely controlled by the dealer. The independent master worker had only two alternatives either to sell the goods to the dealer or himself to go hunting for customers which involved both the time and risk of losing the prices offered by the dealer. They, being fully conscious of such worker's weaknesses, took full advantage of him by forcing him to bargain his wares at the lowest possible price and often the wares were purchased by the dealer for the bare prime cost and at times when there was depression in the market even below. Apart from the unfair prices, he (the dealer) paid these in small instalments after making some other unjust and arbitrary deductions.

Though industrial cooperative societies were established in A.D. 1919-19, they confined themselves only to the supplying credit facilities to the artisans. There was no sale society except the one for paper makers which came into existence late in 1926.

The marketing organizations of dealers or big workshop-owners also suffered from some inherent defects. The business side had been totally neglected by them. Their business was almost entirely dependent either upon the casual visitor or on the orders placed by foreign firms. No use was made of some special

29. Ibid

methods to enhance the sales. Modern methods of advertising the goods were totally absent and unknown to the manufacturers, with the result, that a large part of the Indian as well as the foreign markets remained untapped. And efforts were made to organise annual exhibitions on Kashmir arts and crafts only towards the end of the Dogra rule in Kashmir. Occasionally, the objects were also sent to the exhibitions in India. 31