

CHAPTER - VII

CONCLUSIONS AND SUGGESTIONS

RESUME

The origin and development of marketing is closely associated with development of man's activities. Rural marketing is a basic economic activity on which the transformation of social, economic and human values of rural-folk entirely depends. The process of rural marketing has lived through rural-folk. The rural markets are the farmers' first contact point in the marketing channel. The producer-farmers depend on these rural markets for disposal of their farm-produce for cash and for the procurement of farm inputs and other non-farm inputs. Statistically, three-fourths of population live in rural areas; and their economic fortunes is being determined by the rural marketing.

Any developmental activity being initiated by the Government towards the well-being of rural people invariably resorts to innovate marketing structure and sound operations of rural markets through means of efficient management. The success of any rural development programme commissioned is closely linked up with the sound and sustained rural marketing. That is why, the rural marketing is considered as an instrument of socio-economic development. In other words, it is the accelerator of actor-factors of economy.

The pace progress of country's economic development depends not only on the increasing agricultural produce and its productivity, but on the effective marketing system. It means inflow of goods and services to the rural needy; and outflow of these goods and services from the rural areas to the consumers. The rural marketing, therefore, works as a system of 'INLET' and 'OUTLET' to the farmers.

The rural marketing has been developed from time to time by the Government of India and the Provincial Governments, keeping in view, to safeguard and promote the economic interests of rural producers as well as rural consumers. However, the measures are not so conducive for

the welfare to whom the rural marketing is meant. The reasons are varied; among them, the primary and paramount reason is that of exploitation by the middlemen, followed by the lack of infrastructure facilities, inadequate information, transport technology and ineffective management.

In review of literature, it is found that there are many studies on the working of rural markets, the suggestions made on the basis of those results are appropriate. Those suggestions, however, scientific, they may not be suitable to the rural marketing system operating in the drought-prone region of Rayalaseema. Hence, there is every need to take up the rural marketing in the Rayalaseema region for investigation.

The study has covered the weekly rural markets in the Rayalaseema region during the period of 1985-95. It has focused mainly on rural markets spatio-temporal phenomena, its market-cycles and its organisation. To have an insight into the problem, eight selected weekly rural markets are examined; their working transactions indepth. It has also covered the perception of 400 participants on the weekly rural markets to have

cross-section analysis so that better findings can be deduced for suggesting better measures to improve and strengthen the weekly rural marketing in the Rayalaseema region. The study, thus, is an empirical one.

FINDINGS

The weekly rural markets in the Rayalaseema region is semblance of the agriculture sector. Even after four-and half decades of Planning period, most of the villages could not have adequate road- transport facility, adequate storage facility, the channel management is not so equipped to eliminate usurious activities being operated by the middlemen. Whatever the market cycle that have developed in the region either on its own or by steps being taken has been beneficial to the traders but not so much beneficial to the producer-sellers. Further, the market cycles have been developed mainly due to the movement of traders rather than farmers.

The weekly rural markets are managed by the Gram Panchayats and the Temple Trusts. The management generally looks into the phenomena of bidding the weekly rural markets through means of an auction; and never tries to administer the rural marketing on its own for their better

Added, optimum distance from the existing weekly rural markets and the level of transport facilities play an important role in their location. The traders operating in weekly rural markets follow a particular route and cover a cluster of villages in a specific time which provide a linkage to all the points. This is called 'market rings'. The concept of weekly rural market is rooted in such a way and makes it benefit the people. It is noted that the marketing of commodities are in cash transaction; but, often, the credit transactions found in the weekly rural market mainly from the traders. This shows the monetisation of weekly rural markets in rural areas.

The available infrastructure facilities at the weekly rural markets are inadequate; it shows the apathy of market management towards market development and welfare of participants. The weekly rural markets have remained the same business what they had in the past. Towards the performance of the weekly rural markets, in terms of sales and income, all the sample weekly rural markets have good performance in 1994-95 compared to 1985-86. However, pertaining to income variable, the Nimmanapalle and Galiveedu weekly markets have better progress, the latter still have better compared to the former, the reason being the management by the Temple Trust.

In the weekly rural markets, the major items which are being transacted are the items of agricultural sector. The prevalence of middlemen all through the weekly rural marketing transactions is found, which is not healthy for marketing operations benefiting the producer-sellers as well as the consumers. Theoretically, no basis for the existence of middleman in the weekly rural marketing; in practice, it is appearing everywhere in the study region.

The function of middlemen in principle is to bring buyer and seller together and to help both the parties in completion of transaction in a smooth manner at a fair price. Relatively the middlemen virtually change the transaction and go round the markets and negotiate with a variety of functionary in a diverse situation in achieving their personal goals. They are in nexus with the management of weekly rural markets and have close link with village elites and having struck deep roots in the socio-economic system. Besides, they are noted for their perseverance and persuasive capacity. It is because of this nature they penetrate into weekly rural markets activities and influence the entire transactional process.

The study reveals that the weekly rural markets do not operate on any modern marketing principle. Still, they

reflect the tendencies of a barter economy combined with the money function. Further, the buyers and the sellers in the weekly rural markets are so unorganised; market does not operate for their advantage. It is this which has thrown up the institution of middlemen.

The striking feature of weekly rural markets is that there are no adequate platforms in the sample weekly rural markets. The participants in the weekly rural markets bear hot-summer and rainy-season. The commodities get spoiled due to raising dust. The participants of the weekly rural markets expressed that neither the management of weekly rural markets nor the Government had required commitment to create infrastructure for the development of weekly rural markets. This negligence, in spite of impressive income from the weekly rural markets, shows the unorganised nature of the participants in the weekly markets in the rural areas.

It is quite interesting to note that a majority of the participants do not want the services of middlemen. It is because of their manipulative nature, charging abnormal commission and adopting exploitative techniques. But at the same time, those who do not take their help, the study shows, the participants fail to realise the

estimated price. A majority of the respondents expressed that the middlemen use code language which is detrimental to the interests of farmers. Added to this, many participants rated the commission charged by them is high and unreasonable. An interesting feature noticed is that the middlemen have control, to a large extent, on the weekly rural markets. In fact, the weekly rural market has become middleman's paradise. The sellers as well as buyers are in favour of the weekly rural markets and becoming a driving force for their existence.

SUGGESTIONS

Having observed that the weekly rural markets are the basic building-blocks of the complex market-place exchange system, a few suggestions are given hereunder:

The weekly markets are common in the Rayalaseema region, as well as in other parts of the State; they should serve as a close link between the producers and the consumers mostly of the rural. The weekly rural markets should be developed with all the minimum infrastructural facilities such as drinking water, space, lighting, storage, sheds, plantation of trees, etc. As a place of extension services to rural people, new

functioning. The sample weekly rural markets, though established about three decades back, their morphology clearly indicate still they have temporary structure. This morphological-pattern of market is mainly governed by the street-pattern. It is also noticed that many stalls/shops in almost all the sample weekly rural markets start functioning at 9 A.M. and ends at 1 P.M. The reason behind this is due to inadequate transport, which in turn, is due to bad road conditions.

The spatial and functional analyses show the varied distribution pattern emerged inspite of similar geo-economic conditions in the four districts of Rayalaseema region. The prime reason is that the participants could have time if the market day is different. The spatio-temporal synchronisation is varied mainly due to primitive transport technology. The proximity in space implies separation in time. In other words, the same day marketing has been at more dispersion. The same day markets are located widely in the region as well as in the districts of the Rayalaseema region.

Further, the analysis of the study relating to the location of the weekly rural markets shows the existence of cluster-villages as an important criteria for its location.

development in the field of agriculture medical and health etc., can be popularised to rural-folk through the rural markets.

Reallocation of the weekly rural market to the adjacent day conveniently should be done keeping in view and to account so as to take as minimum as possible, the distance to be travelled by the participants. The well-organized farmers and standardisation of price, besides elimination of middlemen for better, enabling market operations should be utmost for the benefit of participants. The management should exhibit the price list of commodities to be marketed at the market. The services of middlemen should be extended, in bringing both the seller as well as the buyer. In fact, their role is a very much in need. But at the same time the commission charged by them should be controlled as much as possible.

A complete calendar of the weekly rural market should be made available to traders and consumers. The weekly market existence is only on account of producer-sellers, consumers including traders. Their effective participation is inevitable. Make their participation is a 'must'. The Government should take appropriate measures for developing the weekly rural

markets with modern facilities not only in exchange of commodities but also as a place of information exchange for new developmental programmes concerning social, economic and human values of human beings.

Having noticed that the weekly rural markets are inseparable from lives of the rural-folk, the Government should take appropriate measures for the development of the weekly rural markets through efficient and effective services for those whom they meant; and also for the promotion, socially as well as economically of the participants of the weekly rural markets.

The measures for effective and efficient functioning of the weekly rural markets are:(i) an official should be appointed or deputed to the weekly rural markets on market day, to monitor and control the activities of the weekly rural market within the broad framework. Right now, the weekly rural markets do not have any policy prescription concerning the commodities to be transacted. Keeping in view the quantum of agricultural commodities to be produced within the jurisdiction of a weekly rural market, the price list, regulation of middlemen services and ways and means of source of income should be provided (ii) the management of weekly rural market should make

available information regarding not only market day but also the prevailing marketing conditions of various commodities.

Knowing this information, it is presumed, the participation of rural-folk would be effective. Further, the management should also take up marketing survey covering local demand, local production, local transaction, marketable surplus being made available at the weekly rural market. Under perfect marketing condition, it should also initiate measures among the prospective farmers concerning cultivation of crops for raising those commodities which will have demand not only at the local but also outside the rural market for export to other regions as well as to other States. However, the phenomena of the latter should not dislocate and disturb the former. (iii) The commodity needs of the participants (inputs to farmer-consumers, goods to the people, etc.,) should be made available to them at the weekly rural markets getting from the source of public distribution. (iv) The management of the weekly rural markets should identify and recognise those participants in the rural markets effected effective transactions being measured during a prescribed period and should allow them to become members of the Weekly Rural Market Committee, and Board from among such members. Such admitted members would

certainly enrich the weekly rural markets so as to achieve their goals. One person of village-elites, from each surrounding villages of the weekly rural markets should also be taken into committee as a nominal. This would lead to the canon of democracy. Regarding, for all the suggestible measures in the above, a Bill should be brought through Legislation.

The provision of services as suggested in the above if made available at the weekly rural markets, it would lead to the 'integrated' services becoming 'integral' for supporting as well as sustaining the working of the weekly rural markets for the socio-economic welfare of the rural-folk.