

The Periodic Market System :

A Comparative Study of Tribal And Peasant Economies, with Special Reference to N.E. India

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INTRODUCTION

1.1. Statement of the problem

Periodic markets are the points through which the surplus products of the rural areas are exchanged and some of the produce gets on its way to the urban centres and the manufactured products from urban centers gets distributed in the rural areas. The exchange system of the periodic markets operate in two ways, viz vertical and horizontal. In the exchange system, the rural agricultural and artisan products are distributed and exchanged within the surrounding areas and the exchange operates at the level of the hierarchy of settlements i.e from rural to urban centers and vice-versa. Periodic markets are the entry point for locally produced goods into the larger marketing network.

Throughout the underdeveloped world, periodic markets usually appear in areas with low purchasing power, poor transport system, poor or poorly utilized resource bases and low population density. The periodicity of markets is related to the mobility of individual firms. In the periodic market, artisans and repairmen carry their workshop with them and cater to the service needs of the villagers which would otherwise remain unfulfilled. Other services such as letter-writing to fortune-telling are also mobile because the total amount of demand encompassed by the marketing area of any single periodic market is insufficient to provide a profit level which enables the entrepreneur to survive. By repositioning himself at periodic intervals, the entrepreneur can tap the demand of several marketing areas and thereby attain the

economic viability of the enterprise and the survival threshold.

The traditional periodic market system, probably originated in the late Neolithic Age along with the emergence of the agropastoral revolution which generated surplus produce for exchange. In the initial stages when the self-sustained village economy was in vogue, the exchange of goods and services was carried out within the respective villages. But with the development of transport facilities (particularly riverine and marine), the scope for exchange of goods widened and periodic markets catering to the surrounding areas originated. With industrial and technological progress, increasing specialisations, supply of goods and services on a large scale and socio-economic development market, centres of different hierachical orders and periodicity developed and ultimately the national economy was integrated into one market and further with the international exchange system and the "world market". This view finds support by Berry (1967)² who has theorised the emergence of periodic markets in system of local trade and the establishment of fairs on long distances trade routes. He pleads for a three stages sequence;

"The first involves socially administered exchange. The next "barter" and later money provided and standard of value permitting market place transactions in peasant societies. Finally, the peasant dualism between subsistence and trade has been replaced in some part of the world by the specialisation of modern economy and periodic markets and fairs by highly articulated array of market centers"³.

Periodic markets in their varied forms have been common in Indian sub-continent for about past 4,500 years, i.e. from the

1. James .H. Stine (1962): Temporal Aspects of Tertiary Production Element in Korea, Eugene, Ore., pp.68 -78.

2. B.J.L. Berry (1967): Geography of Market Centers and Retail Distribution , Prentice Hall, New York.

3. Ibid., pp 106-107.

time of Harappan civilization. It also reflects the relative maturity of a sedentary agricultural civilization. There must be some agricultural and artisan surplus, crop specialization and at least quasi-monetization of the economy. In the context of the long history of peasant farming in India, periodic markets in the Indian sub-continent is as old as the farming system itself.

As stated earlier periodic markets are characteristics feature of all 'peasant societies'. By 'peasant society' we mean overwhelming dependence of the economy on agriculture, dominance of food production in agriculture, excessive land dependence, small holding sizes, petty commodity production and limited level of monetization of the economy. Therefore, in such societies the periodic market symbolises the 'direct contact between the producer and the consumer' characterised by traditional norms of exchange like barter, measurement by number or volume of goods, petty transactions, but also as a 'social gathering' where information related to daily lives of the surrounding settlements (villages), the vital functions (birth, death and marriage), transation of 'usury' loans, marriage negotiation, dispensation of judicial functions by panchayats (in the Indian condition), transaction of domestic animals etc. are carried out. In a nutshell, the periodic market in a traditional (peasant) society plays an all integrative role, economic and social for the surrounding villages.

Some of the notable significance of the periodic markets are :-

1. These are centers where producer directly confronts the consumer for exchange of goods, services and information.

2. In the periodic markets producers are mainly peasants and

consumers are also the rural people or urban middlemen.

3. The periodic market centers are the growth points of the rural space, due to the nature of centrality of their location and optimal accessibility to the people living in surrounding areas.

The present study relates to the comparative study of the genesis, morphology, function and system of periodic markets in the tribal areas of the North East India, specially in the State of Meghalaya and the peasant society of Assam, (as a case study of) Jorhat district. In comparison with peasant societies, tribal societies being relatively subsistence based, have a low surplus base. Infact, many tribes may not have any periodic markets (specially in Manipur, Nagaland etc.) while they might participate in some markets.

But in Meghalaya there are a number of periodic markets which play a vital role in the lives of the people. The case study relates to the Khasi Schedule Tribes (Nongpoh P.S., East Khasi Hills District). Some of the notable significance of the periodic markets in the Meghalaya are as follows :

1. The periodic markets are of relatively of recent origin in the area due to the quasi-peasant and quasi-gathering type of economy.

2. High female participation in the market.

3. The (special) local calendar of eight day cycle is used for the determination of the market day etc.

4. Paucity of tradable goods but overwhelming dominance of forest produce in the basket of goods traded by the rural people emanating from gathering activities.

Though Jorhat is a vital cultural and administrative centre of Assam, its rural scene is in a deplorable condition. Growth of the tea gardens and prosperity did not bring much change in the lifes of people in rural Jorhat.

The comparative study of the periodic markets of tribal area and peasant society will be interesting as well as it will help in understanding the modus operandi of transaction in the tribal and peasant situation.

However, once one moves out from the peasant agricultural system to the tribal economy, all the logics of the genesis of the periodic markets get upturned. In a strict sociological sense tribal economy is a subsistence economy, whether sedentary or not (whether agricultural or nomadic), where the role of surplus (to be exchanged) is extremely limited, except for the purpose of gift, social status and rituals. They are also non-monetised. However, such a purely sociological category of tribal society is a rarity in modern times. In India, the nomenclature is the Schedule Tribes (ST), which at present we are dealing with. In many Scheduled Tribe areas, one thus finds periodic markets. In some cases the history of those markets is recent and in some cases, old. The pattern of development and expansion of these markets into tribal communities depended on to a great extent on their social history, particularly on the proximity and type of interaction with the neighbouring peasant societies, the nature of the periodic market system, its spatial and economic structure and functioning in the tribal and peasant economies, the commodities of exchanged, the modalities of exchange and the overall impact of these markets on those communities. It provides a fascinating realm of possibilities worth exploring. With this picture in mind, the present study is contemplated on the predominantly tribal State of Meghalaya and peasant society of Assam.

The main differences between the tribal and peasant systems

could be as follows :

1. Periodic markets of tribal areas started late because of the prevalent subsistence economy and lack of surplus for exchange. In these areas the role of (agricultural and artisan) surplus (to be exchanged) is extremely limited, the major purpose of exchange be of non-economic nature, especially for the purpose of gift, social status and rituals.

2. Periodic markets started at the border areas and interface between tribal and peasant societies. In the peasant societies periodic market have a long history although they originated in river banks. Now in the modern times, this spatial structure of the periodic market in the peasant societies or non-tribal areas more uniformly distributed following the Christaller's principle of central place. But in the tribal areas periodic markets are located along the main routes of transportation.

3. Conceptualization of trade and economic interaction between the peasant and the tribal culture groups, i.e. the hill regions and the valley regions in the context of the dualistic situation as stated, is to be viewed in the light of the nature of the economies, product specialisations and surplus generated in these economies. In response to emerging crop specialisation and surplus, some internal trade did emerge in the valleys, as evidenced from the number of periodic markets, observed in which the trade transactions were largely carried out by barter, but to some extent through money, under the supervision of the Ahom Kings. On the otherhand, in the hills within the cul-de-sacs of the tribes there was a complete absence of internal market, be it the Meghalaya plateau, the NEFA tribal areas or Lushai culture areas. This may be explained a posteriori⁴ because of the complete absence of surplus in these economies.

In the economic aspects the periodic markets in the tribal society have a dependent structure in the sense that the major traders and commodities come from cities and from outside the regional economy.

In the tribal areas petty commodity production and limited level of transaction are the major limiting factors for development of a mature periodic market system.

4.A.C.Mohapatra (1990):" Location pattern of markets in Pre- & Early British period in N.E.India",Proc.of NEIHA, NEIHA, Shillong, pp.347-354.

4. In the non-tribal areas, there is a considerable balance of trade between urban and rural areas. In the plain areas, periodic market system is fully integrated with the urban hierarchy.

1.2. Objective

Periodic markets have been existing since long under different geographical and social environment. They have great potential for being used as centres of socio-economic transformation of the rural masses. Although there are numerous studies on periodic markets elsewhere, there is practically no systematic study on the North-East India.

It is proposed to probe deep into the nature of the periodic market system, the distributional pattern, zone of influence, nature of influence and impact upon socio-economic transformation of the rural areas etc. under the present study, as the traditional periodic markets act as the most important service centres for the rural masses. The village economy can be well understood through the study of the periodic markets.

Therefore, the main objectives of the study are as the following:

1. To study the evolution and expansion of periodic markets in the North-East India with evidence from historical records, in specific relationship to their genesis in the plains (peasant) areas and hill (tribal) areas.

2. To make a comparative study between periodic market systems of tribal economies and peasant economies in the North-Eastern region of India, specifically with reference to the Khasi Tribe of Meghalaya and the peasant society of Jorhat district of Assam.

3. To study the structure of the periodic markets in relation to their morphology, commodity mix and transaction system and locational attributes.

4. To study the process of integration of the rural economy (both in tribal and non-tribal areas) with the overall economy through the possible mediation of the periodic market system.

5. Finally, to study the consequences of expansion of market system in the rural areas in form of periodic markets and its impact on rural economy.

1.3 Research Questions:

The study aims at understanding certain basic issues related to the periodic market system in North-Eastern region and therefore, would raise the following questions while studying the situations :

- (i) What is the nature of development of periodic market in the region? Are the historical and social forces similar to those operative in other parts of the sub-continent? What role did traditionally such periodic markets play in social and economic evolution of the region?
- (ii) Are there qualitative differences between periodic markets in the tribal and peasant areas? If so, what conditions and factors lead to such differences and what are their ramifications?
- (iii) What are the spatial and economic characteristics of the periodic markets in the region? Do they operate as a system of markets or independent of each other? What are the factors responsible for integrating the rural hinterland with the market system?
- (iv) What long term impact do periodic markets have on the rural economy, both in the hill areas as well as in the plains?

1.4 Hypothesis:

The following hypotheses are proposed to be tested while studying the problem:

1. In the existing literature, there are two major hypothesis regarding the origin of periodic markets (a) the 'evolutionary genesis' model and (b) the 'contactual genesis' model. It is proposed that " the contactual genesis model of evolution of periodic markets is generally applicable in the North-East region."

This is because of the co-existence of peasant and tribal economic systems in close proximity and interaction, the former with tradable surplus and the latter without any but the interface of the two areas provided opportunity of periodic exchange of goods and services.

2. It is proposed that "the areal extent of service limits of the periodic markets are closely related to the density of population within the given region".

This position will result in greater close spacing of periodic markets in plains than in the hills. Moreover, while some amount of uniform spacing could be expected in the plains, the location in the hills will ultimately depend on the nature of communication and accessibility to the people.

3. It is proposed to evaluate that "the 'travel distance' of buyers and sellers is directly proportional to the size of the market and its specialisation in goods and services".

This is because of the fact that the periodic market system captures a threshold market by adjusting the frequency (periodicity) and amplitude (the density of individual frequencies, i.e. the density of interaction between the buyers and the sellers). When the market increases in size, the frequency increases (decline in the time interval) leading finally to a permanent market.

4. It is proposed to evaluate that "the periodic markets integrates the space economy of the otherwise dispersed villages of the hinterland and forms the first contact point of the rural economy with the overall economic system."

This may not be always beneficial to the rural economy, particularly in its early phases of integration due to possible 'backwash effect' of the advanced sectors within the economy. It is likely that the rural economy is trapped in a system of unequal exchange which has serious adverse impact on the rural economy and the people. This may, in fact, be what is actually happening in the region, especially in the S.T. dominated areas.

5. There is a considerable view currently debated in the country that "primitive accumulation" i.e. transference of value from

rural to urban areas has led to stagnation, even underdevelopment of the rural areas. If the forces are similar in the North-Eastern Region as elsewhere in the country, then a major hypothesis can be tested through the transaction of periodic markets in the region, since it is through these markets that the rural and urban produce get largely exchanged. Then the hypothesis can be framed in the following manner :

"Due to the dependence relationship of the village economy and its subservient position to the urban (modern) economy there is a considerable value transfer from the rural to urban, largely effectuated through the periodic markets of the region."

1.5 Survey of Literature

Over the last decade or so, Geography of Marketing has emerged as a sub-field of geography on its own right. Markets emerge as a specific locational feature in space in response to the level and nature of the economy. Therefore, the characteristics of markets are indicative of the level and pattern of interaction in the given economic space.

The need for a 'geography of marketing' has been discussed by William Applebam. He argued that the study of marketing has been generally neglected by geographers inspite of the fact that a large section of the working populaion is engaged in marketing functions and large parts of the landscape are devoted to structure of wholesale and retail trade and the complex channels of distribution leading from the producer to consumer.

Broadly the field of Geography of marketing can be classified into two on the basis of location, i.e the urban and rural

5. William Applebam (1954): Marketing Geography: American Geography: Inventory and prospect, Syracuse University, pp. 245-251.

markets. Studies related to the location, retail markets and their structure in urban areas are within the scope of urban market studies. Studies related to periodic markets and distribution of retail outlets in the rural areas forms the other group.

6

B.J.L. Berry (1966) was one of the pioneers in the study of markets in the context of geographical space. Berry's work is mainly related to urban markets which is one of the pioneering studies in this field. Moreover, his discussions on Central Place Theory provides immense scope to study rural markets as central places.

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R.J.Bromley & Richard Symenski (1974) and G.M.Good (1975) have developed models and believe that periodic markets result from and persist because of the need of producers, the organization of time inertia and comparative advantage. Their paper "The Rationale of Periodic Markets" focuses on society, custom and tradition to explain the existence and persistence of periodic markets.

9

Cyril. S. Belshaw (1965) defined that "Exchange pattern are among the most important social relationships which bind society together and they affect all aspects of social life". Trade is a concrete frame of exchange and thus may serve as a major index of social structure.

6.B.J.Berry (1966), Op.Cit., pp 1-139.

7.R.J.Bromley and R.Symanski (1974), "Market Development and Ecological Complex", Professional Geographer, Vol- 26, pp.382-388.

8.G.M.Good (1975), "periodic Markets and Travelling Traders in Uganda", Geographical Review, Vol- 45, pp.49-72.

9. Cyril.S.Belshaw (1965): Traditional Exchange and Modern Markets, Englewood Cliffs, Prentic Hall , pp. 5-79.

10

J.H.Stine (1962) has provided the best theoretical statement so far for an understanding of the functional basis of a periodic market. He explains the nature of periodic marketing in Christallerian term. He also discusses the concept of maximum and minimum range.*

Traders are as important as consumers in the periodic market system. The study of their behaviour is very important in any study of the marketing system. An extensive literature is found on periodic markets explaining some of the characteristics of traders specially their location, their cost of trading and pattern of their spatial behaviour. In addition to these, contribution of Hay (1977) and Weber and Symanski (1973) are also very important. Webber and Richard Symanski, on the basis of economic model, say that periodic marketing of frequently consumed goods will be replaced by permanent shops or daily market where there is a high density of demand and a low friction of distance.

10. J.H.Stine (1962): "Temporal Aspects of Teritary Production Elements in Korea." in F.R.Pitss (ed.) Urban Systems and Economic Development, University of Oregon.

* The "Maximum range" of goods is the distance at which the marginal consumer is located from central facility. The "minimal range" is an entirely different concept related to profit level of the farm.

11. A.M.Hay (1977): "Some Altrnatives in Economic Analysis of periodic Marketing, Geography Analysis," Economic Geography, Vol-49, pp. 72-79.

12. M.J.Webber & R.Symanski (1973), "Periodic Markets; An Economic Location Analysis." Economic Geography, Vol- 49, pp.213-227.

13: G.W.Skinner (1964), "Marketing and Social Structure in Rural China", Jounal of Asian Studies, Part-I, Vol- 24, pp 5-31.

14. Carol A.Smith (1972), "Market Articulation and Economic Startification in Western Guatemala", Food Research Institute Studies, Vol -11, pp 203-233.

15. Stuart Planter (1975), "Rural Marketing Networks", Scientific American, Vol -232, pp66-79.

13 14

G.W.Skinner (1964), Carol A. Smith (1972) and Stuart Planter
15
(1975) have applied economic location theory to explain periodic
markets and function of different settlements within the regional
social systems.

16

Skinner (1964-65) made an extensive study of exchange system
of rural China in the pre-communist take over period. He gave a
great deal of attention to the central place theory of Christaller
and tried to apply the basic principles of the theory to his
analysis of rural markets of China.

17

Symanski (1973) in his study of internal and external
organization of periodic markets, hypothesised that if periodic
markets meet more than once during an interval, then it will
exhibit a "Major Market Day" and a "Minor Market Day". He further
hypothesised that within a market interval the "Minor Market Day"
is located as to be midway between two "Major Market Day". At
least two attempts have been made to test his hypothesis by Thorpe
18 19
(1974) in the Caspian Littoral and Bromley (1975) in Equador, but
could only partially confirm them.

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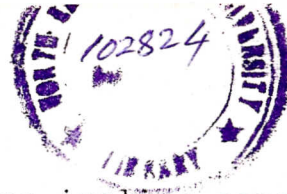
Fegerlund and Smith (1970) proposed on admirably simple
16. B.W.Skinner (1964-65), "Marketing and Social Structure in
China", Journal of Asian Studies, Vol- 24, pp195-228.

17. R.Symanski (1973), "God, Food and Consumer in Periodic
Market System," Proceeding Associations of American
Geographers, Vol-5 pp262-266.

18. K.J.Thrope (1974), "Cyclic Markets and Central Place
System: The Changing Temporal and Locational spacing of Markets in
the Caspian Littoral of Iran", I.B.G. Study on Developing Areas.

19. R.J.Bromley (1975), "Periodic and Daily Markets of High
Land Equador", University of Cambridge.

20. Vernon B.Fegerlund and Robert H.T.Smith (1970), "A
Preliminary Map Market Periodicities in Ghana", Journal of
Developing Areas, Vol- 4, pp 333-348.



working hypothesis that, proximity in space implies separation in time; put another way spatial and temporal competition are complementary; i.e. market located closer to each other are separated by time interval and vice versa.

21

Good (1972) noted periodism is a conspicuous and nearly universal characteristics of rural market place in traditionally agrarian society. Good demonstrated that inverse relationship between time intervals and physical spacing exists in periodic markets in Ghana and the Ancole region of Uganda.

22

B.W.Hodder (1965) in his "edogenous theory" sees market as originating from local exchange and demands. Eventually the scale of local trading activity increases and generates external relation and long distance trade.

23

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Henri Pirenne (1925), Max Weber (1927) and Karl Polanyi, C.M.Arensberg & H.W.Pearson (1957), in their "exogenous theory" argues that trade and markets can not originate from local demands, but must be based on external relations, local markets are seen to originate from the stimulus of outside traders and availability of non-local goods.

21. Carles M. Good (1972), "Periodic Markets: A problem in Locational Analysis," The Professional Geographer, Vol- 24, pp.210.

22. B.W.Hodder (1965): "Some Comments on the Origins of Traditional Markets in Africa South of the Sahara", Transaction of the Institute of British Geographers, No- 36, pp. 97-105.

23. Henry Pirenne (1925): Medieval Cities, Princeton University Press (1925), pp. 75-91.

24. Max Weber (1927): General Economic History, (London: George Allen and Unwin) pp 202- 222.

25. Karl Polanyi, C.M.Arensberg & H.W.Pearson (1957): Trade and Market in the Early Empires, Glencoe, Illinois; Free Press.

Periodic market in Europe and North America have been seen to rely on a seven day market intervals, there are some part of Asia and Africa where different lengths of market interval have also been noted (Skinner 1964-65 and Hodder 1961-65). The frequency of the days on which the market meet can show whether or not any particular day within a market interval is favoured as the most convenient day for meeting. Some studies of the periodic market seem to be convinced that the frequency of the choice of the market day is a sufficient factor by itself in explaining the basis structure of periodic markets in a region (Hill and Smith 1922, Thorpe 1974).

However work of Good (1970), Jane Payre (1971), Murdi (1965), are also equally important in the study of periodic markets.

Studies on rural markets by Indian geographers is of only recent origin. S. Singh's contribution on a central place approach to rural market is notable. Saxena's Geography of marketing is a recent addition to this literature.

26. Skinner (1964-65), Op. Cit., pp 3- 45 & 195- 228.

27. B.W.Hodder(1961-65), "Rural Periodic Day Markets in a Part of Yorubaland." Transaction and Papers, I.B.B., Vol-29, pp149- 159.

28. Hill and Smith (1972), "The Spatial and Temporal Synchronisation of Periodic Markets : Evidence from four Emirates of Northern Nigeria", Economic Geography, Vol- 48, pp 345-355.

29. K.J.Thorpe (1974), Op.Cit., pp 150-159.

30.C.M.Good (1970), "Rural Markets and Trades in East Africa", Department of Geography, University of Chicago.

31.Jane Payre(1971): "Farmers Markets in the United States, functional Anachronism", The Geographical Review , Vol.LXY, No- 2, p-171.

32.A.R.Murdi(1965): "Cultural Diffusion in Consumers Travel", Economic Geography, Vol -41, No-1, p-211.

33. S.M.Singh (1965), " The Stability Theory of Rural Central Place Development", National Geographical Journal of India, Vol-4, pp 13-21.

34. H.M.Saxena (1984), Geography of Marketing, Delhi.

35

Shiw Mangal Singh (1965) defined that the co-existence of rural periodic and urban daily market indicates a potential transition towards permanent commercial activities in modernizing urban areas.

36

Tamaskar (1984) emphasized the importance of rural markets as centres of spatial diffusion. The work of Wanmali (1981) on periodic markets within a system of distribution of goods and services is noteworthy. He also suggests improvements on the existing system of distribution of goods and services in the rural areas.

38

A study by Borthakur (1986) on the rural markets of Assam is a welcome addition.

39

Singh's (1983) work on rural market is also worth mentioning.

40

Bromley (1973) classified all traders into eight categories on the basis of type of goods traded and time spent in the periodic market. Similarly, Wanamali who studied traders behaviour in the periodic markets of Singhbhum area. He however subdivided into major traders group into few other groups. Wanmali's work was carried out in an Indian situation and therefore, has some

41

35. Shiw Mangal Singh (1965), "The stability Theory of Rural Central Place Development", National Geographical Journal of India, Vol-11, pp.13-21.

36. B.G.Tamaskar (1984), "The Role of Periodic Market Places as Centre of Diffusion", The Deccan Geographer, Vol -xxii, 3, pp.520-525.

37. S.Wanmali (1981), Periodic Markets, Rural Development in India, New Delhi.

38. S.Borthakur (1986), "Rural Market of Plain Area: A Case Study of Jorhat District", Unpublished M.Phil Dissertation.

39. L.R.Singh (1983), "Spatial Planning of Rural Markets in India", National Geographer, Vol-xvii, No- 2, p 194.

40. Bromley (1973), Op.Cit., pp382-392.

41. S.Wanmali (1981): op.cit., p. 15.

relevance particularly with the behaviour of traders in the study area.

1.6 Introduction to the Study Area :

The area of the study of periodic markets are from the Jorhat district of Assam and the East Khasi Hills district of Meghalaya. (Map 1.1. Shows the location of Assam and Meghalaya).

Assam is one of the important states of North-East India. It is bounded on the North by Bhutan and Arunachal Pradesh and on the east by Arunachal Pradesh, Nagaland, Manipur, Mizoram and Meghalaya states lie on its southern boundary. The western boundary of Assam is bordered by Tripura, West Bengal, Bangladesh. It occupies an area of 78,438 sq. km. Assam is physiographically divided into three parts: - (i) The Plains, (ii) The Plateau and (iii) the Hill region.

The state is divided into twenty three districts. (Map.1.2 shows the administrative districts of Assam).

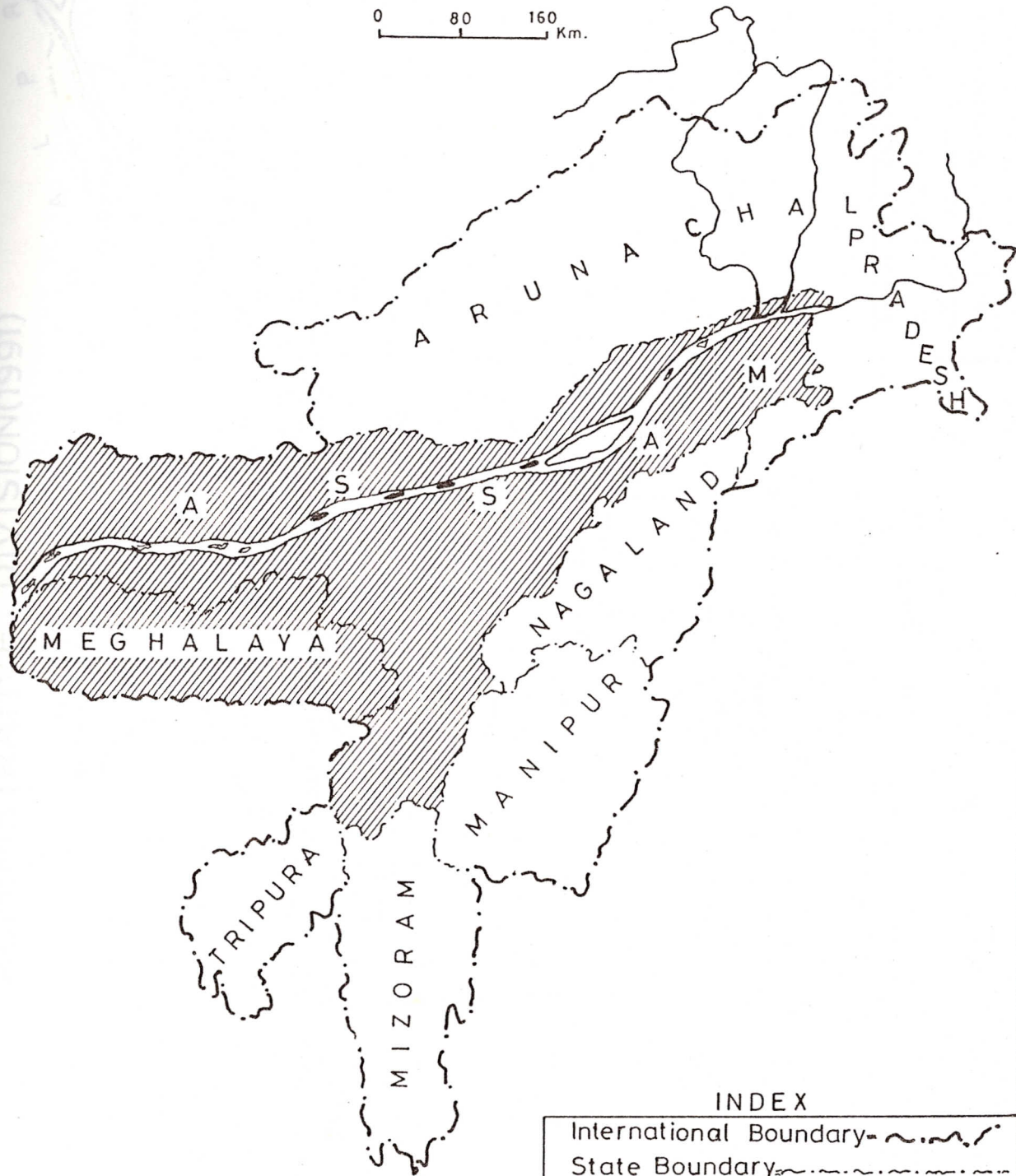
Jorhat is located in the central part of the Assam valley. The district is bordered by newly created Sonitpur and Lakhimpur districts in the North and Naga Hills in the south. In the western side of the district, there lies Golaghat district, while Sibsagar district is situated to the east. (Map 1.3 shows the location of Jorhat District)

1.6.1 Historical Background :

The emergence of Jorhat as an important place in the history of Assam dates back to the eighteenth century. Prior to this, i.e. before 1790 it was only a rural market place with two hats (markets), namely Chakirhat and Macharhat, the former dealing in
42. Hiteswar Barbarua (1933): Jorhat Nagarer Katha, (Assamese pub) in Amar Desh Ist Vol.2 Jorhat, pp.140-150.

NORTH EAST INDIA LOCATION OF ASSAM AND MEGHALAYA

0 80 160 Km.

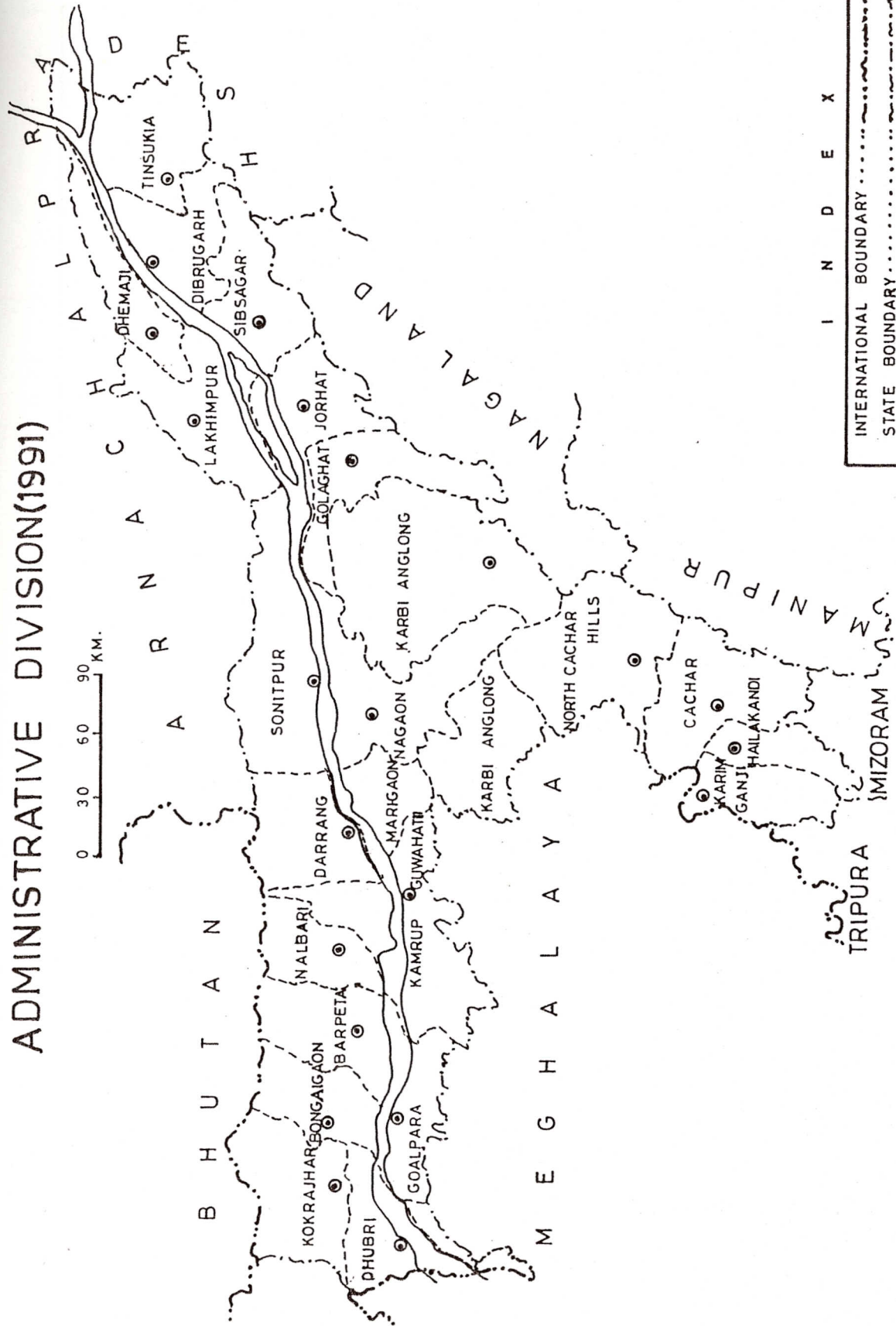


INDEX

- International Boundary - - - - -
- State Boundary
- River ————

Map. 1.1

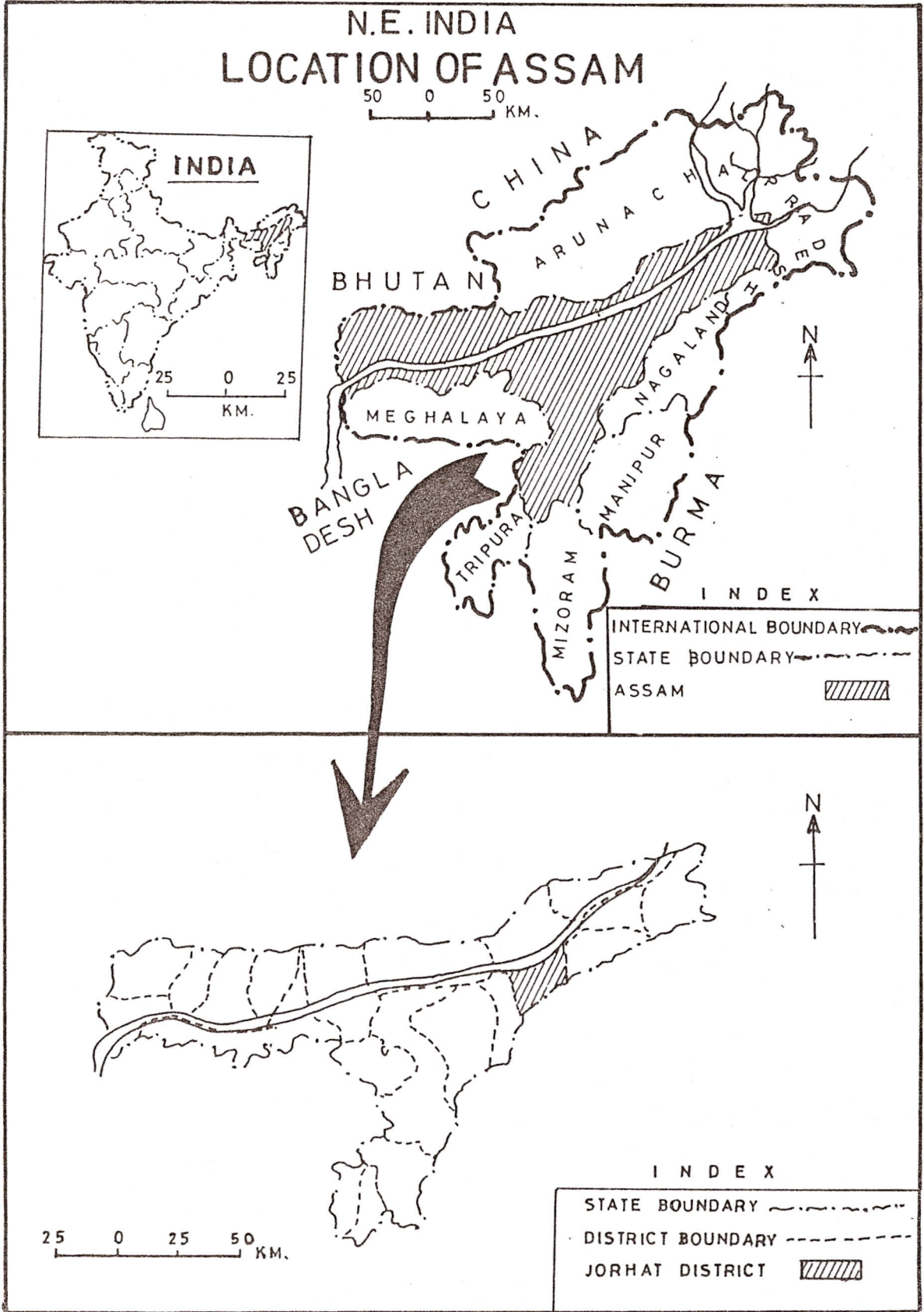
ASSAM ADMINISTRATIVE DIVISION(1991)



I N D I A

- INTERNATIONAL BOUNDARY
- STATE BOUNDARY
- DISTRICT BOUNDARY
- DISTRICT HEAD QUARTERS

Map 1.2



Map 1.3

general merchandise and latter in fish. The name 'JORHAT' (literally speaking, 'two markets') originated during the reign of Ahom King, Gaurinath Singh (1780-1795). Before it was popularly known as DESOIBAHAR, because it was a temporary rest place or 'Bahar' for the King Gaurinath Singh.

The history of Jorhat cannot be separated from the history of Assam. It was under the influence of Bodo Kings. The presence of Bodo words in the names of rivers like Di-sai, Di-hing indicates clearly the domination of Bodo group of people during the early pre-Ahom period.⁴³

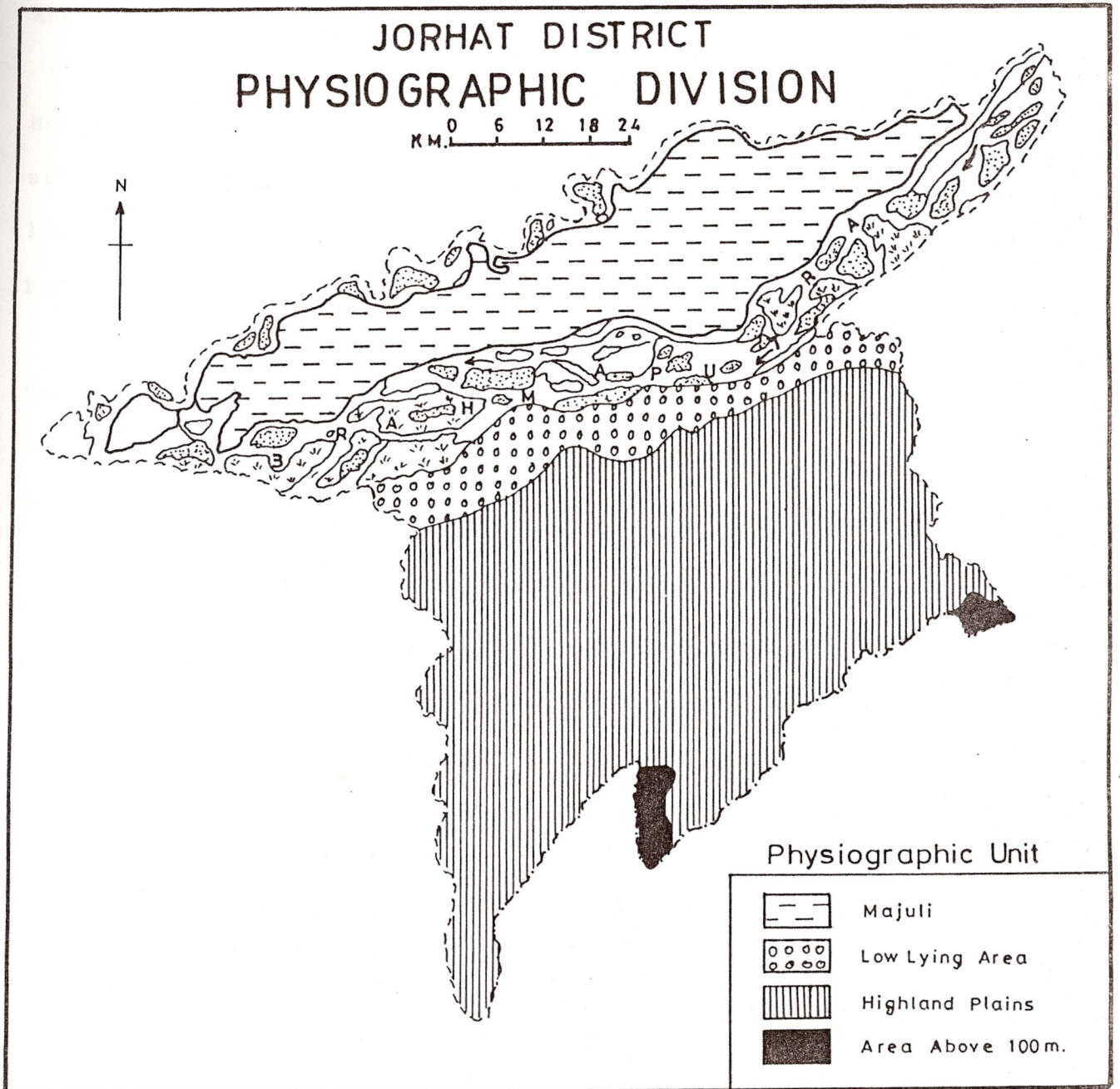
Jorhat district was the meeting ground for various tribal and non-tribal groups, coming from both the west and east and the hill tracts of south. The economy of pre-Ahom period was subsistence in nature. Shifting cultivation was prevalent in the region.

During the Ahom period, the people of the Brahmaputra valley developed both external and internal trade. Ahom Kingdom established a good relation not only with different tribes living within their territory but also with the surrounding communities. The power of Ahom King started declining from the Moamoria revolt and in 1862 whole territory of the Upper Assam was placed under the British administration.

1.6.2 Physiography :

The whole of Jorhat district is physiographically a part of the riverine plain of the Brahmaputra and mainly composed of alluvial deposits. Physiographically the district can be divided into three regions. (a) Low lying areas to the North. (b) High land plains (older alluvium) and (c) Majuli(Island).Map. 1.4

43. K.Tamuli Phukan (1906): Ahom Buranji, Calcutta, pp. 60-74.



Map.1.4

Shows the physiographic division of Jorhat District.

(a) Lowlying Areas to the North : Along the course of Brahmaputra, Jorhat district is bounded by depressed and low lying areas covered with several bills and shallow swamps. The adjacent low lying areas are thinly populated by Mishing and Nepali population.

(b) High Land Plains : It is situated in the southern part of the flood plain and low lying areas. The southern part is occupied by Naga hills. This is a wide homogeneous plain formed by depositional work of the river Brahmaputra and its tributaries.

(c) Majuli : To the north there lies the largest river island of the world, Majuli, occupying an area of 924.6 sq. km. The whole island is formed as a result of the depositional work of the river Brahmaputra and Subansiri.

1.6.3 Soil :

The soil of Jorhat district is acidic in character. It can be divided into two broad categories - alluvial and lateritic. Alluvial soil can be further divided into two types - new alluvium and old alluvium.

1.6.4. Climate :

The climatic condition of the Jorhat district cannot be separated from the Brahmaputra valley as a whole. Heavy rainfall takes place during the summer monsoons. Winter is cool and dry. January is the coldest month of the year (9.8° C). The highest temperature occurs in July (31.8° C). The average annual rainfall is 2,197.0 mm. per year.

1.6.5 Natural Vegetation :

The climate and soils of the district are suitable for plant growth. The vegetation can be grouped into three broad categories, i.e. (a) Tropical evergreen and semi-evergreen forests (eastern and southern parts) (b) Riverine forests (northern part specifically in Majuli Island) and (c) Swamp forests (southern bank of the Brahmaputra and some parts of the foot hill region).

1.6.6. Demographic Structure :

According to 1991 census the total population of Assam is 22,414,322 persons out of which 11,657,989 are males and 10,756,333 are females and in Jorhat district the total population is recorded as 871,206 persons. The rate of population growth in

Table 1.1
Growth of Population in Assam (district-wise)

State/District	1971-1991
Assam	+ 53.26
Jorhat	+ 33.10
Dhubri	+ 56.57
Kokrajhar	+ 76.78
Bongaigaon	+ 64.64
Goalpara	+ 54.12
Barpeta	+ 43.02
Nalbari	+ 49.27
Kamrup	+ 65.72
Darrang	+ 55.63
Sonitpur	+ 54.14
Lakhimpur	+ 56.29
Dhemaji	+107.50
Morigoan	+ 50.90
Nagoan	+ 51.26
Golaghat	+ 58.12
Sibsagar	+ 38.76
Dibrugarh	+ 37.78
Tinsukia	+ 47.03
N.C.Hills	+ 38.30
Karimganj	+ 42.08
Hailakandi	+ 45.94
Cachar	+ 47.59
Karbi-Anglong	+ 72.79

Source : Collected from Census Office, Guwahati.

Assam during (1971-1991) is (+53.26%), the highest growth rate is in Dhemaji district (107.5%) and the lowest growth rate is in Jorhat district (+33.10%).

Table 1.1 Shows the Decadal Variation in Population (1971-1991) (in percentage).

Map 1.5. Shows the Decadal Variation in Population (1971-1991) (in percentage).

The density of population in the state is 286 persons per square km. Dhubri is the most densely populated district of Assam.

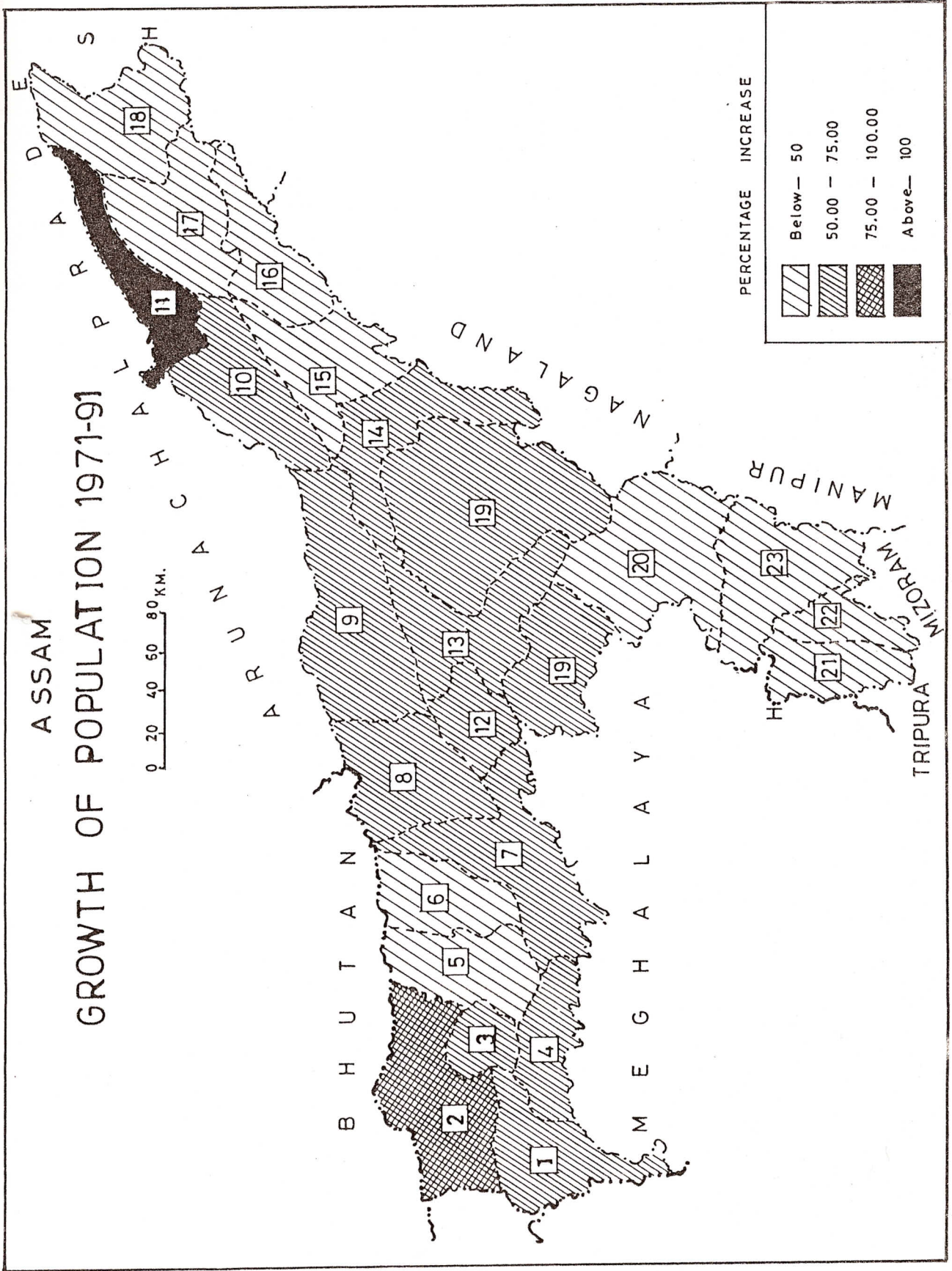
Table 1.2
Distribution of Density of Population (district-wise)
(1991 provisional)

District	Density (Per sq.km.)
Dhubri	467
Kokrajhar	N.A
Bongaigaon	N.A
Goalpara	N.A
Barpete	426
Nalbari	449
Kamrup	457
Darrong	370
Sonitpur	266
Lakhimpur	329
Dhemaji	146
Morigaon	N.A
Nogaon	N.A
Golaghat	229
Jorhat	305
Sibsagar	335
Dibrugarh	307
Tinsukia	254
Karbi-Anglong	63
N.C.Hills	31
Karimgonj	456
Hailakandi	338
Cachar	321

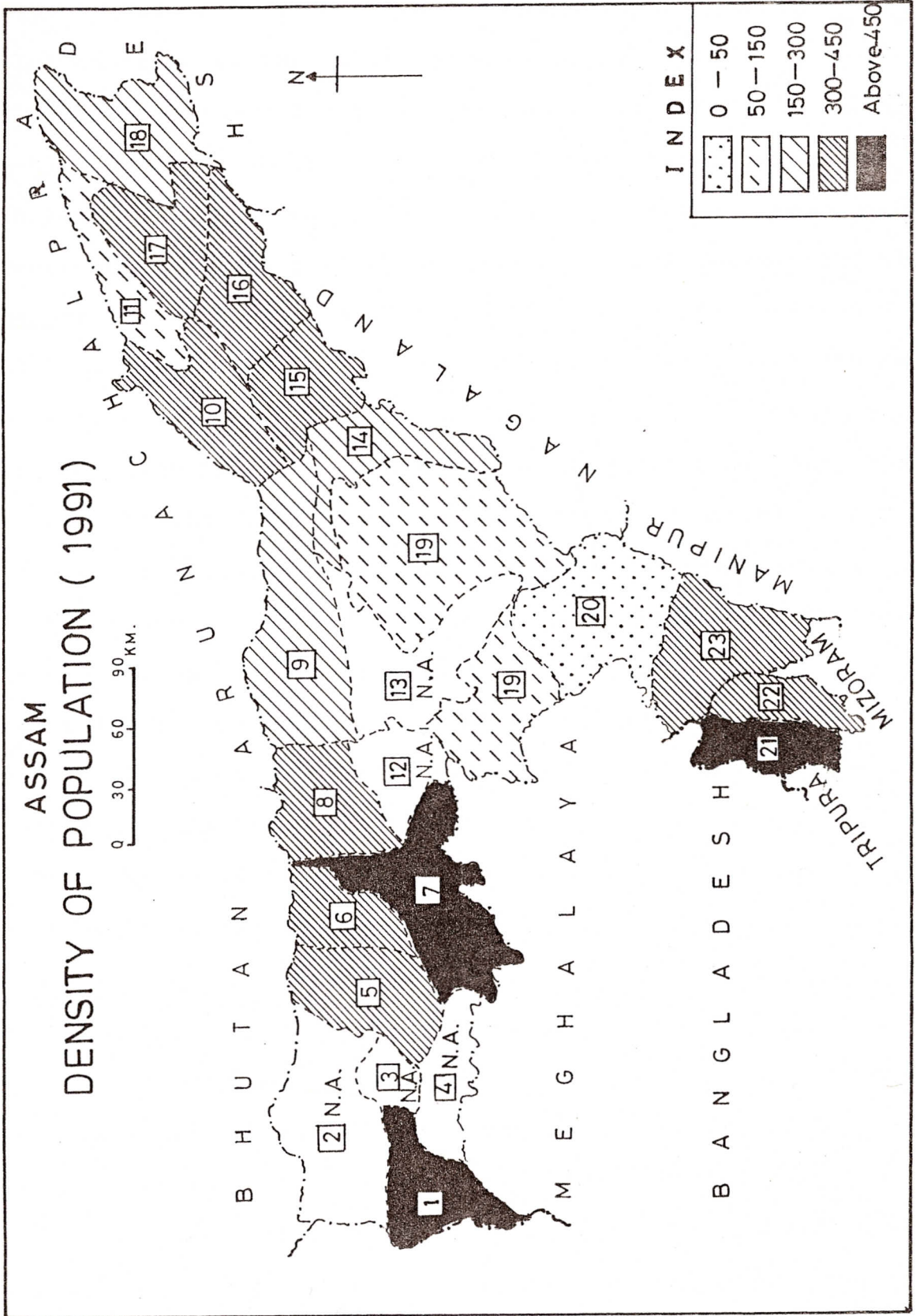
Source 1 Assam. Census of India 1991. Series-4.
Provisional Population Totals
N.A - Not Available

Map 1.6. Shows the District wise density of population of Assam.

The rate of literacy in the state is 52.89%, males 61.87% and



Map, 1.5



Map : 1.6

females 43.03%. Jorhat district has the highest literacy rate 65.51%, out of which males 73.29% and females 56.88%.

1.7 Introduction to the study area of Meghalaya:

Meghalaya literally known "the abode of cloud" (Meghalaya - megh-clouds, Alaya-abode) is one of the most beautiful States of North East India . It occupies an area of 22,429 sq. km. population is recorded 17,747,78 person according to 1991 census. The state of Meghalaya lies between 25 1' N and 26 5' N latitude and 85 49'E and 92 52'E longitude. Meghalaya was previously a part of Assam and came into existence on January 21, 1972. It is bounded on the North by Goalpara, Kamrup, Nowgong and Karbi-Anglong district Assam and on the east by the district of the east by the district of Cachar Hills also of Assam, to the South and West lies Bangladesh.

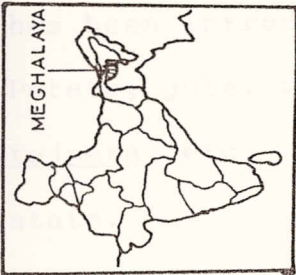
The State is divided into seven (1992) administrative districts .They are (1) Jaintia Hill district (2) East Garo Hill District (3) West Garo Hills (4) East Khasi and (5) Ri-Bhoi (6) West Khasi Hills district (7) South Garo Hills. (Map 1.7 shows the administrative division of Meghalaya)

Physiographically Meghalaya is divided into three physiographic divisions, they are-

- (1) The central Highlands
- (2) The Southern slopes
- (3) Undulating Northern slopes

The principal rivers of Khasi Hills are Mynkhen, Umiam, Barapani flowing northwards, Umiam Mawphlang and Kynsi flowing southward.

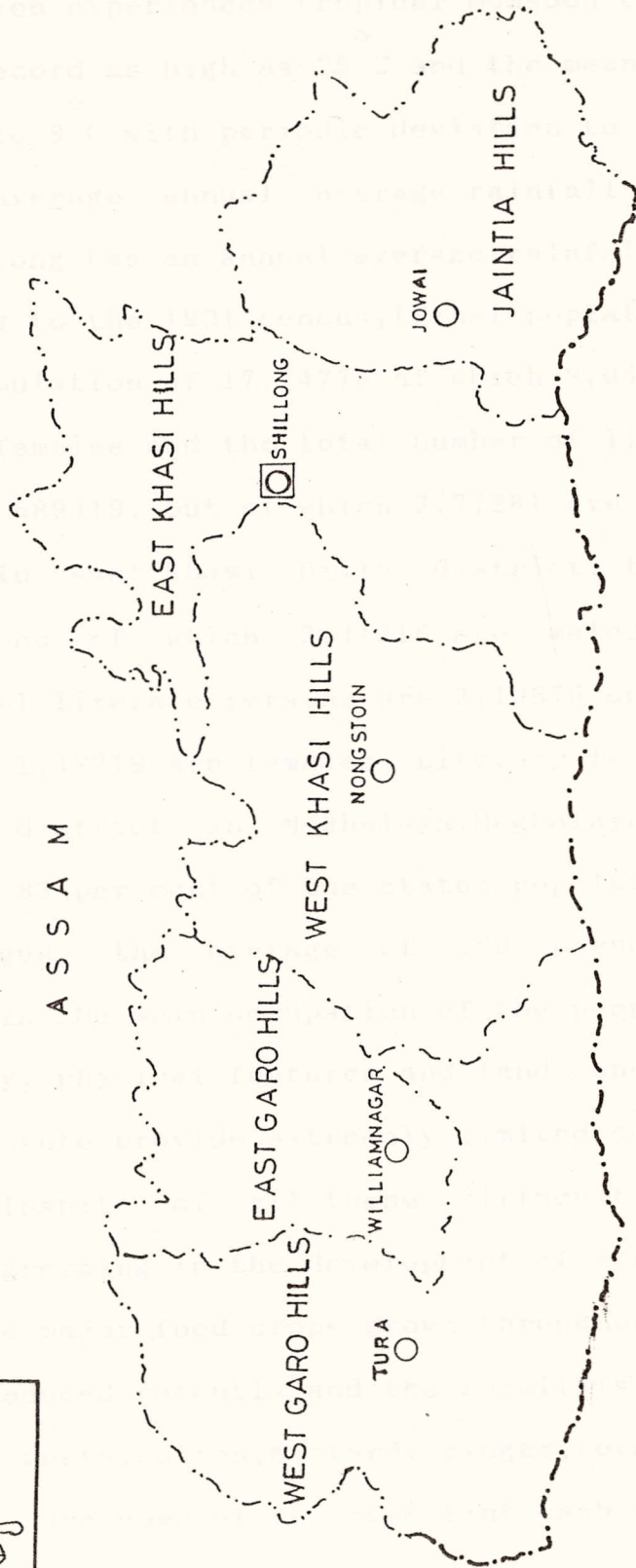
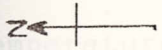
The climate of Meghalaya is largely controlled and influenced by the seasonal winds of the south-west monsoon. The four seasons of Meghalaya are; Spring season - March and April, Summer



MEGHALAYA
ADMINISTRATIVE DIVISIONS



1991



A S S A M

B A N G L A D E S H

Map 1.7

season -May to September, Autumn season-October and November and winter season- December to February.

The region experiences tropical monsoon climate. The summer temperature record as high as 25 C and the mean winter temperature falling down to 9 C with periodic deviation to below the freezing point. The average annual average rainfall in the state is 12000 mm. Shillong has an annual average rainfall of 2150 mm.

According to the 1991 census, (Final population totals) Meghalaya has a population of 17,74778 of which 9,04308 are males and 8,56318 are females and the total number of literate persons in Meghalaya is 689419, out of which 3,77281 are males and 3,12138 are females. In east Khasi Hills district, total population is 657,160 persons of which 3,41216 are males and 3,15944 are females. Total literate persons are 3,19878 out of which 1,72659 are males and 1,47219 are females. Literacy is the highest in East Khasi Hills district in Meghalaya. Meghalaya is predominantly rural. Over 83 per cent of the states population lives in over 4,902 villages, the average of 188 persons per village. Agriculture is the main occupation of the people of Meghalaya. The topography, physical features and land conditions as prevailing in the state provide extremely limited scope for extensive cultivation. In spite of all these difficulties, Meghalaya is steadily progressing in the development of agriculture. Rice and maize are the major food crops grown throughout the State. Wheat has been introduced recently and the result is quite encouraging. Potato, jute, mesta, cotton, mustard, ginger, turmeric, betel leaf, tejpata etc. are some of the important cash crops grown in the state.

Some of the important horticulture crops are orange, pineapple, banana, lemon, guava, jackfruit, plum etc. are grown in Meghalaya.

Apart from the above crops, the state has achieved success in the cultivation of tea, mushroom, and tomatoes.

Meghalaya is rich in forest resources. Total forest covered area in Meghalaya is 8510 sq. km.

Important towns of Meghalaya are Shillong, Tura, Jowai, Nongstoin, and Williamnagar, Cherrapanjee, Baghmara.

Database and Methodology

Summary and Conclusion

8.1. Summary of Findings.

This study is intended for exhibiting spatio-temporal distribution of periodic markets in the tribal areas of North East India, in special reference to Meghalaya and Assam and to assess their impact on the economic transformation the rural hinterland. Periodic markets have some vital features besides trading which are of, rather tangible nature and elude the observation of a common man. An academic approach to the situation brings to light several intricate and interrelated phenomena while analysing the whole functional aspect of a markets and their hinterland. An attempt has been made to deal with this complex subject, exhaustively and to formulate a theoretical base for the understanding of the interaction between the rural masses and the periodic markets, and the general development of the area concerned.

The study is divided into eight chapters to deal with different aspects, including the socio-economic base of the periodic markets. In the introductory chapter, the problem of the objectives, hypotheses behind the study had been defined and also the general background to the study area of Assam and Meghalaya. In this chapter relevant literature on the subject has been summarised and the problems posed for the study. A brief resume of works done in 'Market Geography' in different parts of the world has also been taken into account. It may not be out of place to mention here, that very few works have been found on 'Marketing Geography' in India and studies of the periodic situation in the tribal areas are rare, indeed, especially in the North-Eastern region.

The present study therefore, might be considered a first attempt in 'Marketing Geography' tribal and peasant areas of North East. It also deals various views on the subject about the origin, structure and function of periodic markets.

The methodology, data base and data analysis - methods and techniques have been discussed in the Chapter II. Data has been collected three sources; i.e. historical documents, field investigation and governmental statistics. Major part of the data has been collected through field work from three periodic markets from tribal areas Khasi Hills (Meghalaya) and three periodic markets from the peasant areas of Jorhat district (Assam) on the basis of schedule based interviews and physical surveys etc.

Data from secondary sources, like information from the reports of decadal censuses, district statistical hand-books and other governmental publications were used for analysing the spatial aspects of the periodic markets of two contrasting regions.

Chapter III deals with the evolution of the periodic market system in the region, North East region in general and specifically valley areas of Assam and tribal areas of Meghalaya. It also discusses how trade fairs originated in the region. In all farming societies of the world, post-harvest jubilation and celebration is a common phenomenon. The origin of trade fairs dates back to the Ahom Rule in Assam. The hill people used to attend trade fairs held in the bordering areas. The fairs would also promote close contact among the people, both in the hills and the plains. The export items of the hill people at the fairs consisted mostly forest resources and their handloom garments and the valley people generally exported agricultural products. There are two

major hypotheses regarding the origin of periodic markets; (a) the evolutionary model and (b) the contactual origin model. The evolutionary model deals with the gradual emergence of surplus and crop specialisation in a peasant societies leading to emergence of 'economic exchange'. The 'contactual origin' model proposes the emergence of periodic markets as a product of periodic contact between two societies with different levels of economic development and societal evolution and the basic parameters governing their economies. These two hypotheses regarding the origin of periodic markets in study areas seems to be valid .

(a) Periodic markets emerged at the interface of the two contrasting cultures, the tribal (hunting, gathering and quasi-agricultural) society in the hills and the peasant societies in the north and south of the hills. This process continued for a few hundred years prior to the advent of colonisers (the British) in the scene.

(b) Two points are important from the point of view of colonial intervention in the earlier economic system :

(i) As a result of colonial intervention, the location of the markets somewhat changed and even some of the earlier markets died a slow death and on the other hand, a network of periodic markets emerged in the plateau proper. Thus, the entire plateau turned as an interface between the interactive pressures of the two large peasant cultures to the north and the south.

(ii) The advent of the Britisers changed the economic structure to some extent, by introducing new crops and products. Many of the other crafts and products (like iron) died. This led to the incorporation and integration of the simple, traditional

economy into the larger, world economy. Money economy became more common.

(c) During the third phase, i.e. after independence of the country and the resultant division and the emergence of the international border to the southern edge of the plateau, (i) the process of consolidation and integration of the traditional economy was heightened, and (ii) the trading relations and markets of the southern border of the plateau, suddenly ceased and thus, the economic orientation of the plateau became more inward and more towards the plain of Brahmaputra.

Chapter IV deals with the periodic market system, its structure and function in tribal and peasant economies. The three different structures of periodic markets have been suggested by different social scientists, i.e. (a) solar system, (b) dendritic system and (c) the intermeshed marketing system. The solar system, i.e. planets revolve round the 'sun', the trading activity revolves around hierarchically arranged system of markets. The 'dendritic system' shows that the spatial arrangement of market is such that, lower order markets are linked to a single higher order market through a few intermediary markets. The Intermeshed marketing system deals with a three-tier exchange system which is temporarily interlocking.

This chapter also throws light on the sequential development of periodic market system, the 'standard sequence' and the 'non-standard sequence'. The 'standard sequence' traces a market system developing from a simple peasant exchange to a complex regional, commercial-exchange system. The non-standard sequence argues that at first, the market does not emerge from local peas-

ant exchange but is rather a consequence of contrasting cultures brought together by long distance trade.

The study of peasant society (Assam) provides one of the best empirical examples of standard sequence of development of periodic market system. The periodic markets emerged as centres of administrative power of non-food producing demand i.e from quasi-urban centres. In Jorhat district, most of the periodic markets have emerged due to tea-cultivation.

Non-standard sequence of development of periodic marketing is applicable in the study area of Meghalaya.

The comparative study of the spatial structure of periodic markets in tribal and peasant areas has been discussed in the Chapter V. Broadly, the structure of periodic market system can be viewed as having three identifiable components, namely the spatial structure, the economic structure and the hierarchial structure. These components interact within each other as well as are supported by other components and concepts. The internal structure or morphology differs from place to place.

In the Meghalaya, eight day market-week are followed according to Khasi calendar and in Assam seven day market-week are followed according to the Gregorian calendar. In this chapter it is seen that distribution of periodic markets are influenced by (a) transport and communication (b) density of population (c) physiography. The periodic markets emerged out of the necessity of surplus areas to fulfill needs of the deficit areas at fixed places at a fixed time.

There are three types of distribution of periodic markets. They are: (a) regular (b) clustered and (c) random. In Assa-

m, the above three types of markets are observed, but in Meghalaya spatial distribution of periodic markets are mostly random.

Markets can be classified on the basis of location. In Assam periodic markets are classified into three different categories: (1) Tea-garden markets, (2) Tea-garden-cum-village markets and (3) Village market. But in Meghalaya periodic markets are only village markets. According to the day of market meeting, it is observed that village markets (28.03%) are held on Sundays. Fridays (35.51%) and Saturdays (15.88%) are the most preferred day for tea-garden market meetings.

Chapter VI discusses the behaviour of the traders and consumers and goods traded. The traders and consumers of the market can be divided into two broad groups; the buyers and sellers.

Further, buyers can be divided into two types (a) the middlemen buyers (b) the enduse buyers. Sellers can be divided into three groups (a) sellers of farm produce, (b) sellers of non-farm goods, (c) middlemen sellers. Commodity composition is dealt with the help of a detailed schedule. Buyers from rural areas and producer-sellers come to the market from the nearby villages.

Through this chapter the social characteristics of the traders and consumers has also been highlighted. In both the study areas, it has been seen that middlemen buyers and non-farm goods sellers are mostly non-local and they are richest group in the periodic market.

The interaction of consumers and traders is not confined to one market but is spread over to more than one in the system

depending on spatio-temporal characteristics. The producer sellers as well as the rural consumers interact only with the nearest market.

For the rural consumers, distance to the market from their home base is the most important consideration in selection of a particular market, while for the urban consumers important points is the consideration of the size of the market, availability of specialised goods, cheap prices and convenience of transport facilities.

It does not appear that the periodic markets of tribal areas of Meghalaya are any different from such markets observed elsewhere in the plains of Assam, except the matter of periodicity and the general high female participation.

Chapter VII deals with that how periodic market acts as a link between the simple, self-reliant village economy to the complex and inter-dependent larger economic system. According to this, in three stages the local system becomes integrated into regional system and then with the national system.

In Stage I, with small surplus, self-sufficient economy and low mobility of goods and people are operative.

Stage II, has high mobility by means of production, population growth, technological changes, the increasing size of social and political organizations, and the intrusion of outside traders and the new information and opportunities which result in regional integration, greater specialization in the local system.

In Stage III, the system has reduced mobility. Regional systems become integrated into national system with increased specialization.

If we examine the periodic market system of North East India, it is still in backward stage of economy. Periodic market system in Meghalaya is still in stage I : individual movement is restricted because of low population density and limited demand for goods and services, low levels of technology and poor levels of communication periodic markets which are widely spaced.

Barabazar of Shillong is now going through the stage II, regional system in Meghalaya. Local systems become functionally integrated into larger regional system through Barabazar.

In Assam, most of the area is still in backward stage. Most of the periodic markets in Jorhat district are tea-garden markets where participants are a few and periodic markets are in the 1st stage of development. Jorhat town is a sub-regional centre for Jorhat district.

A common characteristic, found in the periodic market is that no standard pricing policy prevails for rural products. The prices are fixed arbitrarily and fluctuate depending on presence and number of urban wholesale buyers.

In the periodic market system, another problem is that complete absence of quality control; so the urban sellers sell their unsold low quality goods in the periodic market.

Apart from the economic aspect the periodic markets play an important role in the social life of the village people. It is a melting-pot of various ethno-cultural and social groups living in different habitats. Several markets of study area are the main place of interaction for hill and plain people or tribal and non-tribals. Periodic markets are important media through which news, views and ideas are diffused to its zone of influence.

The periodic market centres can best be selected as important growth points and innovations can be diffused, effectively to the surrounding areas.

8.2. Conclusion :

The periodic market are the centres, through which majority of rural surplus product is distributed. This is the pivotal point of balance between the rural surplus and the urban or other deficit areas. From the point of view of economic exchange, the development of a market network, efficient marketing system is highly essential.

The following conclusions can be arrived after studying the evolution of periodic markets of Meghalaya and Assam.

- (i) The periodic market system is as much a part of an exchange economy as a significant part of the culture of the peasant society, through out the world. Its emergence though, by and large evolved within the incipient peasant farming and network of exchanges, as could be seen in the history of its development in the North East India, the cardinally different economic basis of the societies in the cul-de-sac of hills and in the plains and valleys led to exchange system at spatial interface between these groups, i.e. areas bordering the hills. This is one reason that one rarely comes across any periodic markets in the tribal areas of the region with the sole exception of Meghalaya, where the system made gradual inroads into the plateau, being located at the water-devide of two large valley civilizations, to the north and the south.
- (ii) It was also observed in the comparative study of the market system in Meghalaya and Assam that except a few surface features, there are no significant differences between the two. This indicates a process of detribalisation and peasantisation of the hill economy, which is by and large complete. This would ofcourse mean, other ills of a peasant economy in a growing market economy, i.e. emergence of interpersonal inequalities and rise in land alienation against a tradition of equity and sharing of resources. The processes in any case are irreversible.
- (iii) The comparison of the periodic market systems in the two study areas also indicate that though the 'solar system' is relatively more valid for the Assam plains, the 'dendritic

system' has greater relevance in the hill state of Meghalaya, i.e. there is a greater unidirectional flow from a single central market like Barabazar in Shillong, through a network of smaller markets and to the periodic markets and retail distribution in the countryside.

- (iv) The hypothesis regarding the spacing of the markets to density (market size) function generally applies in the Assam valley but has limited applicability in the state of Meghalaya where the physiography and communication linkages determine the location and spacing of the periodic markets.
- (v) It was also observed in both the study areas that the urban based wholesale and retailers command supremacy over the market conditions, i.e. prices of commodities. This contributes to the idea of a monopsony of a group who could influence the terms of trade between the rural and the urban and therefore, the overall economic situation of the villages. By and large, the rural producers are unorganised, have a low staying power and have imperfect knowledge of supply conditions which further weakens their position in the market.
- (vi) While the periodic market serves as an important channel of communication into the rural areas and could be used for purposes of diffusion of innovation and modernisation of the rural economy, including monetisation and efficiency of production, it has the painful cost of the integration with the larger economic system. It can become the vehicle of unequal exchange. Opening of the interior areas with better communication infrastructure can lead to increased competition among the urban wholesalers and this would have a beneficial impact on the villager both in price and quality goods and services it receives.

8.3. Suggestions:

The study of periodic markets are both rewarding from the point of view of academic interest and that of opening the fascinating world of the countryside and the way it functions. For a country of peasants and rural dwellers, the culture lies in the countryside, the soul of a nation. Further studies, especially on the transaction system and the trade between the rural and the urban is one area which needs immediate attention. The process of unequal exchange and primitive accumulation from rural to urban is extremely detrimental to a country where 74 percent of people live

in rural areas and also in a region where it is nearly 90 percent. The periodic market system is one of the most important cogs of the exchange system in the wheel of the nation needing greater and rigorous analysis.