

RURAL WORKERS IN TRADE AND COMMERCE IN HARYANA: AN ANALYSIS

Dr. Narinder Kumar,
Assistant Professor
Department of Geography,
DAV College (Lahore), Ambala City (Haryana)-134003
Email: narinderkumar.1631@gmail.com

Abstract: The Haryana is basically an agrarian state because large proportion of its entire working force is engaged in agriculture. But since last few decades there is shift of workers from agriculture to non-agricultural activities. This is an indicator of diversification rural economy of the state. In this scenario many non-farm occupations have emerged in different parts of the state. In this context present paper is an attempt to analyze the rural workers engaged in trade and commerce. This study also investigates the changes which have been occurred in the workers associated with trade and commerce. The study is based on the secondary data obtained from primary census abstracts and district census handbooks published by Census of India. The data is analyzed by tehsils.

Keywords: Rural, Workers, Growth, Trade and Commerce, Haryana.

1.0 Introduction

The trade and commerce plays an important role in the economy. Economic development implies a great deal of growth in the activities ancillary to production such as trade and commerce. Trade and commerce is one of the important segments of the tertiary sector as well as of the overall non-farm employment. Workers in this sector are found in three forms, in rural areas:

- a) retail trade shopkeepers who supply goods of daily use to the local population,
- b) shopkeepers in rural service centres, and
- c) workers in grain markets in rural areas.

As far as the proportion of workers engaged in trade and commerce in rural Haryana is concerned it increased sluggishly from 2.84 per cent in 1971 to 3.56 per cent in 1991. The scenario at the country level was not much different as the corresponding figures for rural India were 2.4 per cent and 3.28 per cent respectively. The gain of workers in trade and commerce at both the levels might have been brought by the improving standard of living and a gradual decline of barter system in rural areas.

More specifically, the increase of workers in trade and commerce in the countryside of the state is attributed mainly to (i) emphasis on commercialization of agriculture (ii) greater frequency of rural service centres (iii) increase in purchasing power of the rural population, and (iv) improvement in irrigational facilities in the state. These factors are associated with the creation and expansion of the opportunities in the field of trade and commerce in agriculture. A growing agriculture especially since the green revolution has provided a strong stimulus for rural-urban marketing and trade.

2.0 Study Area

The Haryana is an area of present study. The state of Haryana was carved out of the territories of the composite state of Punjab on the 1st November 1966. Haryana is located on the northwestern side of the Indian Union adjoining the national capital of Delhi. The state extends from 27⁰39' to 30⁰55' north latitude and 74⁰28' to 77⁰36' east longitude. The entire state spans into 44222 square kilometers which forms 1.35 per cent of the total area of the country. Uttar Pradesh and the Union territory of Delhi lie to its east. The state has Rajasthan in the south and southwest. Geographically, Haryana has its boundaries in river Ghaggar in the southwest, the Shiwalik hills in the northeast, river Yamuna in the east and Aravalli hills in the south and Thar desert in the southwest.

3.0 Objectives of the Study

The following are the objectives of the present study:

- To know the workers engaged in trade and commerce in the rural Haryana
- To know the patterns of changes in Proportion of Rural Workers in Trade and Commerce

4.0 Database

To conduct a detailed study on the workers engaged in trade and commerce, wide range of data from different sources was collected. The main source was the census data. Data sources used in the study are:

4.1 Primary Census Abstract and District Census Handbooks: Data regarding industrial categories of workers to analyse them individually and for the purpose of non-farm employment were collected from these two above said sources. Data to show the distribution of population, density of population, literacy and urbanization have also been collected from the same sources.

4.2 Economic Tables, Census of India: To understand the workforce in detail and their contribution in the local, regional and national markets data on ‘National Classification of occupations – 1968 as used in 1991 Census’ were taken from this source.

5.0 Methodology

The data regarding the workers engaged in trade and commerce in each tehsil of rural Haryana has collected from the primary census abstracts and processed in percentages. Besides, data in various sub activities related to main economic activity i.e. trade and commerce also has been collected from the *Economic Tables, Census of India* and proportion of workers in each sub activities calculated in percentage individually. After processing the data for sub activities of trade and commerce presented in the table.

To calculate the index of diversification in context of various activities within trade and commerce for 1971 and 1991, formula given by Gibbs and Martin (1962) was used in the present work:

$$\text{Diversification Index} = 1 - \frac{\sum x^2}{(\sum x)^2}$$

where x is the employees in each industrial category or sub-category or activity. On the basis of this formula if the labour force in a region is concentrated wholly in one category the index is zero; if it is evenly distributed throughout the categories (i.e. maximum diversification) the index approaches one.

6.0 Trade and Commerce in Rural Haryana

In rural areas of the state, trade and commerce is in the hands of communities and social groups such as Banias, Aroras and Khatri. These are traditional money lending and trading groups. As a matter of fact there was a little participation of scheduled caste workers in trade and commerce. Whatever little trade was carried on by the scheduled castes, was around the marketing of handloom clothes, indigenous shoes, bones of animals and earthen pots etc.

Table -I
Haryana: Major Occupational Groups of Rural Workers in Trade and Commerce (in per cent), 1971-91

Major groups as listed in NIC	Occupation	1971	1991	Change (per cent points)
60	Wholesale trade in food, textiles, live animals, beverages and intoxicants	5.99	4.15	-1.84
61	Wholesale trade in fuel, light, chemicals, perfumery, ceramics glass	0.24	1.38	+1.14
62	Wholesale trade in wood, paper, other fabrics and skin and inedible oils	0.50	0.18	-0.32
63	Wholesale trade in all types of machinery, equipment, including transport and electrical equipment	0.14	1.50	+1.36
64	Wholesale trade in miscellaneous manufacturing	1.10	1.81	+0.70
65	Retail trade in food articles, beverages, tobacco and intoxicants	61.61	49.04	-12.57

66	Retail trade in textiles	9.88	7.46	-2.02
67	Retail trade in fuel and other household utilities and durables	3.89	4.13	+0.24
68	Retail trade in others	4.39	10.86	+6.47
69	Restaurants and hotels	5.93	6.46	+0.53
80	Banking and similar type of financing institutions	1.78	9.97	+8.19
81	Providents and insurance	0.16	0.78	+0.62
82	Real estate and business services	4.00	0.66	-3.34
83	Legal services	0.39	1.62	+1.24

Source: Calculated from Census of India, 1971, **General Economic Tables**, Haryana, Series 6, Part II-B Census of India 1991: **General Economic Tables**, Haryana, Series 8, Part III-B, Vol. 4.

However, the change in proportion of workers in this category varies markedly over different occupational groups. These groups, as mentioned in the National Industrial Classification (NIC) of workers, are concerned with a large number of trading activities such as wholesale and retail trade in food, textiles, fuel, chemicals, wood, paper, machinery, equipment, restaurants and hotels, banking and other financing institutions, insurance, real estate and business services, legal services etc. Among these trading activities in Haryana, some experienced a decline of rural workers while some others experienced gain of workers showing expansion and diversification of activities within the rural trade and commerce sector (Table -I).

During 1971-91, rural workers in banking and similar type of financing institutions gained 8.19 per cent points in proportion of workers. It was because of the change in saving patterns and expansion of such institutions in rural areas. Similarly, proportion of workers recorded increase in retail trade in others by 6.47 per cent. Besides these, some other activities as all types of machinery, equipment including transport and electrical equipment (1.36 per cent), legal services (1.24 per cent), whole sale trade in fuel, light, chemicals, perfumery, ceramics glass (1.14 per cent) also experienced more than 1 per cent increase in proportion of rural workers. This increase was attributed to the use of mechanisation and well developed means of transport in agricultural and industrial sector. There were other activities as wholesale trade in miscellaneous manufacturing (0.70 per cent), providents and insurance (0.62 per cent), restaurants and hotels (0.53 per cent), retail trade in fuel and other household utilities and durables (0.24 per cent) which too experienced increase below 1 per cent of workers. Lower increase of workers in these activities is explained through their urban bias due to which these expended from urban centres towards the countryside and absorbed rural workers to some extent.

Despite the overall increase of workers in trade and commerce, some of the trading activities experienced decline also. The retail trade in food articles, beverages, tobacco and intoxicants experienced maximum decline (12.57 per cent). It was because of the removal of middle men, direct purchase of food grains by the government agencies from the farmers, and direct supply of food grains to the urban markets by many rural people and as well as change in consumption patterns in tobacco and intoxicants in the form of Hooka to Bidi / Cigarette. These were followed by real estate and business services which experienced decline of 3.34 per cent, mainly because of migration of such workers to the towns and cities. The retail trade in textile, recorded decline of 2.02 per cent, because of change in life or wearing style of people from local manufactured textile to machine made textile. Besides these, there were some other activities which experienced less than 2 per cent decline of rural workers in trade and commerce activities. These included wholesale trade in food, textiles, live animals, beverages and intoxicants (1.84 per cent) and wholesale trade in wood, paper, other fabrics and skin and inedible oils (0.32 per cent).

To know the magnitude of diversification within various trade and commerce activities, diversification index was calculated which came out to be 0.60 in 1971 and 0.72 in 1991. The increase in value of the index during the study period points towards diversification in these activities, alongwith their significance in the rural non-farm sector.

7.0 Patterns of Change in Proportion of Rural Workers in Trade and Commerce

As far as, variations in these changes over different parts of the state during 1971-91 are concerned, these reflect that with the exception of few pockets of decrease of workers in trade and commerce and areas of no change, the remaining areas witnessed increase in workers engaged in trade and commerce. There were only few areas where percentage increase of workers in this occupational category was more than 2.1 per cent of total rural workers. For a comprehensive study, one can recognise the following categories from the:

1. Areas with high increase in proportion of workers engaged in trade and commerce (more than 2.1 per cent)

2. Areas with moderate increase in proportion of workers engaged in trade and commerce (1.40 to 2.1 per cent)
3. Areas with low increase in proportion of workers engaged in trade and commerce (0.70 to 1.40 per cent)
4. Areas with very low increase in proportion of workers engaged in trade and commerce (less than 0.70 per cent)
5. Areas with decline in proportion of workers engaged in trade and commerce (0.10 to 3.71 per cent)
6. Areas with no change in proportion of workers engaged in trade and commerce (more than 2.1 per cent)

7.1 Areas with high increase in proportion of workers engaged in trade and commerce :

This type of areas experienced more than 2 per cent increase of workers in trade and commerce activities. These include firstly, the tehsils of Jagadhri (2.67 per cent), Naraingarh (2.62 per cent) and Ambala (2.28 per cent) in the extreme northern part of the state, very near to the state capital Chandigarh; and secondly the tehsils of Faridabad (2.41 per cent) and Gurgaon (2.30 per cent) in the southeast very near to the national capital of Delhi. That means the state as well as the national capital have been instrumental in the increase of workers in trade and commerce. The extension of means of transportation and communication had also been responsible for overall expansion of trade and commerce activities in these areas. In these areas greater commercial activities had been stimulated by the industrial development of these regions.

7.2 Areas with moderate increase in proportion of workers engaged in trade and commerce :

These areas of 1.4 to 2.1 per cent increase of workers in trade and commerce included the tehsils of Chhachhrauli and Thanesar in the north; Rania, Fatehabad in the northwest; Bhiwani, Kosli and Rewari to south and southwest and Ballabgarh in the southeast.

Agro-based industrialisation and increased urbanization in northern and northwestern parts, development of cotton textiles and other industries in southern and southwestern parts allowed the absorption of more of rural workers in trade and commerce. Improved literacy in these areas had also been one of the reasons which had compelled the rural workers to adopt occupations in trade and commerce. Besides, the availability of minerals such as slate-stone which have the good market value, and the utensil manufacturing especially in Rewari continued to create employment opportunities for the rural workers in trade and commerce activities.

7.3 Areas with low increase in proportion of workers engaged in trade and commerce :

This category of areas experienced an increase of workers in trade and commerce ranging between 0.7 and 1.4 per cent to the total rural workers. Areas comprised by this type of increase were scattered all over the state (Map 8.1).

In the north, the tehsils of Panchkula, Pehowa, Kaithal and towards the northwest the tehsils of Tohana, Mandi Dabwali fall in this category. Agricultural development resulted from expansion of irrigation facilities have enhanced the workers in trade and commerce in agricultural produce. These areas have gained good production in wheat and rice during last two decades of study.

The Ganaur tehsil which is located along the eastern border of the state experienced little increase of workers in this category, because of being a prominent grain market of the area.

In the south and southeastern part of the state, a number of tehsils formed this type of areas. These included Siwani, Tohsam, Bawani Khera, Maham, Charkhi Dadri, Jhajjar, Bahadurgarh, Mahendragarh, Pataudi and Palwal. Relatively low increase of workers in these tehsils was because the agricultural economy of these areas could not move much towards commercialised economy due to poor soil resources, less developed irrigational facilities and lower level of industrial development. In the absence of efficient means of transportation and communication, trade and commerce activities could not be generated on large scale. But the changing livelihood pattern of this area and diversification of pursuits have enhanced the workers in trade and commerce activities in little magnitude.

The rural economy in context of trade and commerce in some of the parts as Siwani, Tosham, Bawani Khera and Charkhi Dadri, depended upon the sale and purchase of bullocks and camels.

7.4 Areas with very low increase in proportion of workers engaged in trade and commerce :

Very low increase of not exceeding 0.7 per cent in workers in trade and commerce was a feature of 10 tehsils. Areas covering the Brara in the north and Karnal, Safidon, Panipat, Gohana, Sonipat tehsils along the northeastern border of the state have agricultural based economies. Commercialisation of agriculture to some extent, with nearness to grand trunk road passing through these areas were responsible for slight increase of workers in trade and commerce. In the northwest, the tehsils of Sirsa and Hissar improved their agricultural structure due to extension of irrigational facilities and became important for cotton production. The growth of markets at Sirsa and Hissar attracted the rural people in trading activity relating to cotton.

The areas formed of Loharu in the southwest and Bawal in the extreme south also showed very low increase of workers in trade and commerce activities. These areas constitute the weaker or sore areas of traditionally poor, and largely subsistence agriculture with weak social and industrial development and hence could not record any notable expansion in these commerce related activities.

7.5 Areas with decline in proportion of workers engaged in trade and commerce :

Besides the areas of increase of workers in trade and commerce activities some areas experienced decline also. This happened in case of tehsils of Kalka (0.20 per cent) in the extreme north; Guhla (0.70 per cent), Ratia (1.35 per cent) and Ellenabad (3.71 per cent) in the northwest; and Assandh (1.51 per cent), Narnaund (1.07 per cent), Jind (1.10 per cent) and Rohtak (0.69 per cent) in the centre of the state; and Nuh (2.02 per cent), Hathin (0.55 per cent), Ferozpur Jhirka (0.1 per cent) in the extreme south.

- The following factors explain the decline in rural workers in trade and commerce in these areas:
- Many areas falling in this category experienced moderate to high growth rate of scheduled caste population during the last two decades under study. This population is basically non-trading.
- Tehsils like Sirsa and Hisar have moderate to large size of land holdings that are not very fertile, along with mixed type of agriculture which could create very limited scope for trade and commerce activities in the rural areas.
- The lower level of diversification of overall rural economy in some of the tehsils could not generate employment opportunities in trade and commerce activities.
- The decline of workers in trade and commerce is attributed partly to the migration of traders to nearby urban centres and also partly to the slow growth of health, education, transport, marketing services etc. in the villages.
- In areas, forming 'Mewat region' of the state, the retrogression in trade and commerce is ascribed to the Meo Community which gives this region a distinct, ethnological and socio-cultural identity. This region is historically and culturally different and remained socially and economically very backward. It is a region where poverty and ignorance have strong hold still. Rural economy of this region could not progress mainly due to the poor soil conditions, natural calamities, inadequate irrigation facilities and relatively low rate of literacy. That is why rural workers in trade and commerce rather declined pointing towards the poor state of growth of the economy of the area.

7.6 Areas with no change in proportion of workers engaged in trade and commerce :

Only two tehsils out of a total of 53 in the state did not experience any change in the proportion of workers engaged in trade and commerce located in the north western part of the state these tehsils are Narwana and Hansi.

In these areas, agriculture has been the mainstay of the population. Rapid advances have been made in the field of agriculture after the formation of Haryana. With the provision of better irrigational and other facilities, the primitive agricultural practices replaced modern mechanised farming. Agricultural production continuously increased but there was slow development of industrialisation. As a result the employment opportunities in trade and commerce could not flourish in proportionate terms.

Thus, trade and commerce basically being urban based economic activities, reflected slow progress during the past two decades under study in the rural areas of the state.

These activities recorded greater expansion in case of northeastern areas alongwith some areas adjoining the national capital Delhi. In these areas increased urbanization, improved literacy and industrial development enhanced the trade and commerce activities among rural workforce. Areas where agricultural transformation was resulted with the expanded irrigational facilities, gained moderately in rural workforce in trade and commerce. Broadly, the moderate increase of workers in the state coincides with cotton, rice, wheat and oil seed producing areas. These areas remained low on the urbanization and industrialization front. But in the southwest, the occurrence of sand dunes and slow progress of agriculture due to limited extensions of irrigational facilities contributed to lower magnitude of diversification towards trade and commerce activities. Besides, the low increase of workers in case of these areas is also attributed to the little participation of scheduled castes, who are notably present in these areas.

8.0 Spatial Patterns of Rural Workers in Trade and Commerce

There exist wide variations regarding the rural workforce engaged in trade and commerce in the state in 1991. The proportion of workers engaged in these activities ranges between a maximum of 6.16 per cent in Faridabad tehsil and a minimum of 1.79 per cent in Loharu tehsil. **High proportion** (above 4 per cent) of these workers is confined firstly to a compact area in the northeast. In this, the tehsils of Panchkula (4.32 per cent), Naraingarh (4.98 per cent), Jagdhri (4.51 per cent), Ambala (5.86 per cent), Brara (5.72 per cent), Thanesar (4.90 per cent) are included.

Secondly, the tehsils of Gurgaon (5.07 per cent), Faridabad (6.16 per cent), and Ballabgarh (4.37 per cent) all falling around the national capital of Delhi, also have high participation of rural workers in trade and commerce. Thirdly, the tehsils of Kosli (5.26 per cent), Narnaul (4.29 per cent), Siwani (4.07 per cent) and Rania (4.63 per cent) too constitute fragmented pockets of high proportion of workers in this category.

Among all these areas of high participation of workers in trade and commerce, the Faridabad tehsil is industrial capital of the state which has provided employment to the rural workers in trade and commerce activities. Other areas around both the national and the state capitals have benefited from the well-developed means of transportation in both the areas and ever increasing urbanisation.

Greater commercial activities in neighbouring rural areas are largely stimulated by the cultivation of cash crops around these major cities. Also overall agricultural development in the northeast and industrial development in the southeast around national capital of Delhi have given a boost to these activities. However, in other parts the local factors of favourable resource base seem to operate in bringing more workers in occupations of trade and commerce.

Moderate proportion (between 3 and 4 per cent) of rural workers in trade and commerce is a feature of the mid-east part of the state which includes Pehowa (3.55 per cent), Kaithal (3.86 per cent), Karnal (3.82 per cent), Safidon (3.44 per cent), Panipat (3.99 per cent), Ganaur (3.19 per cent), Sonipat (3.78 per cent), Rohtak (3.32 per cent) and Chhachhrauli (3.79 per cent) tehsils. These tehsils have experienced the impressive impact of green revolution which have created huge agricultural surpluses. These in turn have generated employment in the trade and commerce related activities in grain and grocery, bringing these areas relatively high in this regard.

Low proportion (between 2 to 3 per cent) of rural workers in trade and commerce is found in the tehsils of Mandi Dabwali (2.65 per cent), Ellenabad (2.10 per cent), Sirsa (2.92 per cent), Ratia (2.73 per cent) and Guhla (2.26 per cent) in the north west. Except, Guhla tehsil all other tehsils are located in the socio-economic backward tract of Haryana. Semi commercial agriculture prevails in this tract which have generated limited opportunities in the field of trade and commerce. Similarly Assandh, Jind, Narnaund, Hansi, Maham and Gohana tehsils located in the central part of the state too have low proportion of workers engaged in trade and commerce activities. Again agriculture dominates in these tehsils. Trade and commerce activities pertain only to agricultural products. Besides, in southern Haryana, Tosham, Charkhi Dadri, Jhajjar, Bahadurgarh, Palwal and Hathin also fall in this category. Among these tehsils, little trade and commerce activities prevails in mineral products in Tosham and Charkhi Dadri; in industrial products in Jhajjar and Bahadurgarh; in grain in Palwal.

There are only two tehsils namely Loharu of Bhiwani district and Bawal of Rewari district where **very low proportion** of workers in trade and commerce activities is found. Loharu is backward tehsil in economic conditions both agricultural and industrial points of view. Literacy is also low. Due to these factors low proportion of workers is found in this tehsil. Bawal on the other hand serves the industrial town of Rewari which have generated some opportunities for rural workers of Bawal tehsil in trade and commerce.

As a conclusion, high proportion of rural workers is found in the north east and south east. Some of the industrial towns have played a major role to boost the trade and commerce activities. These areas are adjoined by areas of moderate proportion of rural workers in trade and commerce. Relatively well-developed agriculture, availability of good transport network, existence of minerals in some pockets, and development of industrial activities have generated trade and commerce activities in these areas. Low proportion of workers in trade and commerce is found in the north western, central and a few southern tehsils semi commercial agriculture and low level of urbanization and industrial development in these areas could not generate these occupations effectively.

9.0 Conclusion

In sum, high increase of workers in these activities was recorded in the north east, south and south east where industrial development and urbanization encouraged workers towards these activities. Few areas in the western part of the state also recorded higher increase of workers in trade and commerce activities which was result of increased cotton production, cotton textile and other agricultural products. Low increase was recorded in large areas of the state covering eastern, western and southern parts. In these areas trading activities were limited and were mainly in agricultural produce. On the contrary, few areas in the north east, central, north west and south east Haryana recorded decline of workers in trade and commerce activities while very small part of western Haryana recorded no change. In fact, trade and commerce of these areas could not get a boost during last two decades under study.

Forgoing discussion also reveals that diversification within trade and commerce increased during the study period. This indicates that these activities of the non-farm sector gained significance in rural areas of the state.

10.0 References:

- i. Khullar, D.R. "India –A Comprehensive Geography" Kalyani Publisher, Jaipur, 2017.
- ii. Krishan, G. "Non-Agricultural Workers in Rural India" Population Geography, Vol.1, No1 & 2, pp.109-125.
- iii. Mahajan, O.P. "Economic Growth in Haryana 1966-75" Journal of Haryana Studies, Vol.XIV, Vol.46, No.4, pp.789-806.
- iv. Saxena, H.M. "Rural Markets and Development: A Case Study of Rajasthan State, Rawat Publications, Jaipur, 1998.
- v. Sharma, T.C. and O. Coutinho "Economic and Commercial Geography of India" Vikas Publishing House Pvt. Ltd. Delhi, 1990.