TOWN-COUNTRY NETWORKS AND URBAN DEVELOPMENT

A COMPARATIVE STUDY OF TWO TOWNS IN ANDHRA PRADESH

A thesis submitted for the degree **of**

Doctor of Philosophy

by

M. Murali Krishna

Department of Sociology
University of Hyderabad
Hyderabad - 500 046
INDIA

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CERTIFICATE

Department of Sociology
School of Social Sciences
University of Hyderabad.

This is to certify that **I, M. Murali Krishna,** have carried out the research embodied in the present thesis entitled, **TOWN-COUNTRY NETWORKS AND URBAN DEVELOPMENT: A COMPARATIVE STUDY OF TWO TOWNS IN ANDHRA PRADESH,** for the full period prescribed under Ph.D ordinances of the university.

I declare to the best of my knowledge that no part of this thesis was earlier submitted for the award of research degree of any university.

Date: **Signature of the Candidate**

Signature of the Supervisor

Head of the Department

Dean of the School

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ABBREVIATIONS

APCO Fabrics = Andhra **Pradesh Cooperative Fabrics**

APSRTC = Andhra Pradesh State Road Transport Corporation

ESI = Employees State Insurance

NABARD = National Bank for Agriculture **and** Rural Development

PF = Provident Fund

SBI = State Bank of India

SeriFed = Sericulture Federation

SC = Scheduled Caste

ST = Scheduled Tribe

UNCRD = United Nations Centre for Regional Development

CHAPTER I

PROBLEM, METHODOLOGY AND CONCEPTS

The Problem
Methodology
Concepts used in the study
Scheme of the study

THE PROBLEM: The problem of this thesis is to explain how different patterns of town-country networks generate different models of urban region development. For this purpose, two towns Dharmavaram and Markapur in the state of Andhra Pradesh have been selected. The main aim is to explain how the socio-spatial relations between a town and its hinterland influence and determine the growth model of a town.

The Marxian analytical framework has been adopted in this thesis to understand the dialectics of town-country networks and their impact on urban region development. Attempts have been made in the following chapters to explain how town-country networks influence generation of different kinds of surplus and different kinds of regional urban development. The chapters detail description of changes in the distribution of objects of labour and instruments of labour, commodif icat ion and non-commodification of labour-power, the element of exchange and their impact on structuring the process of *total urbanization* and *enclave urbanization*. (See pp. 16-17 for definition of these terms).

Importance of the Study of Small Towns:

Various urban analysts emphasized the extensive research gaps present in understanding the growth and functioning of small and medium towns. Rondinelli says "little is known about the complex socio-economic linkages between urban and rural areas and the roles they play in regional and national development. He further says, that "secondary cities, small towns offer a new frontier for research and policy analysis into which few scholars have ventured". Agreeing with Rondinelli, Alan Turner views that though there are varieties of theoretical and practical arguments about

the potential roles of small towns in regional and national development, little is really known about the economic, social and physical factors affecting the growth and development of small and medium towns.[2]

Substantiating the above argument Gibbs, says not much is known about the conditions under which the development of small and medium towns take place and why while some towns grow others do not.[3] Hugh E. Evans views that a better understanding of the dynamics of rural-urban growth help to determine what kind of interventions are likely to become more effective in promoting development of small settlements.[4] Far less is known about the social, economic and geographical relations of many small centres- Similar sentiments were echoed by UNCRD and was critical as their programmes bypass the study of smaller and intermediate levels of urban settlements. Lubell further says that there are only few empirical studies done on the reasons behind the growth and functions of small towns.[7] Thus, there is need for fresh inputs into answering the questions behind the role, conditions of growth, their relationship with rural hinterland and other ramifications of lower order settlements.

Studies of this kind are important in India because there are hundreds of small and medium towns in the midst of thousands of villages which hold crores of population. The understanding of the interrelationship between these towns and their surrounding hinterlands is not only crucial for the development of these towns but also for the improvement in living conditions of rural hinterlands where millions of people live.

In India though the subject of the influence of the city/town upon its region has received some attention in the earlier studies like Ujagir

Singh, 1961, **A.B.Mukherjee,** 1962, A.K.Dutt, **1963, N.R.Kar.** 1963, the reverse kind of relationship, wherein the region exerts its influence over the city/town has not received any noticeable attention. Moreover in recent years the agricultural revolution that has been going in the countryside has added a new dimension to urbanization which require study. Also, the impact of widespread socio-economic planning and new schemes regarding development of small and medium sized towns require investigation.

In the light of above discussion, attempts will be made in this thesis to understand growth and development of small towns by taking Dharmavaram and Markapur in Andhra Pradesh as case studies. The former is well known for its silk production and the latter for slate. The two towns are experiencing qualitatively different processes of growth.

Hypothesis:

The exploratory hypothesis of the present study is that the growth of a town depends on the vitality of its hinterland as also on the following.

a) The type of socio-economic linkages the town has with its surrounding hinterland.

b) The pattern of relationships that operate between various functionally related groups spread over in town and its hinterland.

Objectives:

The mains OBJECTIVES of the present study are

1) To identify the various types of socio-economic linkages the town

has with its hinterland.

2) To study the impact of the these linkages on the growth of a town and its hinterland.
3) To examine the complexity and nature of relationships that exist between various functional groups spread over in town and its hinterland and how these relationships influence the impact of town-country linkages and the growth models of towns.

METHODOLOGY:

The study involves first and foremost the identification of the socio-economic background of the region in which the town is located and to identify the basic economic functions of the town. This facilitates the recognition of the kind of linkages the town has with its hinterland.

Considering the nature of the study and the variedness of the categories of information to be gathered, it was felt necessary to collect data using multiple techniques and from varied sources.

The main research tools used in the present study are

1) Indepth informal interviewing.
2) Survey method.

The selection of these research tools was done after the preliminary field trips to both the fields (Dharmavaram and Markapur) which gave ample scope to identify the socio-economic background of the region and the various sections of the people. Thus, keeping in mind the socio-economic

background of the respondents and the variedness of the information to be collected indepth informal interviewing is considered as the relevant method. Also, interview schedules were used while conducting household survey.

Besides primary sources, data is also collected from various secondary sources like Municipal records, Census reports, District Gazeeter, Government administrative reports, various departmental reports, Bank records, local directories, Newspaper clippings, records maintained by some families and senior citizens, journals published in the local towns, pamphlets, etc.

Demarcation of Hinterland:

In order to study the pattern of linkages between town and country and their impact on the development of town, a thorough analysis of the economic background of the hinterland is vital and for this, demarcation of the boundaries of the hinterland of the selected towns become crucial.

Usually, in studies done by urban geographers, demarcation of the hinterland was mostly done by mapping zones of influence based on various variables such as supply of vegetables, milk, newspapers, etc. In the present study the purpose of demarcation is to map the economic activities relating the town with the hinterland. The main aim here is to demarcate the area surrounding the town which is interdependent to both basic and non-basic economic activities of the town.

Basic activities: Those activities producing goods or services for export

out of the urban area are called basic. These are economic activities of town supported by non-local demands. Here money is brought into the city/town.

Non-Basic activities: These are concerned with the maintenance of the well-being of the people engaged in those of primary nature. Homer Hoyt says that every person employed in a basic industry (activities) normally supports approximately one other person in the service or non basic activities. Non-basic activities includes local services, retail trade, professional and other services.[9]

This necessitates first the identification of the basic economic activities of the town and hinterland, interdependency between them. Thus, in the preliminary field trips efforts were made to identify the linkages between town and country in terms of basic and non-basic activities. For this, indepth discussions with various cross-sectional people both in town and in the surrounding region were undertaken. Discussions with industrial owners, workers, administrative personnel, doctors, trade union leaders, trade and commerce association members, mandal presidents, developmental officials, and others provided vital information on the extent of area which has linkages with town. Further, zones of heavy traffic density were identified through discussions with APSRTC Depot manager, traffic inspectors and railway officers. Agro-based industrial owners and other industries helped in identifying the locations from where raw materials were supplied and the area from which workers and other functional groups commutes to town. Also, attention was given to the role of the neighbouring towns in the region and the zones of their impact. This

provided the criteria for not mixing the hinterlands of the neighbouring towns with the hinterlands of the selected towns.

One important thing which made the demarcation of the hinterland and the analysis of its economic background more rich is the existence of the "mandal divisions" in Andhra Pradesh. In Andhra Pradesh the erstwhile Taluk system was replaced by Mandal System in 1986. Each mandal usually has 20 to 35 villages with a total population of 35,000 to 55,000. Discussions with Mandal Praza Parishad Presidents and other mandal administrative personnel, provided details of how far each mandal in the region is interdependent with the town. These discussions enabled the decision to select mandal boundaries as base for the demarcation of hinterland.

In the present study, the boundaries of hinterland exactly fall in line with the boundaries of mandals surrounding the town. It may be noted that, some times the border villages of a mandal may interact more closely with towns located in another mandal. However, for convenience of data collection the demarcation line of the mandals was taken as the boundaries of hinterland. The assumption here is that, exclusion and inclusion of a few villages from basically the same region, having the same level of economic development will not make much impact on the findings of the study.

Having demarcated the boundaries of hinterland, extensive data on the land-use patterns, land holdings, irrigation sources and extent of irrigation, cropping patterns and other details were collected from

respective mandal offices, Revenue Divisional records, District and State planning offices. Further, discussions with various mandal officers, locally elected political leaders, and other developmental personnel enriched the collection of data and the understanding of the causes behind the variations in data during the different years.

An important objective of this thesis is to study the relationships between various functional groups spread over between town and hinterland and how these relationships influence the . town-country linkages and the development of town itself. As already mentioned initial discussions with various cross-sectional people both in town and country not only led to identification of linkages between town and hinterland but also to list out the strength of various kinds of industrial units both in basic and non-basic activities.

After collecting information on the size of the various industrial units, sample sizes were demarcated based on the size of each type of unit. Further, a complete information on spatial distribution of these various units is obtained and units for studying are selected (within each sample) from these spatial clusters.

A Note on Comparative Method:

This thesis is a comparative study of two towns and their hinterlands. The comparative method was adopted to facilitate explanation and generalization of the growth process of small towns.

Comparative method refers to the comparison of two or more societies

or their subsystems. Here, Robert Marsh says "the core meaning of the comparative method in the social sciences has always been the comparison of societies and their subsystems".[12]

Most of the classical studies in sociology right from the beginning are based on comparative method. Classical sociologists like Emile Durkheim, Max Weber and others gave much emphasis to comparative method. It is pertinent to recall Durkheim's famous statement that "comparative sociology is not a particular branch of sociology; it is sociology itself".[13] It is only by the use of comparative method that we can arrive at general explanations.[14]

Emile Durkheim distinguished three applications of the comparative method or the method of co-variations. They are

1. The analysis of variations within one society at one point of time. This involves intra-societal comparison.

2. The comparison of societies generally alike but differing in certain aspects (there may be different societies or the same society at different periods).

3. The comparison of societies generally dissimilar yet sharing some feature or different periods in the life of one society showing radical change.

Nadel commenting on the Durkheim's three applications says these three methods are used in all phases of sociological analysis.

The present study is based on the first method of Durkheim's comparative analysis i.e. intra-societal comparative analysis. Here

efforts are made to understand the growth process of two towns located in the same economic zone but, having different growth models by comparatively analysing the functioning of two towns with reference to their hinterlands.

The assumption here is that, a comparative study of two towns (Dharmavaram and Markapur) having different models of urban development would help in unraveling the various processes influencing these two models of urban development which in a way leads to comprehensive understanding of the growth problems of small towns.

In any comparative study, uniform variables, indicators are to be identified for comparison. Thus, in the present study, first, various variables concerning the socio-economic background of hinterland are compared. This includes

1. Land utilisation patterns.
2. Land holding details.
3. Irrigation sources and extent of irrigation.
4. Cropping patterns.
5. Demographic details related to population, working population details etc.

Extensive data on the above variables is collected and attempts have been made to compare between the two regions of Dharmavaram and Markapur.

The sources of data are **mandal** offices, revenue divisional offices, district planning office, bureau of economics and statistics. Further, first hand look at the fields, nature of the soil, crops provided a feel of the agricultural situation of both the regions. Coupled with this, discussions with local political leaders (who are also main farmers) and

other developmental officials enriched the collection of data and provided vital information where ever secondary data failed to provide.

Coming to the situation in town, attempts were made to compare the basic economic activities of the towns and their growth/decline over a period of time, the linkages they have with the hinterlands. Also information on various variables viz., population, literacy, medical and health facilities, transport and communication, occupational classification, commerce and trade, agro-based industries and others is collected.

Thus, in this thesis, two industrial towns located in the same economic zone but having different growth models are taken and comprehensively studied as to why one town is having a better growth than the other.

CONCEPTS USED IN THE STUDY:

LINKAGE: The term "linkage" in this thesis is conceptualized on the basis of Albert. O.Hirschman's theoretical formulation in his book "Strategy of Economic Development" (1955).[17] Hirschman's concept of linkage is based on inter-industry and intra-industry interdependence. He discusses how linkage between different industries, particularly from the point of view of input-output relations influence economic development.

He introduces two types of linkages. They are

1) Forward Linkages.
2) Backward Linkages.

Backward Linkage: When an activity 'A' is undertaken by utilising outputs of another activity **'B',** then, the activity **'A'** is said to have backward linkage with that of activity **'B'.**

Forward Linkage: When activity 'A', whose output becomes inputs to another activity **'C',** then the activity 'A' is said to have forward linkages with activity **'C'.**

Hirschman's paper initiated a series of articles in the "Quarterly Journal of Economics" during 1973-76 by a number of economists, to empirically describe the role of **inter-industry** and **intra-industry** linkages.

These various economists viz., Pam.A.Yotopouloc & Jeffery B.Nugent (1973, 161) and M.Boucher (1976, 313) and others discussing the forward and backward linkage concepts of A.O.Hirschman, developed another theoretical formulation namely **"total** linkage", which refers to the direct and indirect effects of both backward and forward linkages.[18]

In the present study these concepts are attributed with spatial dimensions and are utilised to study the linkages between the various productive activities of the town and its surrounding hinterland and the linkages between the various functional groups spread over in town and country.

We know that the growth of a town depends on the town-country interaction. Depending on the size and functional attributes, each town

induces varied types of linkages. Understanding of these linkages **and** their impact on town and hinterland are crucial in the analysis of the growth of a town (and its role in the regional development). It is further believed that both in structuring the linkages between town and country and in influencing their impact on town, the nature of relationships operating between various functional groups spread over between town and country are crucial. Hence for a comprehensive understanding of the growth of a town one has to not only identify the type of linkages a town has with its hinterland, but also the various relationships operating between functional groups spread over in town and country and their influence on the impact of town's linkages and growth of **town'itself.**

NETWORK:

It is defined as a pattern of linkages between various members of a particular organisation. More elaborately, it is "that set of personal contacts through which the individual maintains social identity and receives emotional support, material aid and services, information and new social contacts".[19]

FUNCTIONAL NETWORKS:

These are the pattern of linkages based on relationships among members who are involved in the performance of a particular task.

The concept of **"Network"** in this thesis is used to explain

1) The pattern of linkages between various productive activities.

2) The pattern of linkages between various groups of persons engaged in productive activities.

In particular, the present study focusses on the delineating of these networks (between the functional groups) so as to explain the structure of the overall development/decline of regions.

In the present study, the concept of "networks" is defined as follows.

1. Networks are the pattern of linkages existing between various activities undergoing in a town and its hinterland.

2. It is also defined as the pattern of relationships between members of various functional groups involved in different productive activities spread over in a town and its hinterland.

Thus here, the concept of networks is used to study linkages at *structural* level) and at *practical* level (i.e., actual level).[20]

ECONOMIC IMPACT:

Economic Impact is meant the outcome generated by different sectors per unit expenditure in a growth centre and its multiplier effect on the surrounding rural areas.

In the present study one of the objectives is to study the impact of various linkages the town has with its hinterland on the development of town. To mention, in the case study of Dharmavaram attempts are made to study the impact of mulberry crop which is cultivated in its hinterland on the economic activities of the town, particularly in terms of growth of silk reeling units, twisting units, silk trading units, and how growth of these various units in turn influence the spread of non-farm activities in the countryside. Attempts are also made to study the impact of growth of groundnut crop in the countryside on the development of various **agro-based**

units in the town and their multiplier effects on the various other productive activities of the town. The impact of the growth of the basic activities on non-basic activities in the town and in the hinterland is also observed. On the same lines, in the **Markapur** region attempts are made to study the impact of the slate industrial and mine activities on the hinterland and in town.

EXPLOITATION:

Different people described the concept of "exploitation" in different forms. While Andre Gunder Frank [22](1975) and **Battelheim** [23](1972) describe the concept of exploitation interms of surplus expropriation and surplus appropriation. A.Emmanuel (1972)[24] and Ernesto Laclau (1971)[25] describe exploitation interms of unequal exchange.

Emmanuel says "exchange" is a concept which describes the social relationship between those who produce a product or supply a factor of production and those who purchase that product or that factor.

Functionally related groups in the town and hinterland of Dharmavaram and Markapur:

In the present study based on the above definitions of the concept of "exploitation", attempts are made to understand the nature of relationships between various groups located in town and hinterland who are functionally related.

In Dharmavaram region, the relationships between the following groups who are functionally related are studied.

1. The relations between the mulberry farmers who market cocoons and

reelers and twisters who purchase cocoons.

2. The relations between reelers, twisters and raw silk agents.
3. The relations between raw silk agents and silk weavers.
4. The relations between silk weavers and silk merchants.
5. The relations between private financiers/pawn brokers and silk weavers, raw silk agents, sari merchants.

On the same lines in the Markapur region the relations between the following groups are studied.

1. slate mine owners, sub-lease holders, pit owners, and mine workers.
2. The relations between slate industrial & company owners and slate workers.
3. The relations between slate industrial owners and slate traders

In all these relations the element of "exchange" and "flow of surplus" is studied. Efforts are made to observe the changes in these relations over time and impact of these changes on the growth of the economy of the town and thereby development of town.

ENCLAVE URBANIZATION:

The idea of "enclave urbanization" was evolved from the basic ideas of "Enclave economies"(Rhoads Murphey, 1980), "Enclave conditions" (Dictionary of Economics, 1987), and "Growth of an Enclave variety" (Misra, Sundaram and Prakash Rao, 1984).

"Enclave economies" are those which have few effective linkages with the immediate surrounding areas.[27] "Enclave conditions" are those wherein

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there is absence of any substantial backward and forward linkages. "Enclave variety Growth" is the growth concentrated in space or selected sector of economic activity without any substantial linkages with

surrounding region.

From these basic views evolved the concept of "enclave urbanization". It is a process of urbanization which functions with out any significant backward, forward or any other form of linkages with surrounding hinterland.

This concept may have relevance only in describing the urbanization process of lower order settlements.

TOTAL URBANIZATION:

The idea of "total urbanization" is evolved from the concept of 'total linkage' developed by Pam.A. Yotopouloc and Jeffery. B.Nugent (1973) and M.Boucher (1976) based on the forward and backward linkage concepts of A.O.Hirschman.

They refer "total linkage" to the direct and indirect effects of both backward linkages and forward linkages.

From these basic views evolved the concept of "total urbanization" which refers to a process of urbanization which has strong interlinkages with its hinterland and generates complete symbiosis between urban-rural economy leading to over all regional development.

Scheme of the Study:

The first chapter of the thesis states the research problem, outlines the methodology and reviews the various concepts used in the study. The

second chapter discusses the existing theoretical approaches on the growth of small towns and emphasizes the necessity of the present study.

A detailed account of the socio-economic conditions of Dharmavaram and Markapur regions is presented in chapter three and four respectively. Population growth, density, sex ratio, literacy, health and medical facilities, occupational classification, irrigation levels, cropping pattern, land distribution, industrial growth, trade and commerce are the aspects covered in these chapters.

The fifth and sixth chapter traces the origin, growth, development and changes occuring in the silk industry of Dharmavaram and slate industry of Markapur respectively. The seventh chapter describes the functional relations between various production groups spread over in town and the hinterland by presenting data and information drawn from the surveys and fieldwork done in Dharmavaram and Markapur.

The eighth chapter comparatively analyzes the nature and pattern of production relations between various functional groups in Dharmavaram and Markapur regions. The concluding chapter presents the major arguments, comparatively analyses the results of the two case study regions and weaves together the major conclusions of the thesis.

NOTES:

Rondinelli.A.Dennis, 1983, p 8.

"Ibid, pp 275-276.

[3]**Lubell.G., 1984,** p 91.

[4]**Richard** May (Jr), 1989, p 54.

Funnel.D.C., in Alan Gilbert, 1976, p 78.

Mathur **Om** Prakash. (edt) UNCRD, Nagoya, 1982.

[7]**Lubell,** 1984, op. cit.

[8]**ICSSR** Report, Vol.1, p 123.

9
For details please see a series articles by John. W.Alexander, Victor Roterns **& Welay** Calif and **Charles.M.Tiebout** in "Readings *in Urban Geography* "(Edt) by Harold M. Mayer & Clyde **F.Kohn,** Central Book Depot., Allahabad, 1967.

Indepth informal interviews were carried out with the members involved in these various activities. However, while interviewing, basic categories of variables on which information and data from each group has to be collected was clearly kept in mind. Enough care was taken to elaborate the notes of information jotted down while interviewing on the same day when the entire discussion is fresh and green in my memory. Also, when ever information received from vital persons is considered insufficient, interviews were undertaken once again. Thus, indepth interviews with various cross-sectional people involved basically in the same activities and from the same region gave enough scope for cross checking the collected information and to arrive at a more reliable and precise data.

[11]**Rober.M.Marsh,** 1967, p 257.

[12]**Ibid,** p 285.

[13]**Durkheim Emile,** 1966, p 134.

[14]**Radcliffe Brown.A.K.,** 1952, pp 113-114.

[15]**Durkheim** Emile, 1966, pp 136-140.

[16]**Nadel.S.E.,** 1951, p 257.

Albert.O.Hirschman, 1958, p 100.

[18]For details see Pam.A.Yotopouloc & **Jeffery** B. Nugent, 1973, pp 157-171.

[19]**Maguire.L.,** 1983 , p 22.

[20]**Castells.M.,** 1972, p 216.

[21]**Shue** Tuck Wong & Mohammad **Saigal,** 1985, p 25.

22
Andre Gunder Frank, 1975, pp 78-79.

23
Battelheim in **Emmanuel.A.,** 1972, p 301.

24
Emmanuel.A., op.cit., p.47.

25
Laclau.Ernesto., 1971, p 22.
Emmanuel.A., op.cit.
27
Rhoads Murphey, 1980, pp 132-133.
28
John Edtwell, Murray Milgate, Peter Newman., 1987, p 209.
29
Misra.R.P., Sundaram.K.V, and Prakash Rao., 1978, pp 215-216.

CHAPTER II

THEORETICAL APPROACHES TO THE GROWTH OF SMALL TOWNS

Growth centre theory
Agropolitan Approach
Selective territorial closure model
Regional public investment paradigm
Role of agriculture and industry in urban development

The classical political economy and Marxian political economy views that the erosion of feudal relations and attainment of capitalist conditions/relations in agricultural economy is a precondition for development of industries and urbanization. However, in most of the developing countries, agriculture has not attained this stage and still has subsistence form of development. Consequently, there is exodus of rural people to cities resulting in 'over urbanization'. In order to arrest the growth of large cities, many theories/approaches were proposed to develop small towns and influence regional development.

In this chapter an attempt is made to present the various theories of growth of small towns and critically review them in the light of conclusions drawn from the various empirical studies. The main aim here is

1. To identify the shortcomings and gaps in these various theories in explaining the growth and decline of small towns.

2. To formulate new hypothesis which enhances the understanding of the growth process of small towns particularly from the perspective of the complex rural-urban networks between them.

Growth Centre (or) Rural Service Centre Theory:

The theory of growth poles dates from the theory of *Poles decroissance* proposed by Perroux of France in the 1950s and has been elaborated further by Friedmann, Rodwin, A.O.Hirschman and others in the form of "concentrated decentralisation" since the 1960s.

The theoretical foundation of this view of small and medium towns is

in the theories of economic polarization, centre place theory and the various modernization theories.[2]

According to Growth Centre Theory, towns objective is to stimulate production activities with external linkages with high order settlements and spreading economic growth in their regions. Here towns are supposed to effectively utilise the regional resources and increase productivity output and decrease regional inequalities in development. Various authors viewed growth centres to perform different functions. Some considered them to function as instruments of modernization and rural development.[3] Some considered these growth centres as 'engines of growth' in their own right and for the benefit of their hinterland. Their development as market and service centres helps to increase the productive capacity of the rural producers and promotes the commercialization and specialization of agriculture in the framework of national economic growth.[4] Some others assumed that the development of rural centres would increase local employment and helps to stem the rural exodus to the metropolitan areas.

In number of third world countries attempts have been made to stimulate the development of small and medium towns from the Growth Centre perspective particularly in 1970s and mid 1980s. In different countries many towns were selected and huge amounts of money is poured into them in the form of industrial investments, infrastructure in the form of roads, transport, health, education, electricity, drainage, housing etc. These centres are called as 'Agrovillies' in Pakistan, the 'New Towns' in Malaysia, 'Rural Centres' in Zambia, 'Growth Foci' in India.

However all these attempts by Third World governments to divert urban growth and development to growth centres have met with relatively little success interms of spreading the benefits of development to those previously bypassed. Because, these schemes are involved with high expense (both interms of capital investment and of scarce managerial and technical skills). Further, they are based on tools, techniques and research which are relevant to developed countries and are no longer compelling in its logic in the Asian context.[g] And here Stuckey says "regional theory and the notion of growth poles or growth centres were derived from the observation of growth and development in North America and Europe, but they were marched off into the world of underdevelopment in the fifties and sixties and asked to solve the problems of poverty".[9]

Growth centre approach is criticized as having industrial bias and urban bias. Central to growth centre theory is "trickle down" and "spread effects". However, numerous studies in third world countries revealed that the implementation of a growth pole in an underdeveloped country would only tend to create "backwash effects" instead of "spread effects" and that the trickle down mechanism does not normally operate. In countries like Mexico, Brazil, growth centres failed to develop and in few places though efficient interms of growth failed in distributional issues. Some even criticized growth poles functioning as vanguards of exploitation and functioning as tentacles of the large urban centres. Some studies done in Kenya, Sudan, Zaire proved that growth centres have weak productive functions and these towns serve the interests of a small political and

commercial elite at the national level and regional level.[12] Most of the growth centre strategies are promoted without regard to a region's existing economic structure and both inter urban and rural-urban linkages.[13] This strategy would end up by replicating national dualism at the regional level.[14] Another reason for the lack of success of growth centres in meeting social goals such as development in poor areas has been the confusion between social and spatial equity.

As mentioned elsewhere, growth centre strategy has industrial bias and the presence of agglomeration economies is central to growth centre theory. However, these economies are almost non existent in cities smaller than 1,00,000.[16]

By mid 1970s when the studies done on performance of growth poles in various Third World countries proved the limitations of western based Growth Centre Theory, many urban analysts began working for alternative approach. While some emphasized the need for modified growth pole strategy suitable to the third world countries others recognized the necessity of a new paradigm whose objective is no longer economic growth as envisaged in growth pole but social development with focus on specific human needs.[18] Later this led to formation of new approach towards the growth of small and medium towns. This is called " Agropolitan Approach".

Agropolitan Approach:

This was developed by Friedman and Douglass in 1978. This approach has its roots in the paradigm of 'territorial development*. Its sources of

inspiration are a dissatisfaction with narrow materialistic concerns and the top-down approach to development and a strong sympathy with the ideals of 'self-reliance' and 'small is beautiful*.

The 'territorial development' paradigm rejects the conception of the region as an open system and the subordination of regional development objectives to national (economic) ones. Its supporters [19] advocate the use of region's resources for the benefit of the regional population, the development of an integrated and diversified agro-industrial economy geared to regional needs, the decentralisation of planning and decision making, grass roots participation and cooperative action at local level.

The "Agropolitan strategy" developed by Friedmann is a concrete example of regional development from a territorial point of view. Agropolitan model offers a spatial framework for rural development and is based on the idea of accelerated rural development oriented to human needs with a more equitable distribution of economic benefits, the direct movement of local people in the process of development and growth based on

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the activation of rural people, agriculture and resources. This strategy envisions creating towns in the fields by embedding some of the elements of urbanism in the dense rural areas. The dimensions of the Agropolitan district according to Friedmann, are a town of between 10,000 to 25,000 plus village communities within a commuting radius of between 5 to 10 kms. all of which would mean an overall size of population ranging from 50,000 to 1,50,000.[21]

Selective Territorial (Spatial) Closure Model:

Closely followed by 'Agropolitan model*, another model developed towards regional planning is selective territorial closure developed by Stohr and F.Todtling in 1979. As envisaged in Agropolitan model **'selective** territorial closure' too emphasizes small-scale industrial organizations and non-market and informal sectors. Although it gives no explicit attention to small cities, it is obvious that the emphasis on small-scale activities and decentralised making would favour the small towns rather than the large and metropolitan cities.

One of the underlying emphasis in both 'Agropolitan **model'** and in 'Selective Territorial **Closure'** is to prevent the leakage of general wealth in the region. Priority should be given to small-scale and labour - intensive rural production activities and export-based activities should be promoted only to the extent that they lead to a broad increase in living levels of the population of the territorial unit.[22] In both these approaches impulses to development are assumed to start from below and to 'filter **up'** from local to regional and finally to national levels.[23]

Much of the criticism targeted against 'Agropolitan model' and 'Selective territorial **closure'** is that these are located in weak theoretical foundations.[24] Further, these models represent "bottom-up" spatial planning strategies and based on virtually autonomous local decision-making and resource process, thereby undermining the role of **"top-down"** approach and planning. Richardson views that the bottom-up strategies would be effective only when strong interventions are made by

the Central Government.[26]

Thus, both top-down and bottom-up planning strategies **are** to **be viewed** as complementary rather than mutually exclusive and are essential for implementation of any effective regional planning and development.[27]

Richardson criticizing both the 'Growth Centre Strategy' and 'Agropolitan model' says that growth centre strategy based on top-down approach which suggests that investments made to promote the larger cities in the national urban hierarchy-especially regional metropolis will lead to improvement and stability in the lower-order centres in the urban hierarchy, that is, in small and medium towns. Thus, growth centre strategy is based on 'trickle- down' and 'spread effect' theory. The Agropolitan model based on bottom-up approach and 'filter-up' theory emphasizes agricultural development as the major element of a small and medium towns development strategy. Both the models in their purest form does not suggest for the most obvious strategy - direct investment in the small and medium town themselves.[28]

Thus, Richardson, though mentions rural development aspects for growth of small and medium towns, gives more emphasis on direct measures to strengthen the economic base of towns and says that "development of small-scale industry, informal sector, agro-processing, decentralisation of government employment, small-scale export, trade and tourism, investment in intra regional transportation and communication are a high priority ' to strengthen rural-urban linkages, so should be strengthened".[29]

Hackenberg, agreeing with Richardson says that "the best way to strengthen the small cities is to invest in them directly and to develop specific policies to improve their economic base". He further says "spatial dispersion and small-scale urbanization have been stimulated by investments in electricity, transmission, telecommunication and truck transport".[30]

Niles Hausen arguing on the same lines of Richardson and Hackenberg, emphasizing the role of public investment on the growth of small cities, developed his own method of investment. Thus, he develops a "Regional Public Investment Paradigm" for growth of small and medium towns.

Regional Public Investment Paradigm:

The hypothesis of this paradigm is that the impact of public over head capital investments on income levels (of small city population) can be significant but depend on

1. The type of investment.
2. The economic characteristics of the region in which the investment takes place.

Hausen divides Public Overhead **Capital** (OC) into two components:

1. Social Overhead Capital (SOC)
2. Economic Overhead Capital (EOC)

EOC: This includes capital invested in activities which support production activities like investment in construction of **highways,** transportation system, power projects, harbours and other similar undertakings.

SOC: **This consists of education, training, health, and related projects oriented** towards **the** development **of** human resources.

He classifies regions into three types. They are

1) Congested.
2) Intermediate.
3) Lagging.

Niles Hausen Public Investment Paradigm suggests that, regional policies might be made more efficient and more equitable by

1. Inhibiting further growth in large congested regions.
2. Emphasizing economic overhead capital (EOC) investments in intermediate regions and in regions possessing natural externaities.
3. Emphasizing human resource oriented social overhead capital(SOC) investments in lagging region.

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Role of Agriculture and Industry in Urban Development:

Explaining the interrelations between rural and urban, Ranaanweitz emphasizes the interrelations between agriculture and industry. He says towns by creating a supporting system actually support the development process in the rural areas. They play an active role in the transition from closed oriented agriculture to market oriented agriculture and act as centres for the development of industries. He says **agro-based** industries increases interrelations **between** agriculture and **industry,** jobs for local people and also provides market for perishable agriculture products.[33] The non-agriculture sector absorbs surplus labour and increased out put from

agriculture, provides services and goods vital for agricultural development.

Ranaanweitz realizes the importance of development of rural-urban relations for urban and regional development where he says "A different approach is needed for urban-rural relationships that can lead to the creation of a spatial structure unlike the one developed in the advanced countries".[35] Emphasizing the need for growth of rural towns he proposes the notion of **"Quite Centre".** The quite centre is a physical unit containing only industrial and service installations without living quarters. The "quite centre" is the rural "business district". Workers are there only during working hours and leave after work to lead their lives elsewhere.

Maria Clawson agreeing with Ranaanweitz says agriculture development affects urbanization and is essential for sound urban growth. He also says urban growth and development is equally basic for agriculture development. Discussing urban impact on agriculture he says growth of cities/towns provides larger market, brings changes in the nature of agriculture, provides infrastructure for agriculture development.[37] However, the importance of cities/towns as markets for agricultural products which was stressed by Ranaanweitz and **Dr.Maria** clawson was criticized by Prof. Finkel based on experience in some of the developing countries where the cities/towns are surrounded by rural areas that cannot offer sufficient agricultural products to these cities. He also argues **that** industrialization and urbanization can only start after peasants **have** reached a certain level of development.

Bertrand Renaud says there are strong two-way interactions between urban and rural development. According to him a town provides large market, gives farmers scope to develop more intensive cash crops, have easier access to suppliers, have closer touch with government extension services.[39] **A dynamic rural hinterland contributes to town development through raising farm** incomes, **purchasing power, demand for both household goods and farm** inputs.[40] **The stagnation of farm** incomes **affects urban** development by leading to a low level of demand for both population and consumer goods by the majority of the population.[41]

Jean Canause says steps should be taken to prevent push effect in **the** villages, by providing further means of earning a living, opening up of economic opportunities within the villages, channeling more agricultural productivity. Without this no capital accumulation and no surplus food provision could be made available for industrialization. Thus, modernization of agriculture is an important precondition for smooth urbanization.

Y. Abt though agrees that agriculture and urban development are interrelated however favours agrarian reforms and development as a first phase.

Mellor develops the theory of how a town acts as a 'growth **pole'** of hinterland. He advocates a development strategy based on yield increasing and cost decreasing methods in agriculture and the linkage effects of such agricultural development. Under such a strategy Mellor says that, the

market town acts as the focal point for organization and decision making. The crux of **Mellor's** argument is that, increased agricultural production by the wealthier land owning classes generates demand for more non-agricultural production in the form of demand for more consumer goods industries thereby brings increased employment and thereby the growth and development of small towns. Further, this expanded employment of the lower income labour classes, who spend the bulk of their increased incomes on food, provides the demand for further increase in food production and thereby development of rural areas.[43]

Hugh.E Evans describing the role of small towns in promoting rural development and urban **deconcentration** says that, small towns play a significant role in spurring agricultural production, raising rural incomes. This in turn spur demand for non-farm goods and services, creates job opportunities for surplus rural labour, raises demand for rural produce and once again boosts agricultural productivity and incomes. This he calls as **"Virtous Circle Model of Rural-Urban Development".**[44] However, Manning **(1988),** Hunt (1983), Harris (1987) question this model and says that the spin-off effects of agricultural development on small town is questionable. **Peter.L.Doan** (1989) agreeing with O.P Mathur (1982), Rondinelli (1983) on the importance on **rural-urban** linkages says they are essential for the distribution of intermediate inputs to agriculture and the corresponding provision of agricultural outputs as inputs to other procedures. He also suggests for initial investments in small towns which **are** closely linked to agricultural hinterlands to stimulate development in the entire region.

High lighting the role of infrastructural facilities and other agricultural inputs available in the small towns in agricultural development, Amitabh **Kundu** & **Monis** Raza explains that the land productivity is positively correlated with socio-economic infrastructure of the region-with banks, railway station, road mileage, rural electrification,

rural literacy, availability of fertilizers, market facilities etc. **BrijRaj** Chauhan also emphasizes the positive relationship between the growth of agriculture and urban development and describes the impact of green revolution on urban development and vice-versa.[46] He explains the impact of urban development in the spread of rationality, banks, transport and communication and other urban institutions in the countryside and their positive influence on rural development.[47]

Thus, the above theories on **rural-urban** linkages proposed by Ranaanweitz, Maria Clawson, **Hugh.E.Evans,** Peter. L.Doan, Bertrand Renaud and others talk of positive aspects of relationships between town and country, that is, how proximity to town and its infrastructure facilitates rural development and vice versa. But, contrary to these theories, there are some other theories developed by Kautsky, Micheal Lipton, Micheal Peter who talks of how proximity to town has led to impoverishment of surrounding hinterland and how town function as parasitic in development.

Kautsky describing the mechanism of the exploitation of the country by the town says that as the villages become more and more dependent on cash, rural moneylenders acquire urban interests and compete with urban money lenders. As loans from urban banks replace with traditional source of

supply, borrowing gets cheaper, individual farmers get benefited. But, this urban lender invests the surplus money in the town and not in village as done by erstwhile village lenders. He further says that as communication develops, the land owner relations with city/town increases, he stays there, becomes absentee land lord, invests the surplus money in the town. At the same time, lower classes become more dependent on town for labour and for supply of everything. All the subsidies, welfare activities etc benefit rich class and thereby all the production, surplus money is invested in the town by this class, who most of them have strong links with town. Thus, he says that urban development which is a part of capitalist development leads to a steadily growing exploitation of agriculture.

Micheal Peter arguing on the same lines of Kautsky says the coming of large scale agriculture capitalism to the rural areas, have caused the collapse of the traditional rural economy, exodus to large cities and expansion of informal sector resulting in the urban primacy.[49]

Micheal Lipton, discussing the process of exploitation of the country by the town, says that, 'as villages become more and more dependent on cash, and as rural money lenders acquire urban interests and compete with urban lenders in spending the money on products of urban life and investment in urban areas, it leads to the deterioration of villages'.[50] The process that Lipton writes here is that which Harvey refers to when he speaks of the 'shift in the circulation of surplus value' that comes about with the development of capitalism. However Harvey argues that with

overall economic growth urban centre puts surplus value back into circulation in such a way that town/city functions as a 'growth centre' or 'generative town'. But, Lipton suggests that with type of economic growth that takes place where better linkages of rural areas with urban areas is leading to impoverishment of rural areas through penetration of consumer market into rural areas and thereby its impoverishment. Thus, Lipton views towns as being mainly exploitative and 'parasitic' in relation to their hinterlands.

Hoselitz (1955), Barber (1967), Frank (1971) also express similar views but from the perspective of centre-periphery relationship. They say that the relationship between the centre (town) and the surrounding countryside lies at the course of strategies which utilise the centres for regional and rural development. They view these settlements to be 'parasitic', sucking the wealth of the countryside giving nothing in return.[51]

Maria Clawson, Bertrand Renaud, Hugh. E.Evans, Peter. L.Doan, BrijRaj Chauhan, Harvey.D., Wibberly, Abt, Rondinelli, Mellor all through discuss the relations of urbanization and agriculture development and how they mutually reinforce each other. Another group of urban analysts viz., Kautsky, Micheal Lipton, Micheal Peter and others explain how urban development leads to rural impoverishment. While some emphasize agriculture as precondition to urban development, others emphasize urban development as a precondition to increased agricultural development. However, all these theories have their own limitations in explaining the

conditions under which urban and rural development mutually reinforce each other and are generative to each other. This may be because most of theories to a large extent discuss the urban-rural relations mostly from the spatial relations or sectoral linkage perspective and give little emphasis from the class relations or productive relations perspective, that is, networks between various classes involved in agriculture, industry and conditions behind these networks and their consequences.

Though they discuss the mutually influencing role of agriculture and industry for rural and urban development respectively, they gave little emphasis on the conditions under which this take place.

Efforts on these lines were started in very recent periods. Amitabh Kundu (1992) says different patterns of agricultural development generated different types of non-farm employment influencing different types of urban development.

In the areas of weak agricultural development, the growing labour force, forces growth of low productive non-agricultural activities in rural and urban areas which does not generate any development in the region. However, areas of sustained agriculture growth, generated positive non-farm employment both in rural as well as in neighbourhood towns leading to positive development. This process has resulted in a strong rural-urban linkages.[52]

A recent study sponsored by the Agro Climate Regional Planning Unit,

Ahmedabad (Kashyap and Desai: 1990) confirms the thesis that agricultural development and its impact on non-farm activities differ significantly in regions at different levels of agricultural development and land productivity.

Amitabh Kundu says an analysis of the linkages between agricultural development and non-agricultural activities and between rural and urban areas is not possible through an all India study taking all the districts. These linkages must be examined at different regions.[53] He examines the different levels of impact of agriculture on urban development through analysis of variation in the levels of agricultural production, its growth, cropping pattern and so forth.[54] He emphasizes the need for analyzing the pattern of agricultural growth and its linkages with non-agricultural activities. He says policies for strengthening the rural and urban linkages and promoting integrated regional development should be different for different sets of region. Similar sentiments were expressed by Misra.R.P., Sundaram K., Prakash Rao.V.L.S., where they advocate for area-wise studies to understand urban-rural picture. The theory of "Functional Economic Area" developed by Fox and Krishna Kumar (1965) also says that the regional urban systems can be identified according to their economic, geographical and transportation characteristics. Planning for urban development can be done on the basis of such region and according to the relative need and function of each town in its regional context.[58]

However, "Growth Centre Theory", "Agropolitan Theory", "Public Investment Paradigm", "Integrated Spatial Development", "Quite centres",

"New Towns", and the various other urban theories discuss the growth of small urban centres and its relation with hinterland from the point of view of either spatial linkages between urban-rural or from the point of view of sectoral linkages (industry and agriculture) and emphasize on what interventions are to be brought out in different spaces and sectors to get desired development. They give little importance to identifying and understanding the role of various relations and networks operating between different functional groups existing in urban and rural areas and how these networks manipulate sectoral linkages and spatial linkages and thereby influence the growth of small towns and regional development.

Most of these theories agree to the propositions that the growth of small urban centres depends on the vitality of its hinterland. But, these studies have limitations in explaining why towns in many countries inspite of strong hinterland are not developing. Even if developing, what type of development are they experiencing and what is the impact on the various sections of the region? Studies of this nature are not done in third world countries.[59]

Thus, it is suggested that research must enquire beyond the proposition that the growth of small towns depends on the vitality of hinterland and beyond studying the spatial and sectoral linkages between town and country. Efforts also should be made to study the socio-economic relations between various productive groups involved in these sectoral and spatial linkages in order to arrive at a more clear understanding of the causes and conditions of development and underdevelopment of small towns.

This point is aptly stated by Isaac Ayide Adalemo as fallows: "rather than rely on spatial structures per se, efforts are to be made to understand the linkages and dynamic social processes which enables the spatial structures to perform function of centre of development and influence the community positively". Going further, Andreas Bodenstedt says, efforts should be made to study town-country relationships in the context of concrete case studies focusing on the processes that cause "interlocking", "interlacing", or "interweaving" of existing relations. He views that these kind of studies are essential because, regional development processes depend on the existence and effectivitv of inter locked relationships between town and countryside.[62] He says that the focus should be on

a) The moral character of the exchanges going on between town and and country functional groups.
b) The conditions under which the town-country linkages improve and benefit both of them.

The present thesis makes attempts in these directions by studying the complete gamut of town-country networks functioning in Dharmavaram and Markapur regions and how they influence the growth processes of these two towns.

NOTES:

[1]Fu-chen Lo and Kamal Salih, from UNCRD, Nagoya, 1975 pp. 191-234.

[2]J.Hinderink & M.J.Titus, 1988, p 403.

Misra & Sundaram, 1978, Johnson, 1970, Berry, 1972 Rondinelli & Ruddle, 1978, Rondinelli & Evans, 1983.

[4]Mosher, 1969, Van Dusseldrop, 1971, ESCAP, 1979, Rondinelli, 1978.

[5]Johnson, 1970, Southall, 1979.

[6]Hinderink & Titus, op. cit, p 405.

Hardoy & Satterthwaite, 1986, p 5.

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UNCRD, Nagoya, Japan, Nov., 1975.

[9]Stuckey.B, 1975, p 90.

Misra & Sundaram, 1978, p 213.

[11]Hausen N, in O.P.Mathur (edt), 1982.

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Ahmad & Rahman, 1979, Kabwegyer,1979, Schatzberg, 1979.

[13]Boisier.s.in B.Prantilla (edt) UNCRD, 1981, pp 71-83.

[14]Hausen N, op. cit. 1982, p. 315.

[1] R.A.Obudho & G.O.Aduwo, in Jonathan Baker (edt), 1990, pp 61-62.

[16]Hausen.N.in O.P.Mathur (edt) UNCRD, op. cit.

[17]Misra R.P. Sundaram K.V. Prakash Rao V.L.S., 1974, p 213.

[18]UNCRD meeting in Nagoya, op. cit.

[19]Lo & Salih, 1981; Stohr,1981; Weaver, 1981.

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Misra R.P, Sundaram K.V and Praksash Rao V.L.S, 1981, p 214.

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John Friedmann and Mike Douglass, Nagoya, Japan, 1976.

[22]Stohr, 1986, p 6.

[23]J.Hinderink & M.J.Titus, 1990, p 407.

[24]Ibid.

Hausen. N, in O.P.Mathur op.cit. p 316.

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Richardson, in O.P.Mathur op.cit. p 335.

[27]Ibid, p 336.

[28]Ibid, p 348.

[29]Idib, p 348.

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Hackenberg R A. 1980, pp.402-406.

[31] Hausen N in O.P. Mathur, op. cit. pp 311-312.

[32] Ibid, pp 311-312.

33 Ranannweitz, "Rural-Urban relations in Developing Countries", in Rehovot conference, 1978, p 4.

[34] Ibid, p 7.

Ranaanweitz (edt), 1978, p 174.

[36] Ibid, p 177.

Rannanweitz (edt) op. cit. p 13.

38 Ranaanweitz, op. cit. p 125.

Bertand Renaud, 1981, p 91.

40 Ibid, p 92.

[41] Ibid, p 94.

Ranaanweitz, op. cit. p 124.

[43] Harris & Harris, 1984, p 83.

Hugh.E.Evans, 1992, p 641. Also see Hugh E.Evans in Richard May Jr.,Edt., 1989, PP 91-93.

Amitabh Kundu & Monis Raza, 1982, p 73.

[46] BrijRaj Chauhan, 1981, pp 129-130.

[47] BrijRaj Chauhan, 1990, p 55.

[48] Kautsky, in Micheal Lipton, 1977, p 117.

[49] Micheal Peter, 1984, p 58.

50 Harris & Harris, op. cit. p 85.

[51] Funnel D.C., in Alan Gilbert(edt), 1976, p 89.

[52] Amitabh Kundu, 1992, p 23.

[53] Ibid, p 24.

[54] Ibid.

[55] Ibid, p 45.

[56] Misra.R.P.et.al.,1974, p 112.

Fox F.A., Krishna Kumar T., 1965.

58 Krishna Kumar.T., in National Seminar on "Industrialization of States in India with Focus on Andhra Pradesh", University of Hyderabad, August 7-9, 1987.

59 For a discussion of these research gaps, please see, Hardoy & Satterthwaite, 1986, p 3.

Isaac Ayinde Adalemo, in Detlef Kammeier & Peter J.Swam, 1984 p 153.

Andreas Bodenstedt, 1982, chapter 27, p 2. The underlines are mine.

[62] Ibid.

[63] Ibid, p 11.

CHAPTER HI

SOCIO-ECONOMIC PROFILE OF DHARMAVARAM REGION

Hinterland.
Location and physical setting
Soils
Rainfall and Temperature
Demographic background
Occupational classification
Land-use pattern
Irrigation sources and extent of irrigation
Land holding details
Cropping patterns
Agro-based industries
Dharmavaram Town
Location
History
Population
Literacy
Medical and health facilities
Rainfall, temperature and water resources
Transport and communication
Occupational classification
Commerce and Trade

This chapter presents a brief outline of the socio-economic background of Dharmavaram town and its hinterland. Information pertaining to demography, occupational structure, land use patterns, cropping patterns, irrigational levels, land holdings distribution, commerce and trade is presented. The underlying assumption is, information on these lines would facilitate better understanding of the town-country networks functioning against this back drop.

The description of hinterland is followed by Dharmavaram town.

Hinterland:

The following mandals constitute the hinterland of Dharmavaram. They are Dharmavaram, Bathalapalli, Tadimarri, Chennekothapalli, Ramgiri, Kothacheruvu, Puttaparathi, Kanaganapalli, Bukkapatnam and Mudigubba.

Location and Physical setting:

The present study area lies between 14 and 15 North latitude and 77 and 78 Eastern latitude. This constitute the central part of Anantapur

district in the Rayalaseema region of Andhra Pradesh. Most of the area is made up of arid poor red soils. Since this is also a part of Deccan plateau, hills, shrubs, bushes, and unequal terrain is common, thereby a significant proportion of land is uncultivable.

Soils:

The soils around Dharmavaram consists of red loams and red sand soils. The soils in the region are less fertile with poor ground water levels.

Climate and Rainfall:

The period from December to February is the dry and cool season. The summer season extends from March to May, followed by the South-West monsoon season from June to September. October and November form the North-East

DHARMAVARAM REGION

monsoon season. The rainfall is mainly confined to the South-West monsoon. The highest rainfall usually is recorded in the months of August and September. The average rainfall of the region is 532 mm or *21* inches.[3] The mean daily maximum temperature is 39 c and the mean daily minimum temperature is 16.9^{o}c.[4]

Due to low rainfall and absence of any permanent irrigation facilities in terms of canals, the underground water level of the region is very low. However, in the sand tracks of the red soil due to its softness, the water retention power of the soil is high and thereby suitable to rainfed crops more particularly groundnut and pulses. The fields in the region produce bumper groundnut and is one of the highest groundnut cropped region in the entire country and is next only to Gujarath state.

Demographic Background:

The total population of hinterland according to 1991 census is 3,76,399, of which 52 percent are males and 48 percent are females. Further, 13.7 percent are S.Cs and 6 percent are S.Ts.

The population density of Dharmavaram hinterland according to 1991 census is 142.

The number of residential houses in the region is 75,276. The average size of the household is five.

Literacy:

The literacy levels in the hinterland of Dharmavaram is 31 percent. Within this, 22 percent are males and 9 percent are females.

Occupational Classification:

Of the total population of 3,76,399 , 48 percent are main workers, 3 percent are marginal workers and the remaining 49 percent are non-workers.

Of the 48 percent main workers, 21.6 percent are cultivators, that is, actual farmers and 19.3 percent are agricultural labourers. The remaining 7 percent are distributed in various activities viz., livestock, manufacturing, processing, construction, trade & commerce and other services.

Land use pattern:

From the table 3.1 we can observe that, the total geographical area of the study region is 7,97,414 acres. The total cropped area in Dharmavaram region is 3,66,677 acres which is 46 percent of the total geographical area. The net sown area is 3,54,966 acres which is 44.50 percent of the geographical area. Forests cover only 10.5 percent of lands, where as barren and uncultivable lands constitute 13 percent of the area. However, fallow lands are as high as 18.5 percent of the total geographical area. The Dharmavaram region's land use pattern when compared with whole Anantapur district is more or less same in all factors except that of gross area sown. While the gross sown area at the district level is 50.5 percent, it is only 46 percent in the Dharmavaram region.

We can also observe that the land use patterns in Dharmavaram region during the past seven years have not undergone any significant changes. The only noticeable change is in the net sown area, where it increased from 38 percent in 1985-86 to 44.5 percent in 1991-92 and in gross sown area from 39 percent in 1985-86 to 46 percent in 1991-92-

Table 3.1.
LAND USE PATTERN IN DHARMAVAM REGION

(Percentages)

Year	Total Geo-graphical Area (acrea)	Forest	Barren & uncultivable land	Permanent paaturea	Land Under Misc. Treaa	Cultivable Waste	Land Put to Non-Agricultural Uses	Currant Follow lands	othar follow landa	Nat Araa Sown	Araa Sown Hora than Onoa	Total-Cropped Araa
1985-86	703759	10.6	15	1.6	1	3.5	9	12	9.5	38	1	39(307916)
86-87	703760	10.6	16	1 6	1	3.5	9	16	9.5	35	.5	35.5(281130)
87-88	703759	10.6	16	1.6	1	3.5	9	11.5	9.6	38.5	.5	39(307530)
88-89	707213	10 6	16	1 6	.5	2	9	10	7	44.6	.1	44.5(354015)
89-90	700411	10.6	14	1.6	.5	2.6	9	8.5	6.5	47	2	49(389220)
00-01	700411	10.6	14	1.6	.5	2.6	9	12	7	43	1.6	44.5(351659)
01-02	707414	10.6	13	1.5	.6	2.5	9	12	6.6	44.5	1.5	46(366677)
	706389	10.5	14.6	1.5	.6	3	9	11.5	8	41.6	1	42.5(336879)

ftouroe: Compiled *from* tha Data available at Chief Planning Officer, Anantapur.

Irrigation Sources and Extent of Irrigation:

As Dharmavaram is devoid of any perennial revers and due to low rainfall (Anantapur district in which our study region **falls,** is the second most drought prone region in entire India after **Jaisalmar** district of Rajasthan) there are no large scale irrigation facilities. The only river which flows through the region is **"chitravathi"** a tributary of penna river which remains dry in most of the year.

The rainfall of Dharmavaram region is much below that of the district and state averages. Much of the rainfall depends on the south-west monsoons which again depends on cyclones. As per the World Bank other government reports due to decreasing rainfall the water table of the region is gradually going down and may become desert if adequate steps are not taken. Another important reason for rapid decrease of ground water tables is the excess use of tube wells which pulls out water in a rapid way when compared to recharging. The water level recharging through repairing of village tanks, construction of bunds, channels is irregular and minimum. Whatever minimum land that is irrigated is through dug wells, tube wells and village tanks. It is reflected if we observe from the table 3.2 that in the year 1991-92 of the total cropped area, only 14 percent, i.e., around 50,000 acres has irrigation facilities. Within these, a majority of land (687.) is under dug wells, 20 percent is irrigated through tanks and 5 percent through tube wells. These sources mostly depend on rainfall. Thus, the entire agriculture in Dharmavaram is almost a gamble with monsoon. The increase and decrease in the net and gross sown depends on the rainfall trends of each year.

Table 3.2

IRRIOATION SOURCES AMD EXTENT OF IRRIOATION IN DHARMAVARAM REGION

C Percentages)

Year	Canals	Tanks	Tubewells	Dugwells	Other Souroas	Nat Irrigation Araa	% of Nat sown araa (or) % of Nat Cropped araa
1985-86	-	.5	14.5	83	2	30330	10
66-67	-	3.5	1	95	.5	34695	12.5
67-66	-	12	4.5	82.5	1	30761	10.1
88-89	10	22	3	62	3	45616	12.9
69-90	1	35 5	3.5	53.5	6.5	42678	11.4
91-92	3 5	20	5	68	3.5	46257	13.0

* Other Sources s include Kunts. Springs, lift irrigation, Community tube wells, private surface irrigation
Data for the Year 1990 - 91 is not available

Source: Compiled from the Data available at Chief Planning Officer, Anantapur.

An observation of the irrigation patterns during the past seven years reveals that, the irrigation under tanks is increasing while that of tube wells and dug wells is decreasing. This might be due to decreasing levels of water tables in the region and consequent failures of tube wells.

Coming to the cropping pattern, under irrigated lands, mostly paddy and mulberry are grown in kharif and groundnut, mulberry, sunflower, orange, batavia and vegetables are grown in rabbi season.

The mulberry cultivation which is cultivated in 6000 acres (1.5% of the total net sown area) was started since early 1980s due to the support of State and Central governments and numerous advantages interms of income, employment, and cropping intensity. Each year around 500 to 600 acres is increasing in mulberry cultivation. The sunflower is another new crop in Dharmavaram. It is mostly started in late 1980s.

Coming to the intensity of cropping, as mentioned earlier, only 50,000 acres have irrigation facilities. Of this, area irrigated more than once, is around 10,000 acres. Within this, 6000 acres is under mulberry cultivation. In the rest of the irrigated area the predominant crops grown are paddy, groundnut, sunflower, oranges and batavia. Only in the 6000 acres in which mulberry is grown, the intensity of cropping is high. On an average per year three crops are grown on each acre of mulberry crop.

Land Holding Details:

From the table 3.3 we can notice that, of the 74,580 holdings in the Dharmavaram region, 58 percent are of small and marginal farmers, 39 percent holdings are of semi-medium and medium farmers and the rest 3

percent of the holdings **are of large farmers.**

Table 3.3

LAND HOLDINGS IN DHARMAVARAM REGION

On Acres)

Type of Land Holding/Farmer	Number of Holdings	Percentage of Total Holdings	Area Under this catogory	Percentage of Total area
Marginal and Small	(21365+21946) =43311	58	1,09,965	25
Semi medium & medium	(20807+8015) =28822	39	2,45,214	54
Large	(2012+435) =2447	03	99,478	22
Total	74580	100	4,54,657	100
District Level	4,31,839	100	29,40,735	100

Average size of an holding = 6.1 acres

Source: Agricultural Census, 1991, Office of the Chief Plannig Officer, Anantapur.

Though 58 percent of the holdings are with small and marginal farmers, they own only 25 percent of the total area of the land. And the semi-medium and medium farmers hold 54 percent of the land and the large farmers who though hold only 3 percent of the holdings covers 22 percent of the total area.

Cropping Pattern:

From the table 3.4 we can notice that in the year 1991-92 around 86 percent of the cropped land is under groundnut crop and 5 percent is under paddy cultivation. In the rest 9 percent of the land, mulberry, sunflower

Table 3.4

CROPPING PATTERN IN DHARMAVARAM REGION

(Percentages)

Year	Caraala	Major Millets	Minor Hlllala	Pulses	Ground nut	Mulbery	Sugar oana	Cotton	Fruits	Vegetables	Sun Flower	Total Croppped Area (Acres)
1985-86	2 7	3 6	1 2	6	84	.8	.2	.04	1.3	.2	—	307156
86-87	3	4	6	4 5	85	.9	.2	.02	1.6	.2		281130
87-88	2 6	3 5	1	5	64	1	.2	02	1.6	.2	--	308244
88-89	7	1 5	5	3 5	84	1	.2	--	1.5	.2	—	380464
89-90	6	1	1	3	83.5	1	.3	--	1.6	.5	--	389890
90-91	3	1.2	04	3.2	87.5	1	.2	--	1.8	.4	.8	351659
91-92	6	9	02	3	85.9	1.6	.2	--	16	.6	1.2	366877
Average	4 6	2	5	4	85	1	2	.01	1.6	3	.3	340746

Source Compiled from the Data Available at Chief Planning Officer, Anantapur.

and millets are cultivated.

If we observe the cropping pattern patterns of the past seven years we can notice that, the area under millets and pulses is decreasing, while there is increase of the area under cereals, groundnut, mulberry and sun flower.

In Dharmavaram region, food crops are grown only in around 11 percent of the total cropped area and in remaining 88 percent of the cropped area, commercial crops like groundnut, mulberry, sunflower, batavia and oranges are grown. This is a basis for increased rural-urban linkages.

Thus, most of the Agro-based industries other than silk related are groundnut mills and rice mills.

AGRO-BASED INDUSTRIES:

Groundnut Mills:

At present there are 26 groundnut mills in Dharmavaram town besides 20 mills in the hinterland.

Of the 26 mills existing in Dharmavaram town, 10 are oil producing mills and the rest 16 are decorticating mills. According to 1961 census, there were 3 Groundnut oil mills in Dharmavaram town and 2 in its hinterland. By 1970 their strength increased to 10. In the 1970-80 decade, 5 more mills came up. However in the 1980-90 decade as many as 11 mills were established.[8] The increase in the number of mills is more rapid from 1985 and all the recently established mills are owned by landlords from the hinterland of Dharmavaram and not by urban Vaishya caste members who own most of the earlier groundnut mills.[9]

The groundnut cultivated lands of Dharmavaram and adjoining regions are fertile thereby the outen of the groundnut is high, durability of the seed is high, and the quality of oil from the groundnut of this region is high. Thereby there is greater demand for the seeds and oil of this region throught out India. This may be one of the important reasons for the existence of more number of mills in Dharmavaram when compared to other small towns in Anantapur district.

The turnover of the Dharmavaram groundnut mills is around Rs. 28 to 30 crores. Each year they buy around Rs.30 crores worth of product. They produce Rs.10 crore worth of oil. Half of the product after

dechotomising, the seeds are exported and the rest half is crushed to get oil.

In decorticating units, the groundnut is shelled and the seed is either exported or sold to the oil producers. The oil producers besides buying the seed from decorticating units purchase groundnut directly from ryots, shell and crush it in their factories and export the oil. As the groundnut is a predominantly rain fed crop cultivated in Kharif season, the yield is obtained during December to February. Thereby all the groundnut mills function at their peak from December to May and in the rest of the months work load will be less. The raw material for the factories is usually secured from within the district and also is purchased from the neighbouring districts viz. Kurnool, Cuddapah and Chittoor and sometimes from Mysore region.

As mentioned earlier, as the quality of the groundnut seed in the region is better, the seeds are more preferred in many places within Andhra Pradesh and in the rest of India. The seeds are supplied to Guntur, Kalahasti region, Karnataka, Culcutta and parts of Gujarath. Oil is supplied all over India.[13] Rainfall plays a major role in the economy of the region on which depends the entire groundnut crop, outen and oil quality.

In Dharmavaram around 350 people are employed directly and indirectly in all these mills. These mills are a great source of sales tax and income tax in the region.

The recent increase in the number of mills is mainly due to investment by rural people in urban industrial activities. Another reason is the availability of large funds from Banks. The Dharmavaram State Bank of India branch alone has financed for 13 oil mills and given loans to an extent of Rs.15 lakhs. Further, State Finance corporation also has given loans for these mills.

Besides these groundnut mills, there are 10 rice mills which draws product from the surrounding hinterland. Further there are around 20 to 25 rice mills in various villages and mandal head quarters of the hinterland. In total there are around 51 rice, flour, dall and oil mills in Dharmavaram town. Further, there are 4 cotton ginning mills, 5 printing presses, 5 coffee works, 11 saw mills.[17]

DHARMAVARAM TOWN

Location:

Dharmavaram town is centrally located in Anantapur district at 14 -25 North latitude and 77°43 East longitude. Dharmavaram is a railway junction on the Bangalore - Guntakal broad guage line and is located on the Guntakal-Pakala metre guage section. It is the head quarters of the Revenue Division in the district and is about 40 kms south of Anantapur, the district headquarters. It is located 354 Kms from Hyderabad, the capital of Andhra Pradesh.[18]

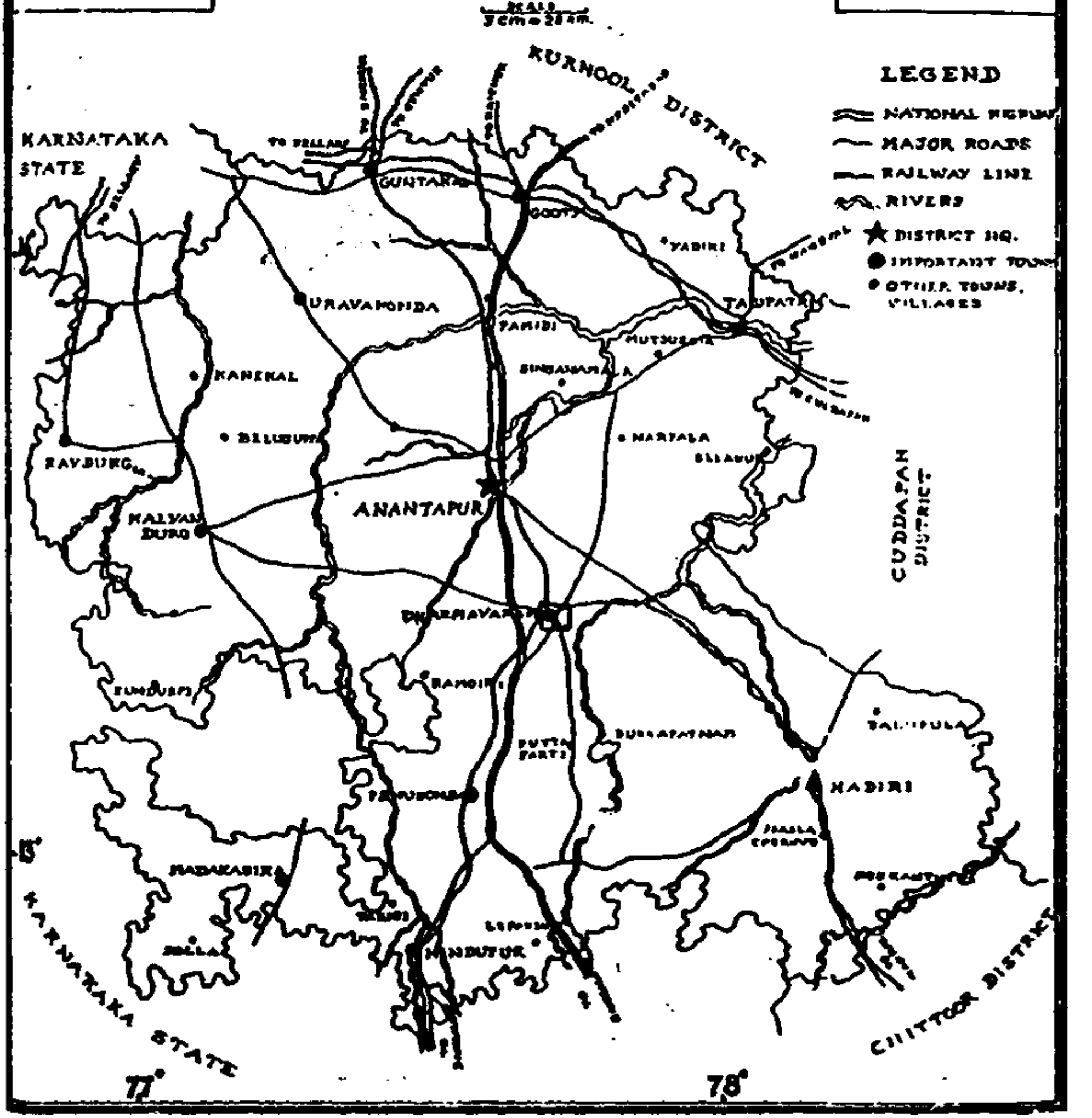
History:

Yadayar swami who was staying in Vudayagiri came to chilamuttnur and after consulting Karnam Thummala Mallarasu decided to build a village near Chilamuttnur. He built the village in 1153-54 and named it as Dharmavaram based on the name of his mother Dharmamba.[19] Yadayar also built a tank which is now called as Kriyashati Yadayar tank. He also brought a statue of God Sri Chennakesava Swami and placed it in Dharmavaram. Later on Dharmavaram was one of the four villages given by Aliyamaraya to Hande Hanumappa in raward for the help rendered to him in the struggle for power. Thus, it came into the hands of the Hande chief from Vijayanagar. From 1573. the place came under the palegar of Rayadurg Dharmavaram. subsequently came under Golconda, Hyder Ali, Tippu and was later occupied by the British. The town was constituted into a Municipality in the year 1964.[20]

The tank of Dharmavaram lies on the banks of Chitravathi river.

DHARMAVARAIf TOWN IN

ANANTAPUR DISTRICT



Around 2000 acres of land is irrigated under this tank. The excess water flows to Chitravathi which meets Penna river and flows into Bay of Bengal near Nellore.[21]

General Features of **Dharmavaram Town:**

Population:

The total population of the town according to 1991 census is 78,961 of which 40,714 (527.) are males and **38,247(48%)** are females. In Dharmavaram nearly 5 percent belong to Scheduled Castes and 1 percent to Scheduled Tribes. The population growth since 1951 is presented in the below given table.

Table:3.5

Population Growth of Dharmavaram Town

Year	Population	Decade variation	Growth rate (%)
1951	14,703	+2616	21.64
1961	20,405	•5702	30.78
1971	30,876	•10471	51.32
1981	50,969	•20093	65.08
1991	78.961	•27992	54.92

Source: Census of India, 1991.

From the table 3.5 we can observe that the population of the town increased from 14,703 in 1951 to 78,961 in 1991 registering a growth rate of 437 percent during the last four decades. In 1961 the town had a population of over 20,000 with a growth rate of about 39 percent. In 1971 and 1981 Dharmavaram recorded rapid growth rates of 51 percent and 65

percent respectively. Though in 1991 the growth rate decreased to 55 percent, the town recorded an all time high growth in terms of raise in absolute increase of population of nearly 28,000 between 1981-91 decade.

Nearly an estimated 60 percent of population in the town are from weavers caste who are mainly from Thogata and Padmasali sects.[22] Muslims constitute 7 to 8 percent of the population. Other important groups are Vaishyas, Balijas, Kammas[23] and Reddys.

Population Density:

As Dharmavaram began growing rapidly from 1961, the population density of it is increasing tremendously. It rose from 847 in 1971 to 1399 in 1981 and as high as 2168 by 1991 census.

Literacy:

Of the total population of 78,961, 45 percent (35,443) are literates. Of this, 29 percent (22,999) are males and 16 percent (12,444) are females.

In Dharmavaram there is one Degree college, one Junior college, 5 high schools, 31 primary and upper primary schools. Of the 31 lower level schools, 19 are run by Municipality and the remaining 12 are under private management.

Medical and Health Facilities:

There is a Government Hospital with about 45 beds. Besides this there are 2 nursing homes and 20 clinics and dispensaries run by private practitioners.[24] The Government hospital is located in its own building in

the heart of the town near the Municipal office and is being attended by five doctors, two nurses and two mid wives The average number of out-patients treated by this hospital is about 500 per day. There are about 30 medical shops to cater the medicinal needs of the town and hinterland. People from about 15 kilometers from hinterland come to Dharmavaram for medical and health checkups and treatment. The opening of 300 bed super speciality hospital in Puttaparthi, 32 kms away from Dharmavaram will significantly improve the health conditions of the people of Dharmavaram region.

Rainfall, Temperature and Water Resources:

The average rainfall of Dharmavaram town for the past thirty years is 532.2 mm which is slightly less than the District average i.e., 544 mm. Most of the rainfall is due to the South-West monsoons and occurs between the months of July and September. In the remaining period of the year the weather remains mostly dry with moderate rains in November. The maximum temperature in the town is 41 c and the minimum is 16.9 c.

In Dharmavaram town there are around 203 public taps besides 2150 private taps. The main source of water is Kunuturu rivulet besides the famous Dharmavaram tank.[27] If the rains are sufficient and when tank is full the town has no water problem. However as the region usually experiences less and erratic rains and in the absence of perennial rivers. Dharmavaram very often face severe water problem. To mention, during January and February months of 1993,[28] Dharmavaram was facing acute shortage of water due to insufficient rains in the previous year. There was too much pressure on the local member of the legislative assembly. According

to him, efforts are being made to find out permanent solution to Dharmavram's water problem. As a part of this he got permission from the concerned authorities to dig bores in the nearby Chitravathi river and supply water to the town through pipe line system.

Transport and Communication:

Dharmavaram is a railway junction on the Bangalore-Guntakal Broadguage line and is located on the Guntakal-Pakala yetre guage section. All the express trains going towards Bangalore and Tirupathi pass through Dharmavaram. Dharmavaram being located in the central part of the district has good road transport facility to all towns in the district. Further, another important feature is all the buses which start from Puttaparthi pass through Dharmavaram. APSRTC runs bus services to all major and important towns in Andhra Pradesh and many major cities in South India from Puttaparthi. These bus services are extremely useful for Dharmavaram silk traders and various silk agents who come to Dharmavaram to undertake silk business transactions.

About 2 lakh passengers are alighting the trains and an equal number are boarding the trains in Dharmavaram in a calendar year. About 10.000 quintals of goods are being imported into the towns from the out-stations in a calendar year and about 4500 quintals of goods are being exported from the town in a year. The bulk of the imported goods are food grains, pulses, and cement. The major items of exports are groundnut seeds & oil. As many as 264 bus services are being operated daily by the APSRTC from Dharmavram to other places & vice-versa, carrying a total of about 13,000 passengers a day on both directions.

Dharmavaram bus Depot is reaching its target laid down by the state RTC unit for the past five years. It is reaching its **daily** target collections of Rs 1,80,000.[31] The existing buses are inadequate, since commuters to Dharmavaram are very high because of its intensive silk industrial linkages & transactions not only with its hinterland **but** also with the entire district and various parts of the State.[32]

Dharmavaram also has well laid down Telephone and Telegraph facilities. It also has S.T.D facilities. Further, there are as many as six dish antenna cable operation centres catering to the needs of rapidly increasing television viewership.

Occupational Classification:

Of the total population of 78,961, 33 percent (26,162) are main workers, 1 percent (949) are marginal workers and the rest 66 percent (51,850) are non-workers.

Of the 33 percent main workers, 7.5 percent of them work in household manufacturing sector. This is mainly in household silk reeling and twisting units. 6 percent are engaged in commerce and trade sector. Also 4 percent of them are agriculture labours and nearly 4 **percent** work in miscellaneous services.[33]

Commerce and Trade:

Silk industry and **agro-based** industries are the basic **economic** activities of the Dharmavaram town. Hence, the activities of these

industries constitute the major commerce and trade of Dharmavaram town. Table 3.6 concludes the same.

Table:3.6

Export, Import and Manufacture of Three Most Important Commodities of Dharmavaram

Year	Import	Export	Manufacture
1981	Silk yarn	Silk sarees	Silk sarees
	Groundnuts	Groundnut oil	Groundnut oil
	Rice & Pulses	Groundnut oil	Iron Almyrahs

Source: Census of India, 1981, Town Directory of Andhra Pradesh.

A detailed account of the growth and functioning of the groundnut and rice mills is already presented in pp 52 to 54 of the present chapter.

The following table gives details of various kinds of commercial shops and units existing in Dharmavaram town.

General stores	75 to 80
fertilizer shops	15 (there are 20 shops in hinterland)
cloth stores	100
garments	10
crockery and electronic	10
agro servicing and sales units	23
brandy shops	28
iron shops (hardware and paints)	06
rice mills	10
saw mills	11

brick making units	= 12
cinema theaters	= 09
hotels	= 20
lodges	= 10

There are 8 banks in Dharmavaram town. In 1992-93 State Bank of India has given loans to 400 weavers. Per year on an average this bank gives new loans to 50 weavers.[34]

Vaishya bank is the leading bank in the town for giving loans to silk saree merchants. During the year 1992-93 there were 47 accounts of silk merchants in this bank alone.[35]

As already mentioned nearly 60 percent of population in Dharmavaram is from weaver caste particularly from Thogota and Padmasali sects. The basic values of this community towards their work and occupation occupies an important place while discussing the development of trade and commerce of Dharmavaram town. People of this community are hard working, peace loving. Weavers have an indigenous ethic of brotherhood and the sense of equality. Weavers feel the dignity of labour to utilise their skill, craftsmenship, and their social status is evaluated on the basis of their hard work. Weavers have commitment and sincerity towards their work. Weavers and silk merchants in Dharmavaram are peace loving, hard working and have total devotion towards their work. Though they have affiliations towards political parties, they show little interest in direct political activities and in the local conflicts.[38] The weavers of North Coramandal area also have the same qualities.[39] These qualities of most of the weavers and silk merchants played an important role in developing a sort of work culture in

Dharmavaram where people are devoted to their occupations and are hard working. This to some extent influenced weavers, silk merchants and other sections to utilise all the help provided by the State Government and develop silk industry and strengthen the economy of the Dharmavaram town.

A detailed description of the economic structure of town particularly those pertaining to silk industry and other related sectors is presented in the following chapter and in chapter VII.

NOTES:

"Report of Town Planning Scheme for Dharmavaram, Director of Town & and Country Planning, Hyderabad, 1988, p 1.

2 Geographically and historically Andhra Pradesh is divided into three regions. They are Andhra, Rayalaseema and Telangana.

3 Anantapur district in which Dharmavaram region falls, has the lowest rainfall in Andhra pradesh and even at all-India level it is second lowest. See N.Purendra Prasad., 1994., pp 49-50.

4 Hand Book of Statistics, Anantapur District, 19992-93. Compiled by Chief Planning Officer, Anantapur; p 55.

Reddy.A.V., "A Report on the Recurring Droughts of Anantapur-Impending danger of Desertification (Mimeo), p 82.

0-2.46 acres = Marginal farmers.
2.47- 4.93 acres = Small farmers.
4.94- 9.87 acres = Semi-Medium.
9.88- 24.70 acres = Medium.
24.71 & above = Large farmers.

7 As per the data provided by Assistant Labour officer, Dharmavaram, Assistant Commercial Tax Officer, Dharmavaram, and Adinarayana, President of Dharmavaram Groundnut Oil Mill Owners Association.

8 Adinarayana, Op.cit.

9 Ibid.

Field notes. Interviews with Assistant Directors of Agriculture and Marketing departments, and Adinarayana, op.cit.

Annual report of Groundnut Mill owners Association, Dharmavaram, 1992.

12 Census reports 1961, p 341.
Field Notes, Discussions with Adinarayana, op.cit.

13 Field Notes. Interview with Transport Division, Dharmavaram Railway Station, President, Lorry owners Association, and Adinarayana, op.cit.

14 Reports of the Assistant Labour Officer. Dharmavaram.
Field notes. Interview with Adinarayana, Op.cit. The researcher personally visited seven groundnut mills. The average workers strength in each unit is 12.

Field note. Interview with Assistant Commercial officer, Dharmavaram

Data provided by Manager, State Bank of India. Dharmavaram

17 Office of the Assistant Labour Officer. Dharmavaram. op.cit and Administrative reports of Dharmavaram Municipality. 1991-92.

Director of Town & Country Planning, 1988, op.cit., p 1.

19 Silver Jubilee Souvenir on Dharmavaram Municipality, Office of the Municipal Commissioner, Dharmavaram.

20 Ibid.

21 Ibid.

Reports of the Assistant Director, Department of Sericulture. Field note. Annual reports and pamphlets of silk weavers association, Dharmavaram. Interviews with various members of silk industry also confirmed the same.

Fieldnote. Interviews with senior citizens and silk industry related people.

24 Field notes. Interviews with Dr.Subba Rao, General Secretary of the Private Practitioners Association, Dharmavaram. Also see Director, Town 8. Country Planning, op.cit. p 14.

25 Field note. Interviews with Dr. Subba Rao, op.cit and Superintendent, Government Hospital, Dharmavaram.

Puttaparthi is the place where Bhagavan Sathya SaiBaba resides.

27 Administrative reports of Dharmavaram Municipality, 1992-1993, op.cit.

28 Researcher was in the field during this period.

29 When the thesis writing was in progress, the bores were dug and water is being supplied to Dharmavaram town.

30 Director of Town & Country Planning, op.cit. p 16.

31 Manager, APSRTC, Dharmavaram.

32 Ibid.

33 This information drawn from census reports fails to provide the actual occupational scenario of Dharmavaram town. This is because, most of the silk industrial activities are run through informal and non-registered units. Most of the weavers households would answer to census enumerators that only one member in the family is actually working and earning and others particularly women and children are non-workers.

The researcher experienced the same while the weavers households survey was conducted. However, when they came to know that 1 am not a government person, they expressed the inner details of their household working patterns in greater detail. This is true with related to silk reeling and twisting units also.

34 Field Note. Interview with Manager. State Bank of India. Dharmavaram

Annual reports of the Vaishya Bank. Dharmavaram, 1992-93.

36 Artherburn J.Yvonne, 1982, pp 151-152.

[37] Mohammed. P. H., 1993, p 49.

[38] Weavers of Gudekal also possess the same qualities. Mohammed in his study of Gudekal weavers, says that weavers of Gudekal show very little interest in the political activities or local conflicts. Values like sincerity, hard work, dedication to work (the attitude of work is worship) still show their influence on the weavers and their way of life Mohammed.P. H., 1993, pp 46-49.

[39] For details please see Chapter 3, Caste, Custom and Community: The Social world of the Weavers.Swarnalatha P., 1991.

CHAPTER IV

SILK INDUSTRY IN DHARMAVARAM

Origin and growth of silk industry
Structure of silk industry
Non-Farm Activities
Silk weaving
Raw silk centre
Zari centre
Dyeing units
Reeling and twisting units
Designers
Loom **Material** dealers
Silk saree shops
Non-institutional finance
On-Farm Activities
Cultivation of mulberry crop

Role of state government in the development
of silk industry of Dharmavaram

Establishment of government cocoon market yard.
Role of seriFed in silk industry
Silk weavers cooperative societies

This chapter presents an account of the silk industry in Dharmavaram. It is felt that, this detailed account is necessary for a proper appreciation of the theoretical arguments regarding the town-country networks which support the growth of a small town.

Silk industry in Dharmavaram region is an important agro-based, labour-intensive, export-oriented cottage industry. The industry consists of mulberry cultivation, silkworm rearing, reeling, twisting, dyeing, weaving and trading which are inseparable links as a chain.

This chapter besides giving an historical account of the silk industry, also focuses on the rapid growth of various units of silk industry in the recent decades and the role of state government behind the growth of silk industry in this region.

The main sections of this chapter are as follows.

1. Origin and Growth of Silk Weaving.
2. Pattern of development of various phases of silk industry.
3. Role of state government in the development of silk industry.

Origin and Growth of Silk Industry:

Dharmavaram is predominantly a weavers centre. During nineteenth century it was famous for cotton weaving and noted for its products. "Dharmavaram is the chief place where fine cloth for female wear is made. The most effective and characteristic cloth is one with a white ground of white 'check pattern, crimson borders and brocade ends, some times figures of flowers, birds, etc". However due to severe competition from machine

made cotton goods, in the early part of this century the erstwhile cotton weavers converted themselves to silk weaving.[2] At the end of the 19th century there were about 100 silk weaving looms. They produced both male and female wear, jackets, turbans, handkerchiefs and rumals. Products were mainly exported to Gooty, Anantapur, Hindupur, Penukonda and Bangalore.[3]

However discussions with various established master weavers revealed that around 1900, cotton weavers began mixing silk threads to cotton weaving. By 1915-1920s few enterprising weavers started weaving clothes with 50 percent cotton and 50 percent silk who later gradually began weaving complete silk clothes.[4] In 1930s more particularly during 1932-33 there were around 500 silk looms besides 1000 cotton looms in Dharmavaram in addition to about 1000 cotton looms in the hinterland. According to Gazetteer (vol.11, 1930) by 1930 in Dharmavaram there were about 500 silk looms employed in silk weaving and lace sarees for which there was market even in Rangoon and Ceylone. The cost of the sari ranged from Rs. 35 to Rs. 150. A co-operative society was started in Dharmavaram as early as in 1927, which supplied silk to the weavers at a small profit and arranged for the sale of the finished goods through a joint stock company in order to yield more profits to the weavers.

The old Bellary Manual (1892) covering a major portion of the present Anantapur district and Anantapur Gazetteer (1905) records that the master weavers obtained raw silk from Bangalore, Mysore, retailers of Bellary. Hubli.[8] Silk was sometimes bought 'ready dyed' and some tiroes locally dyed using both mineral dyes and vegetables. In 1927 the silk merchants of Dharmavaram got their silk twisted through muslim vendors from Gudiyatham,

Ambar and other places. Only a little silk was twisted locally.

In the course of time all the weavers in Dharmavaram region started silk weaving. Further, the erstwhile cotton weavers not only from surrounding hinterland but also from different taluks of Anantapur district after converting to silk weaving began migrating to Dharmavaram as it is more important silk centre. To mention, migration was more intense from Yadiki and other places of Tadipartri taluk. According to a census conducted by Department of Handlooms, in 1959 there were 1000 silk weavers with about 2500 looms in Dharmavaram town. However according to 1961 census reports, there were about 3000 silk handlooms in Dharmavaram and adjoining villages both under co-operative sector as well as under master weavers, providing employment to around 6000 persons. It further says that the total output from all the looms interms of money, amounts appropriately about Rs 9,00,000 per month. The silk products produced here are famous for their texture, quality, and durability and found market all over the country. The price of the sarees ranged from Rs. 50 to 500 based on the quality of designs and amount of zari used.

However in early 1960s in the hinterland of Dharmavaram, silk weaving was practiced mainly in three villages, while cotton weaving was continued in as many as 20 villages which had all economic linkages and transactions with Tadipatri and Yadiki towns.[12] Some of the noted weaving villages in the hinterland of Dharmavaram were Nyamaddela (Dharmavaram mandalam), Kodavanlapalli (Mudigubba mandalam). Siddarampuram (Corantla mandalam) and Medapuram (Dharmavaram mandalam).[13]

Kothapalem Srinivasulu, the general secretary of the Dharmavaram Silk Handlooms Manufacturers Society, has been in the silk business for the past sixty years. Srinivasulu says that the conversion from cotton to silk weaving occurred in 1920s. The cost of silk sari during 1933-34 was Rs. 18 and the wages per saree were Rs.6 and 50 paise. During 1934-35 a roaster weavers society was formed in Dharmavaram- There were around 15 master weavers. All the looms owned by these master weavers were brought under this society. It functioned for one year and later got disintegrated due to some functional problems.

Historical Background:

There is very interesting history behind the growth of silk weaving in Dharmavaram. The main reason for the growth of silk weaving in Dharmavaram is the availability of raw silk in Bangalore, the nearest city to Dharmavaram (180 kms). In fact, the present status of Anantapur district as the sericulture center in Andhra Pradesh is mainly because of it being the neighboring district to Karnataka region. More particularly near to Mysore-Bangalore region which is the silk bowl of India.

Rajahs of Mysore had matrimonial links with Kashmiri kings, who passed on the techniques of sericulture to them. Sericulture was introduced in Karnataka by Tippu Sultan during 1790s. Tippu Sultan took extreme interest and used to send orders regarding the development *of* sericulture even from the battle fields.[14] Thus, right from Tippu period sericulture and other silk related activities began to develop in Mysore region. The other main reason is the presence of cool and moderate weather conditions of Mysore-Bangalore zone which are suitable to mulberry cultivation. Later

on, it began spreading to other districts of Karnataka and slowly to the neighboring villages of Andhra Pradesh border, that is, Hindupur region in Anantapur district. Andhra Pradesh State Government by noticing the changes occurring in the border villages of Karnataka which were cultivating sericulture took interest in the development of entire district which led to rapid increase and development in the cultivation of mulberry crop. However, the two important aspects which explains the growth of silk weaving in Dharmavaram and its surrounding region are

1. The shift to silk weaving from cotton weaving. This mainly due to availability of raw silk in the nearby city, i.e. Bangalore.

2. Higher remunerative and profit nature of silk weaving due to greater demand for silk sarees.

Structure of Silk Industry:

Dharmavaram region was traditionally a silk weaving centre. Thus, here before on-farm activities, non-farm activities were started. Later on in the recent years more particularly from the 1980-81 on-farm activities were started. Thus, first the growth of non-farm activities is discussed.

Non-Farm Activities:

Silk Weaving:

In 1970s there were only 4000 to 5OOO looms in Dharmavaram town besides 1000 to 1500 in surrounding villages. However, by 1980 they rose to 8000 in Dharmavaram and 2500 in hinterland. And further by 1992 the looms strength rose to as high as 20,000 in Dharmavaram and 10,000 in villages.

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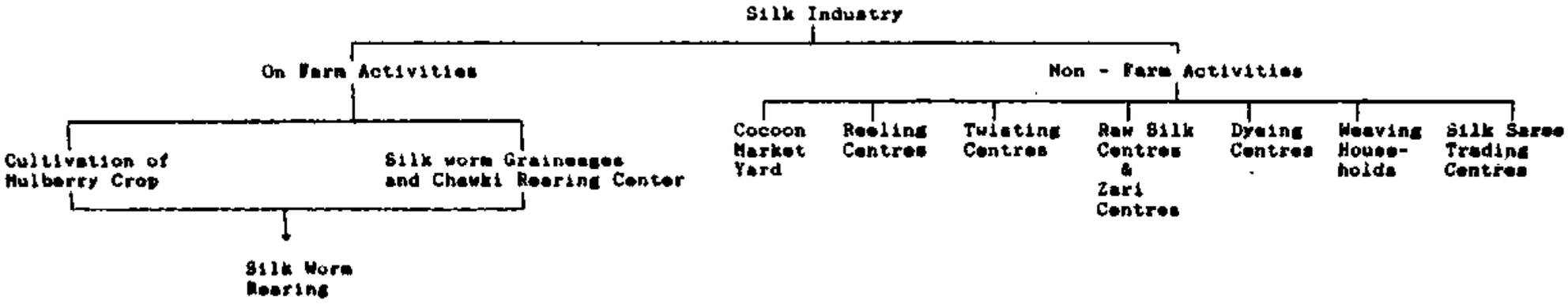
STRUCTURE OF SILK INDUSTRY



This tremendous rise in the silk weavers occurred simultaneously along with various changes and developments in other facets of silk industry within the non-farm activities like the raw silk centers, zari centres, dyeing centers and silk saree shops.

Raw Silk Centres:

Due to rapid improvement in the loomage and weaving, the demand for raw silk increased automatically. As mentioned earlier, before 1980s the entire raw silk was brought from Bangalore. As the demand for the raw silk increased the dealers who bought silk from Bangalore and selling in Dharmavaram increased rapidly. The raw silk shops which were 10 in 1980 increased to more than 200 by 1992. All the weavers from the Dharmavaram and the surrounding region buy raw silk from these raw silk centers. About 90,000 kgs of raw silk is consumed per month and nearly on an average 1,00,000 sarees are produced per month in the Dharmavaram region.[18]

Zari Dealers:

One of the important inputs in weaving apart from raw silk is zari. *Zari,* a type of fine gold thread is used for designs and borders of silk fabrics. As the consumption of zari increased, the number of zari dealers increased. At present there are around 15 to 20 main zari dealers who get material from Surat in Gujarath. Further, there are nearly 100 small zari dealers who sell it to weavers and various weavers co-operative societies[19]

Dyeing Units:

As the loomage increased, the production of sarees increased. Therefore the demand for dyeing units increased. One *at* the main reason

behind the fame of Dharmavaram silk sarees and stabilization of silk industry in Dharmavaram town is its dyeing system. The Dharmavaram water (according to the statements of various personnel involved in the silk industry) gives a bright shine to the dyed cloth and improves its softness. The dyeing work played an important and crucial role in the development of silk industry. Due to greater usage of raw silk and weaving of silk sarees the demand for dyeing units increased. In 1970 there were only 4 to 5 dyeing units. By 1980 their strength increased to 10. However, by 1992 their number rose to 40.[20]

Though traditionally dyeing was done with herbs, vegetables and leaves like karakkaya, pista, annabedi etc., in the recent years chemicals are used. These chemicals are brought from Bombay and Bangalore.[21]

In each dyeing centre 8 to 10 workers are employed. Here, 3 to 4 workers are skilled labours who decides chemical mixing, intensity of coloring etc., and are paid wages not less than Rs. 30 to 40 per day. The unskilled workers are paid Rs. 20 to 25 per day.[22] Most of the workers in these dyeing units are from surrounding villages.[23]

Reeling Units and Twisting Units:

Reeling units occupy a crucial position and play an important role in the entire silk industry. Reeling units are the link between on-farm activities and non-farm activities of silk industry. Silk reelers buy cocoons from the mulberry farmers in the government cocoon market yard The entire development of reeling and twisting units is based on the availability of cocoons for which on-farm activities are the basis The

development of reeling and twisting units started in Dharmavaram only in 1980s because before that no on-farm activities existed in Dharmavaram region. Thus, the development of on-farm activities and reeling and twisting units occurred simultaneously from 1980s. At present there are around 65 reeling units. Out of which 8 are major units and the rest are small-scale/household units.[24]

There are around 60-65 twisting units. Out of which 10 are major and the rest are smaller units. Twisting units improve the tension of silk threads.[25]

In each household reeling unit there will be 2 to 6 charkas which employ on an average 6 to 8 members. Regarding twisting units, in the case of small-scale units there will be 6 members. Thus, except major units, most of the small scale reeling and twisting units are of household units where most of the work is done by family members besides employing one or two outside members.[26]

In reeling and twisting units children are also employed. In winding stage (of weft) children are normally employed. The small and nimble fingures of children are suitable to this work.

Designers:

Designers play an important role in silk industry. Marketing of the silk fabrics is mostly dependent upon the attractive designs set by these designers. There are nearly 100 design setters in Dharmavaram.

Designers will be under the control of the silk merchants because it is they who decide the changes in design patterns according to their needs and requirements based on market trends. For each inch of designing a designer is paid one rupee. If two designers work for two days, they may get any where from Rs.lOO to Rs. 150.

Loom Material Dealers:

There are nearly 30 dealers who provide loom materials in Dharmavaram. Some of the loom materials are also manufactured in Dharmavaram town. There are nearly 12 to 15 such manufacturers in the town. This is mainly a cottage industry. Only family labour is engaged in manufacturing the loom material.

Silk Saree Shops:

As mentioned earlier, when master weavers had complete hold on the silk industry, master weavers were exclusively from weavers caste. In

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1930s their strength was around 20. By 1960 it increased to around 60. However, due to basic changes in the structure of silk industry, with the growth of the independence of weavers and other concurrent changes, the nature of the silk merchants and their role underwent rapid changes and there is tremendous increase in silk shops.

The main reasons behind the steep increase in silk shops/silk merchants are

1. The rapid increase in the silk saree production.
2. Increasing participation of people from non-weaving castes in silk business.

3. Increasing tendency of partnership business.
4. Increasing investment by the landlords from the hinterland and other rich people in the town.

Previously silk merchants played an active role in the silk business. They took utmost care in designing, colours selection, weaving quality and method. But as the weavers became independent, the experienced weavers began to weave sarees on their own and thereby there is flooding of sarees from weavers. This gave the scope for the entering of the non-weaving castes members into the silk business. Normally, most of the silk shops are partnership based. If possible they will take one partner from weaving caste. He becomes the active partner who actually maintains the shop. They build constant contacts and dealings with few number of weavers who regularly supply sarees to a particular shop. Whenever based on market trends and consumers demand merchant feels necessity of certain designs and colour combinations he will inform the weavers to weave particular type/colour sarees. Thus, each silk merchant normally maintain constant contact with few weavers (around 15 to 20) thereby the demand for the weavers increased as the number of shops increased and vice versa. These shops have their own links with agents and traders of different cities who normally come down to Dharmavaram and select the product and place orders

Discussions with experienced silk merchants (ex master weavers), members of silk merchants association, weavers and other officials revealed that, the investment in the silk business from non- weaving castes is increasing rapidly more particularly from the agricultural surplus money generated from the hinterland and from Vaishyas of the town who previously invested in the financial corporations and in general trade and commerce.

Non-Institutional Finance:

One of the major factors for the rapid growth and development of silk weaving in Dharmavaram is easy and flexible accessibility of finance for investment due to mushrooming growth of "non-institutional finance", that is, private money lender in the form of "finance corporations".

Long before the development of silk industry, in the late 1970s rich sections of Dharmavaram from all castes, more particularly Vaishyas invested their money in Hindupur Auto financing. However, from early 1980s they started opening financial corporations in Dharmavaram and began financing the film industry which acquired a new fillip for mass scale production of low budget films due to various subsidies announced by State Government for local made films (films made within Andhra Pradesh). These financial corporations of Dharmavaram provided loans for the new and small producers.[30] Later on their role became important as the silk industry began undergoing many changes. Though the government financial support and welfare programs provided basic initiation for growth of independent weavers, the limited loans provided by government agencies became insufficient to rapidly growing strength of weavers. in these circumstances the non-institutional financiers played a major role by providing loans to weavers.

Of the 150 weavers households studied, 7 percent of them became independent weavers by buying looms with the help of loans from private financial corporations. Further of the 21 percent of the weavers who have debts, majority of them borrowed money from private financiers when compared to silk merchants. However, most of the labour weavers borrowed from their master weavers.

This increased the demand for financial corporations. These financial corporations also began providing loans to raw silk dealers, reelers, twisters, and even to silk merchants. Thus, financial corporations started catering to the needs of silk industry more specifically for the financial rotation in the various activities of the silk industry.

One important feature to observe here is that, the money taken from these financial corporations is being invested in the highly productive and profit oriented activities of the silk industry and not for any day-to-day consumptive purposes. Here the probability of repaying is high. This led to free and smooth disbursement of loans from these private financiers for high interest rates. This facilitated for increased investment of money in these financial corporations not only from traditional money lending castes but also from land lords from hinterland region. The surplus money generated in agriculture from hinterland and money generated within silk industry in town is increasingly being invested in these numerous financial corporations.

Many silk saree merchants have partnerships in more than one financial corporation.[31] However, the investment from the agricultural section of the hinterland is also significant. The main reasons for their investment are that the profit percentage is high, thereby income generation will be high There is more security to the money as there is almost high probability of repayment if given to persons in silk industry. At the same time the rural scenario is uncertain, where probability of returning money is low. the profit percentage is low and takes longer period for profit. Further, the rural area is faced with factional problems.

Another important system which is giving good boost to financial corporations is the cheque discount system. As mentioned earlier normally, a silk merchant maintains regular relations with a group of weavers. Silk merchants directs a weaver to weave a particular design and colour of sarees within a stipulated time and gives him cheque worth stipulated number of sarees. This cheque is post dated. Normally one month period is given. Weaver usually takes the cheque, submits it in a financial corporation and gets money (of course for higher interest). After weaving the sarees the financial corporation gets the cheque encashed.

Thus, financial corporations play a significant role in silk industry and their strength is increasing year by year. At present there are 300 financial corporations with money investment in each unit ranging from Rs.2 to 50 lakhs. Out of these, nearly 150 big finance corporations give money to film industry and the rest supply money to silk industrial activities

and other general trade and commerce. Discussions with members of these financial units revealed that, there is great scope for investment in silk industry. And profit margin is high. Thereby there is quick generation of capital. Thus, within a short period the rotation of capital is rapidly increasing year by year. Thereby more and more surplus money from various activities is being invested in finance corporations Even well settled weavers are investing money in finance corporations.

However, most of these financial corporations are not registered and most of their activities function in an informal way. In fact most of them does not have any name boards. According to Assistant Labour officer of Dharmavaram there are only 27 registered financial corporations in Dharmavaram as on February 1993.

Location of Various Units of Silk Industry in Dharmavaram:

From the Table 4.1 we can observe that many of the silk industrial units are located in 1st, 5th, and 16th wards of Dharmavaram. These wards constitute most of the weavers households, reeling, twisting and dyeing units.

Table:4.1

Ward-Wise Distribution of Various Units of Silk Industry in Dharmavaram

Ward No.	Weavers households	Reeling units	Twisting units	Dyeing units
1.	2113	2	3	2
2.	325	1	-	7
3.	120	1	3	2
4.	12	5	5	-
5.	1784	18	24	10
6.	12	4	3	1
7.	10	-	-	-
8.	27	—	1	-
9.	5	-	-	-
10.	6	-	-	-
11.	160	-	-	-
12.	53	-	-	-
13.	7	-	-	-
14.	44		-	-
15.	56		2	-
16.	2528	21	16	8
17.	274	1	1	-
Total	7536	53	58	31

Source: Office of the Commissioner, Dharmavaram Municipality, 1991 Census.

Note:- 1. 1st, 5th, and 16th wards constitute 41.38 percent of weavers households to the total households.
2. 1st, 5th and 16th wards constitute 82.25 percent of weavers to the total weavers households.
3. 1st, 5th, 16th and 17th wards constitute much of the area of recent expansion. This constitute many weavers who are recent migrants from surrounding hinterland and neighbouring districts.

However, silk saree shops, raw silk and zari units are located in 3rd, 4th and 5th wards. Silk saree shops are located in Nesepeta, which is the heart of the old town of Dharmavaram. Most of the raw silk shops and zari units are located in 1st and 5th ward around Panduranga temple, clock tower and old bus stand which are easily accessible to floating population.

Development of On-Farm Activities:

The main on-farm activities are

1. Cultivation of mulberry crop.
2. Silk worm rearing, thereby leading to production of cocoons.
3. Graineage centres which supply silk worm eggs,chawki rearing centres which maintain silk worms for certain period and supply it to farmers.

The Cultivation of Mulberry Crop:

As mentioned earlier, at first, farmers in Hindupur region which is near to Karnataka State border started cultivating mulberry crop because of their relationship with Karnataka rural areas. But during 1974-75, six point formula programme came into force for development of sericulture in

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Anantapur district. The World Bank mission had conducted a survey and recommended Anantapur district to include among the six chronically drought affected districts of India. The Drought Prone Area Programme came into existence in 1975. Sericulture in Anantapur district was in embryonic stage earlier to the commencement of Drought Prone Area Programme. After the implementation of this programme, sericulture was taken up as one of the important schemes. There were hardly 3560 mulberry growers in the district at that time.[34]

The establishment of separate department for sericulture development

and allotment of huge funds led to increasing spread of mulberry cultivation.

In the hinterland of Dharmavaram the mulberry acreage increased gradually from early 1980s. According to the survey done by Assistant Director of Sericulture, Dharmavaram, as on March 1992, more than 6000 acres is under mulberry cultivation practiced by around 5000 farmers in the hinterland of Dharmavaram. Though in area-wise only 6000 acres is cultivated, the intensity of cropping is high. On one acre three crops are grown per year. The average income acquired on one acre of mulberry crop per year is around Rs. 15,000 to Rs. 20,000. Both economically and interms of employment, no other commercial crop stands before sericulture in Dharmavaram region. As per the reports of the office of the Assistant Director of Sericulture, Dharmavaram, each year on an average 500 to 600 acres, that is, around 600 new farmers are entering into mulberry cultivation. One interesting phenomena is that this crop is mostly suitable to small land holdings and thereby increasingly being practiced by marginal and small farmers. According to the 1992 reports of Deputy Director of Sericulture, Anantapur, of the 6003 acres of mulberry cultivation in the hinterland of Dharmavaram, 2085 acres (35%) is under marginal farmers and 2728 acres (45%) is under small farmers and the remaining 1190 acres (20%) is cultivated by big farmers.

ROLE OF STATE GOVERNMENT IN THE DEVELOPMENT OF SILK INDUSTRY OF DHARMAVARAM

Many schemes were initiated for development of sericulture through financial aid from Switzerland and World Bank Policies. Huge funds are sanctioned under various heads viz, Plan, Non-Plan, IRDP, DPAP, SC & ST

Action Plan, Switzerland Plan and World Bank Plan. The allotment for sericulture development in the hinterland of Dharmavaram went up from Rs. 3,67,800 in 1988 to Rs. 59,22,500. in 1992.[35] Further, government started demonstration nursery farms, silk reeling units under sericulture development project. Special bores were sanctioned for SCs & STs through Irrigation Development Council providing all infrastructure for them to facilitate the cultivation of mulberry and thereby to bring them above poverty line. Government also gave permission for starting of private Grainages. There are 4 to 5 private grainages functioning in the hinterland of Dharmavaram. Mulberry nurseries were located at Kappalabanda and Kunuthur villages of Dharmavaram Mandal.[36]

S.C. Action plan:

In Dharmavaram hinterland under SC action plan, Sericulture department through SC and ST Corporations started many schemes in 1984-85. Upto October 1992, 306 SC farmers got benefited and total acreage is 263. Till 1992, around 21 lakhs was spent under SC action plan in Dharmavaram region with respect to the growth of mulberry cultivation. Further, of the 5820 farmers cultivating sericulture, around 2500 are from weaker and backward sections and the rest are from forward castes who are mostly small farmers.[37]

As government identified sericulture as a boon for upliftment of small and marginal farmers in the drought prone region of Anantapur District, it began to provide huge funds under various heads interms of loans for raising mulberry crop, for building silk worm rearing sheds, and other infrastructure like wooden plates, chandrikas. NABARD has fixed Rs. 13,300 as the unit cost under mulberry plantation programme.[38]

In order to achieve the objective of massive and integrated development of sericulture industry, necessary infrastructure like seed farms, chawki rearing units, grainages, cocoon markets, silk exchange centres were established in Dharmavaram. Private grainages were also established at **Mudigubba, C.K.Palli, O.D.Cheruvu** in Dharmavaram region. In around 376 villages, mulberry cultivation is. practiced in surrounding mandals of Dharmavaram.[39]

Establishment of Government Cocoon Market in Dharmavaram:

With the development of mulberry cultivation in Dharmavaram region, the department of Sericulture in order to facilitate easy market and reliable price to mulberry farmers, established a Government cocoons market yard in Dharmavaram.

Table:4.2

Transactions in Government Cocoon Market, Dharmavaram

Year	Cocoons Transacted (kgs)	Value realised	Market Fee Collected (Rs)
1983-84	3,97,291.250	1,31,13,757.50	2,62,331.85
1984-85	2,64,314.090	1,05,28,882.75	2,19,997.40
1985-86	3,34,994.150	1,50,58,865.00	3,01,177.30
1986-87	4,00,668.400	1,68,83,963.00	3,23,024.50
1987-88	4,15,726.300	2,17,61,430.00	4,35,229.00
1988-89	4,49,021.800	2,88,28,398.70	5,76.310.75
1989-90	6,30,538.590	4,44,56,232.20	8,89.045.55
1990-91	7,88,392.800	5,34,34,700.75	10,68,547.65
1991-92	6,78,305.000	7,63,87,600.00	15.30.900.00

Source: Assistant Director, Department of Sericulture, **Dharmavaram**.

* The decrease in the year 1991-92 is mainly due to decrease in the production of cocoons as crop got affected due to outbreak of pebrine **disease**.

From the table 4.2 we can observe the important role played by Dharmavaram Cocoon Marketyard. Its performance interms of transaction of cocoons and collection of market fee is improving year by year. This reflects the increasing trends of mulberry cultivation and cocoon production in Dharmavaram hinterland and in Anantapur district.

According to Market officer of Dharmavaram cocoon market yard, the mulberry farmers not only come from the hinterland of Dharmavaram but also from other Mandals of Dharmavaram division, Anantapur division and also from neighboring districts. However, still 10 to 15 percent of the product from the local region goes to Karnataka government market yards particularly to Ramnagar, Vijaynagar near Bangalore. Dharmavaram cocoon market yard draws product from around 10,000 to 15,000 acres of mulberry crop of Dharmavaram and Anantapur divisions. Thus, one may conclude that with respect to cocoon market yard, its hinterland is bigger as it draws product from much distant areas.

One more market yard is sanctioned for Dharmavaram under World Bank Scheme started functioning from January, 1993.

Role of SeriFed in Silk Industry:

SeriFed is a parallel government organisation to Sericulture Department working for development of silk industry. SeriFed has established a silk exchange centre in Dharmavaram during 1961.

Silk exchange:

This silk exchange centre function like raw silk market yard, where it buys raw silk from government and private reelers and sells it to weavers

co-operative societies and to private individual weavers.

SeriFed also provided fledge system inorder to support silk reelers when ever there are wide changes in the cocoon market and price of raw silk. Under this system, SeriFed buys the silk from the reelers based on the rate at which they bought cocoons irrespective of the existing rate. Under this a reeler may sell maximum upto 50 kgs of silk.

The details of the quantity of silk transacted and the commission earned by silk exchange of Dharmavaram from 1981-82 to 1991-92 are presented in table 4.3

Table:4.3

Transactions of Silk Yarn in A.P. Silk Exchange, Dharmavaram

Year	Quantity of Silk transacted (Kgs)	Value (Lakhs)	Commission earned (Rs)
1981-82	800	3.77	6,572
1982-83	1,282	5.23	10,450
1983-84	3,940	13.76	28,995
1984-85	5,394	25.64	51,287
1985-86	23,183	115. 10	1,99,073
1986-87	26,469	126.76	2,04,532
1987-88	27,585	148.70	2,43,565
1988-89	35,400	274.38	2,72,230
1989-90	50,925	384.40	3.84.262
1990-91	60,115	512.00	5,16,990
1991-92	73,304	789.00	8,31,025

Source: Deputy Director, Department of SeriFed, Dharmavaram.

SeriFed is also planning to establish its own retail units of silk sarees. During 1993, it conducted exhibitions in Delhi, Bombay, Calcutta. According to Director of SeriFed, (who is from Dharmavaram) says that there is great demand for SeriFed collection in its exhibition. It also got contract for supply of silk yarn to Israel. Further, it is making efforts to get export orders from European countries. In November 1993 it opened its retail shop/unit in Hyderabad. It is also planning to open numerous retail units in all major cities.

According to Director of SeriFed these activities are going to give tremendous boost to the entire silk industry in the state and more particularly in Dharmavaram. The demand for silk product will be high as SeriFed buys silk sarees not only from weavers co-operative societies, but also from private weavers provided quality of weaving and designing are good.

Silk weavers co-operative Societies:

Another significant reason for rapid growth of silk weaving is Dharmavaram region is the development of weavers cooperative societies. Though the first silk weavers co-operative society was established in 1956, for the next three decades no other society was registered.[40] It again started only from late seventies and picked up momentum mainly due to the efforts of sericulture department. Between 1977-80 as many as nine societies were started.

In the latter years government gave high importance to silk weavers co-operative societies. Numerous schemes were evolved for them. This led to great boom in silk weavers societies in Dharmavaram. Between 1981-1988,

14 societies were established. While between 1989-1992 as many as 55 societies were established. Within this, in the 1991-92 year alone nearly as 20 societies got registered.[42]

A group of weavers can come together and establish its own society with a minimum of Rs.500 share by each weaver. Government sanctions for each society certain amount every year towards working capital of each weaver which may range between Rs.10,000 to Rs.15,000. Financial aid is also given for modernisation of looms and for weavers housing schemes, for health and education of their children. The functioning of all these societies is continuously monitored by office of the Assistant Director of Sericulture, Dharmavaram. A separate position called Co-operative Sub Registrar is made to look into functioning of these societies activities.

In each weavers cooperative society, the society president will supply the required silk-yarn (dyed) and zari to its members who will return the finished goods (sarees) and obtain appropriate wages for the work.

The silk weavers co-operative societies are availing cash credit accommodation provided by NABARD and District Co-operative Central Bank Ltd, Anantapur. The products, that is, sarees produced by societies will be mainly procured by the APCO.

Of the 71 co-operative societies, 50 societies have their office in Dharmavaram town and the rest 21 in their respective Tillages in the hinterland of Dharmavaram. In the 50 societies whose offices were located in Dharmavaram, they have membership of the weavers who not only stay in

Dharmavaram but also in surrounding villages and up to some extent in the villages beyond the stipulated hinterland. These weavers from various villages come to their offices for numerous dealings like to take dyed raw silk, zeri, and orders from their **presidents/office** and to return their product to their society president thereby to get wages.

One of the important factor for rapid spread of weaving in hinterland is the development of weavers cooperative movement. Because, the various policies, programs and financial support under cooperative system **are** more useful to new entrants to weaving particularly from villages. It enables for regular supply of raw material and employment.

Further details on the role of state government in the development of silk industry, socio-cultural importance of silk in Indian society and its impact on silk market are presented in appendix I and II respectively.

NOTES:

[1]A.V.Ramana Rao, 1958 ,p 175. For details see Monograph on dyes and dyeing in the Madras Presidency, Edwin Holder, 1896, p 6.

[2] Ibid, 175. Also see District Census Handbook, Anantapur District, 1961 Census, p ciii.

[3] A.V.Ramana Rao, op.cit, p 175.

[4]Field notes. Interviews with Venkatesam, Ex President, Master Weavers Association, Kothapalem Srinivasulu, general secretary, Dharmavaram silk handlooms manufacturers society.

[5]Ibid.

Gazetteer of the Anantapur District, Vol II, 1930, Superintendent, Govt.,press, Madras, p 83.

[7]Ibid, p 83.

[g]District Gazetteer, Anantapur, 1970, p 350.

[9]Ibid, p 350.

Ibid.

[11]Ibid.

District Census Handbook, Anantapur, 1961 Census, p 201.

[13]Ibid., p 351.

[14]V.Balasubramanyam, p 10., D.Mahadevappa, p 35., in H.G.Hanumappa (edt), 1976. Also see S.R.Charley, 1982, pp 74-75.

G.Sandhya Rani, 1990, pp.73 to 77.

Reports available in the office of the Deputy Director, Sericulture Department. Field notes. Interviews with the senior silk merchants *viz.*, Bandi Hanumanthu, Sanjeevarayudu, Venkatesam, silk weavers from hinterland. Also see C.Sudhakar, 1991, p 38.

Field notes. Interviews with Sanjeevarayudu,President of raw silk sellers association.

[18]Field notes. Reports of the silk weavers association, Dharmavaram, 1992.

[19]Field notes. Interviews with Krishna murthy, Malliah president of zari units association.

[20] Field notes. Interviews with Kanangi Govindu, President dyeing units workers union and leading dyeing units owner.

[21]Ibid.

[22]Field observation and field notes. Researcher personally visited 4 to 5 dyeing units, observed their working patterns, held discussions with workers of these units.

23
In four units researcher visited, most of the workers were from surrounding villages viz, obuldevpalli, regatipalli, pothukunta, Nimmalakunta and others.
24
Reports of the Assistant Director, Department of Sericulture, Dharmavaram, Market yard officer, Government cocoon market yard, Dharmavaram.
Ibid.
26
Field observation and field notes. The research visited few small and household units located in V ward and 16th ward. And held discussions with owners of these units.
27
Enaadu (largest circulated Telugu News Paper in Andhra Pradesh), 14, December, 1989.
C.Sudhakar, 1991, p.99.
29
Kothapalem Srinivasulu,op.cit.
30
CSudhakar, op.cit, p 83.
31 Field notes. Interviews with various members of silk industry, established silk merchants.
Field notes. Interviews with silk merchants who have financial corporations. Also see CSudhakar, 1991, p.82-84.
33 Enaadu, Feb.26, 1988.
34
Annual reports, Office of the Deputy Director, Sericulture, Anantapur, 1993.
35
Yearly reports of the Assistant Director, Department of Sericulture, 1992.
36
Ibid. Field note. Interviews with Govinda chowdary, Chairman, SeriFed, Government of Andhra Pradesh.
37
Annual reports of the Assistant Director, Department of Sericulture, op.cit., 1992.
38
Annual reports of Assistant Director, Department of Sericulture, Dharmavaram, 1993.
39
Survey reports of the growth of mulberry cultivation in the hinterland of Dharmavaram, Office of the Assistant Director, Dharmavaram.
40
Reports of the Cooperative Sub-registrar, Office of the Assistant Director, Department of Sericulture, Dharmavaram, 1992.
41 Ibid.
42 Ibid.

CHAPTER V

SOCIO-ECONOMIC PROFILE OF MARKAPUR REGION

Hinterland
Location and physical setting
Soils
Rainfall and Temperature
Demographic background
Literacy
Occupational classification
Land use patterns
Irrigation source and extent of irrigation
Cropping patterns
Agro-based industries
Town
Location and physical setting
History and growth of town
Demographic growth of town
Literacy
Climate, rainfall and temperature
Medical and health facilities
Transport and communication
Occupational classification

The following mandals constitute the hinterland of Markapur town. They are Markapur, Tarlupadu, Konakonamitla, Donakonda, Cumbum, Pedda Araveedu, Dornala, Ardhaveedu and Yerragonda palem.

Location and Physical Setting:

The present study area falls in the upland plateau of the Prakasham district. Prakasham is one of the newly formed district in Andhra Pradesh, with parts from Kurnool, Guntur and Nellore districts. The district was formed on 2nd February, 1970. It is bounded on the north by Guntur district, on the south by Cuddapah and Nellore districts, on the west by Kurnool district and on the east by Bey *of* Bengal. The district lies between 15°30[1] and 16° north latitude and 78°43[1] and 80°25[1] eastern longitude. The western portion of the district which constitute Markapur region lies in an upland area. It contains large tracts of low shrubs and forests, diversified with rocky hills and stony plains which form a distinct feature of the district. This western part was originally in Kurnool district (which lies in Rayalaseema). As already mentioned it is included in the Prakasham district (part *of* Andhra region). However, Markapur region morphologically, historically, economically, politically and culturally has more similarities and links with Rayalaseema region.

The western part of Markapur region in our present study with Yerragonda palem, Dornala, Pedda araveedu and Ardhaveedu mandals is covered by forests. They are the border foot hills of Eastern Ghats where Nallamala forests exist.


MAP OF INDIA
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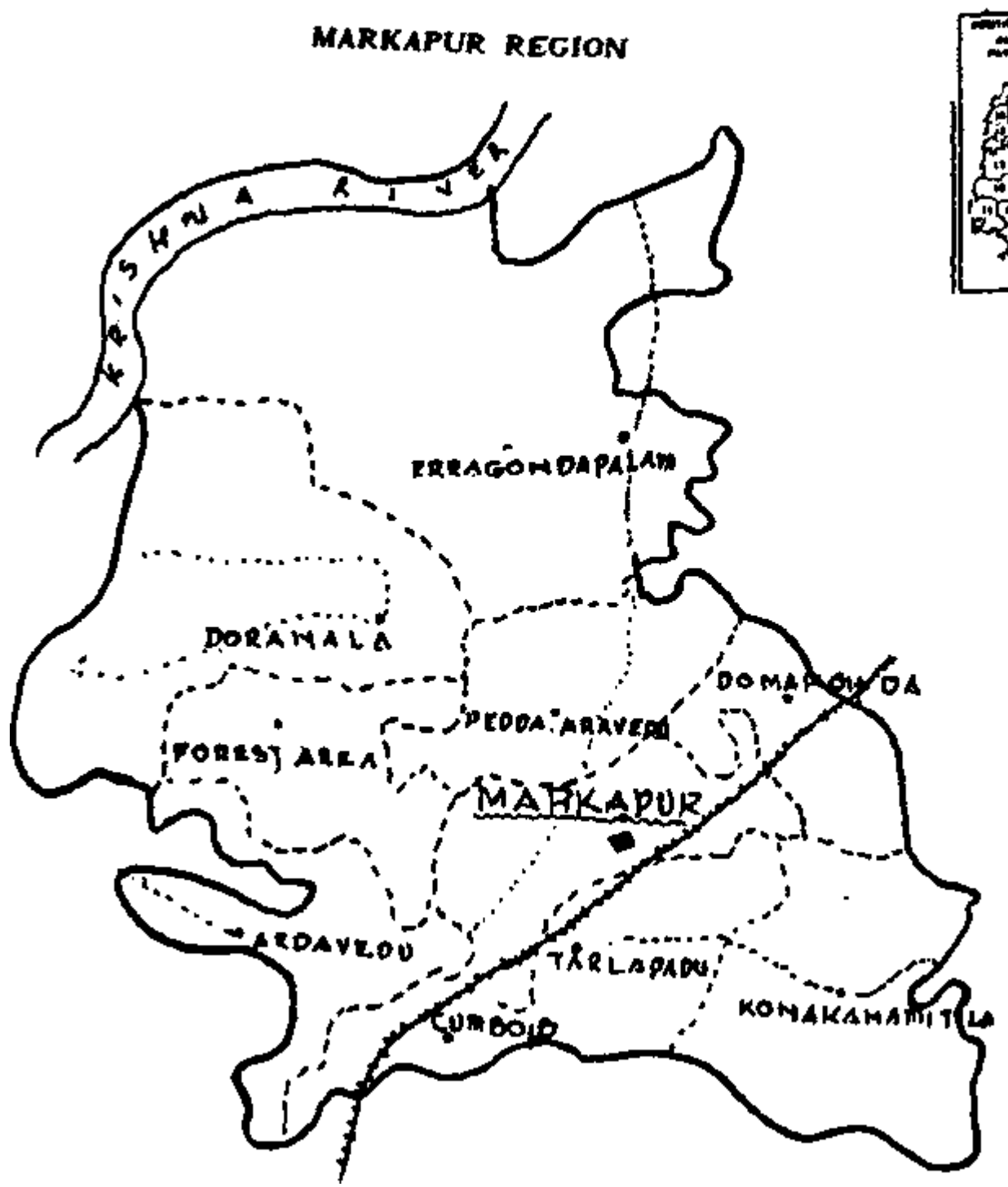
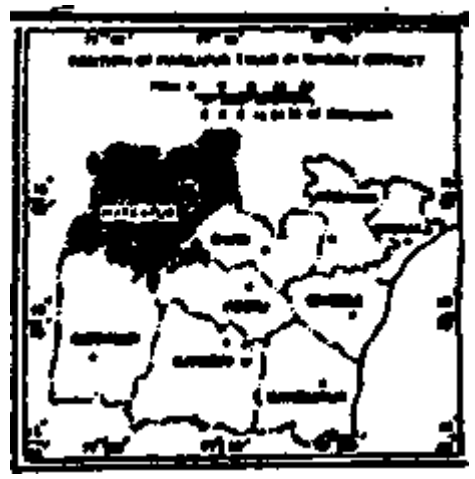
PRADESH


MARKAPUR REGION
KRISHNA RIVER
ERRAGONDAPALAM
DORNALA
DOMAPONDA
PEDDA ARAVEDU
FOREST AREA
MARKAPUR
ARDAVEDU
TARLAPADU
KONAKANAMITLA
GURRUJU



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In the mandals to the east of Ifarkapur constituting Donakonda, Tarlupadu, **Konakonamitla** and **Markapur,** much of the area is of hilly terrain, with rocky soils and stony plains. The land surrounding slate mines is uncultivable because of its rocky and hard nature thereby, the land available for cultivation is less. Consequently, most of the land holdings in the region are small and uneconomic.

Soils:

In the entire Markapur region 90 percent of the soils are red and the remaining 10 percent are black. Much of these black soils are in **Cumbum** and Tarlupadu mandals. The soils in the region are less fertile with poor ground water levels and are not suitable for gainful agriculture.[2]

Climate and Rainfall:

As already mentioned the entire Markapur region falls in the rain shadow region of Eastern Ghats, where the rainfall is less, uncertain and erratic. Most of the rainfall occurs during the South-West Monsoon season which starts in the 2nd week of June and extends upto October. Droughts are common in the region. The average rainfall of the district *for* the decade 1981- 1991 is 751 mm (which itself is low) while that of Markapur region is 652mm.[3] The rainfall is not sufficient to the needs of the region and therefore very often exposed to droughts. The climate is usually hot and humid. The temperatures are very high during summer which go upto 45°C. The **minimum** and maximum temperatures recorded during 1993 are 15.6°C and 44.4°C respectively.

Demographic Background:

The total population of the hinterland according to 1991 census is 3,41,261. Of this 51 percent are males and 49 percent are females. Further, 20 percent are SCs and 4 percent are STs.

The total number of households are 66,850. The average size of the household is five.

The population density of the region is 134.

Literacy:

Of the total population of 3,41,261, 26 percent are literates. Within this, 19 percent are males and 7 percent are females. And within the literates the percentage of female literates is only 24 percent. This shows that illiteracy is high in the region and is more predominant among the females.

Occupational Classification:

Of the total population of 3,41,261, 46 percent are main workers, 3 percent are marginal workers and the remaining 51 percent are non-workers.

Of the 46 percent main workers, more than half of them, that is, 24 percent are agricultural labourers. The farmers' share accounted only 13 percent. The remaining 9 percent are distributed in various activities like livestock, rearing, mining and quarrying, manufacturing, construction, trade and commerce, and other services.

Surprisingly according to 1991 census, only 0.5 percent of the population is shown working in mining and quarrying when the actual

condition is that of over 70 percent of population ranging between 30,000 to 40,000, from nearly 40 villages are dependent on slate mines for their livelyhood. This shows the nature of record maintenance of registered workers in the slate mines of Markapur region.

Another significant aspect to be noticed is that the number of agricultural labourers is almost twice the number of cultivators, that is, actual farmers. This may be because, due to the ungainful agricultural conditions in the region, most of the marginal and small farmers are converting themselves to agricultural labourers.

Land Use Pattern:

The total geographical area of the Markapur hinterland is 10,67,774 acres.

From the table No. 5.1 we can observe that in the past seven years there are no major changes in the land use patterns of Markapur region. The only significant change is the decrease in the percentage of current fallows from 6 to 2 in the recent years.

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The average figures of the seven years, from 1985-86 to 1991-92 would give us better account of land use pattern in Markapur region. It is evident from the table that 47 percent of the land is under forests. 12.5 percent under barren, uncultivable and cultivable waste. Nearly 11 percent of land is under current and other fallow lands. Thereby, the net sown area constitute only 2,05,722 acres, that is, nearly 20 percent of total land.

Table 9.1

LAND USE PATTERN IN MARKAPUR REGION

(Percentages)

Yaar	Total Geo-graphical Area (acres)	Forest	Barren & uncultivable land	Permanent pastures	Land Under Misc. Trees	Cultivable Waste	Land Put to Non-Agrioultural Uses	Currant Follow lands	othar follow lands	Mat Araa Sown	Araa Sown than Mora Onoa	Total Cropped Araa
1985-86	1021225	47	6	2	1	6	7.5	6.5	5	19	2	21(212297)
66-67	1021227	47	6	2	1	6.5	7.5	6	6	18	1	19(196049)
87-88	1022226	47	6	2	1	6	7.5	8	5.5	17	3	20(202672)
88-89	1021225	47	6	2	1	5	7.5	6	5	20.5	3	23.6(239046)
89-90	1021225	47	6	3.6	.6	4	7	5	6	21	2	23(230154)
90-91	1067774	47.6	9	4	.6	4.5	5.5	3.5	5	20.5	2.5	23(243476)
91-92	1067774	47.5	9	3	1	5.5	6	2	6.5	19.5	2.5	22(233969)
	1034666	47	7	2.5	1	5.5	7	5	5.5	19.5	2	21.5(222523)

Source: Compiled frost tha Data avaiable at Chief Planning Officer, Ongole.

Thus, much of the land in the Markapur region is either covered under forests or wasted as barren, uncultivable and cultivable waste. Further, due to low rainfall and drought conditions, a significant portion of the land is left over as fallow lands. This might be also due to less fertility and ungainful agricultural conditions existing in the region. As the rainfall is less and due to lack of irrigation facilities, the area sown more than once is as low as only 22,890 acres, that is, 2 percent of total land.

Land Holding Details:

From the table 5.2 we can observe that, of the 61,995 holdings in Markapur region, 63.5 percent holdings are of small and marginal farmers, 34.5 percent are of semi-medium and medium farmers and the rest 2 percent of the holdings are of large farmers.

Table: 5.2

Land Holdings in Markapur Region

(in acres)

Type of Land Holding	Number of Holdings	% of total holdings	Area under this category	% of total area
Marginal and Small	39,525	63.5	94,198	28.5
Semi-medium and medium	21 . 434	34.5	1,98,849	60.0
Large	1 , 036	20	37,413	11.5
Total	61,995	100	3,30,457	100

Source: Compiled from the Agricultural Census, 1991. Office of the Chief Planning Officer, Prakasham District.

Though 63.5 percent of the holdings are with marginal and small farmers, they own only 28.5 percent of the total area of the land. Semi-medium and medium farmers hold 60 percent of the land and the large farmers who own only 2 percent of the holdings covers 11.5 percent of the land.

Irrigation Sources and Extent of Irrigation:

Table 5.3 shows that 57 percent of the irrigated area in the Markapur region is through dug wells. Other major irrigation sources are Tanks and Tube wells where 21 percent and 18.5 percent of Gross irrigated area is under these sections respectively. Only 2 percent of the gross irrigated area is under canal irrigation.

In fact the gross area irrigated is only 5.5 percent of the total geographical area. Thus, the irrigation level is very less. And whatever little irrigation there is, is mainly through dug wells, tube wells and village tanks.

If we observe the changes in the irrigation sources over different years, we can notice that, while the percentage of irrigated area through dug wells is decreasing, there is gradual increase in the area irrigated through tube wells. This shows that there is increasing use of tube wells with the wide use of electric motors. However, the role of tanks in irrigation is varied in different years since this is based on extent of rainfall in each year. The more the rainfall, the more the tank irrigation will be. The only river flowing through the region is Gundlakamma which is no way useful to the region's irrigation purposes.

Table 5.3

IRRIOATION SOURCES AND EXTENT OF IRRIOATION IN MARKAPUR REGION

(Percentages)

Yaar	Canals	Tanka	Tubewells	Dugwells	Othar Sources	Nat Irrigated Area	% of Nat sown araa (or) X of Nat Croppad araa
1985-86	2	2.5	1.3	94	.2	34586	17.7
86-87	6	1	2.4	91.6	.1	20794	11.4
67-66	-	28	16	56	1	27334	15.8
66-69	4	42	14	39	1	47890	23
89-90	1.6	20	28	46	4.6	46804	22
90-91	1	25.8	31.6	36	3	42800	19.5
91-92	1	23	37.5	36	2.6	44586	21.7
	2	21	18.5	57	1.5	37713	18.7

Source: Compiled froa tha Data available at Chief Planning Officer, Ongola.

Cropping Pattern:

Of the total 1,97,728 acres of net cropped area, 48.5 percent of the area is under food crops and 41.6 percent is under commercial crops. Further, 1.3 percent is under vegetables and the rest 8 percent is under other miscellaneous crops.

Of the 48.5 percent under food crops, 21 percent is under major millets, 11 percent is under minor millets and the remaining 8.5 percent is under cereals mainly rice.

Of the 41.5 percent under commercial crops, most of it is under groundnut, cotton, tobacco and chillies.

Table 5.4

AREA UNDER PRINCIPAL CROPS IN MARKAPUR REGION

(percentages)

Year	Rice	Jowar	Bajra	Cotton	Tobacco	Groundnut	Total
1985-86	2.S	4.6	35.5	4.0	10.0	2.0	63,494
1986-87	1.5	42.5	39.0	1.5	8.5	7.0	68,287
1987-88	23.0	35.0	28.5	6.0	4.0	3.5	73,262
1988-89	28.5	31.0	26.0	6.0	6.5	2.0	1,07,174
1989-90	13.5	34.0	31.0	8.0	7.5	6.0	93,866
1990-91	18.0	23.0	22.0	11.0	8.0	18.0	1,20,132
1991-92	17.5	16.5	20.0	16.0	9.0	21.0	1,14,060
Average	15	32.5	29	7.5	7.5	8.5	91 .468

Source: Compiled from the Data available at Chief Planning Officer, Prakasam District

Thus, the cropping pattern in the Markapur region shows that, the majority of the region is under food crops particularly under millets which does not generate any marketable surplus. Further, the various commercial crops grown in the region also does not generate any significant agro-processing industries except a few groundnut and rice mills.

The main reasons for the low efficiency of agriculture in **Markapur** region are unfavourable natural conditions (example poor soils, less & erratic rainfall, undulating nature of terrain in some areas), traditional farming practices of the community characterised by little use of physical inputs such as irrigation, fertilizers, improved seeds. Also inadequate provision of agriculture infrastructure. Only a small portion of the cultivated area is under commercial crops like tobacco, cotton, groundnut. In this situation little cash income arrives to the farmer. The cropping pattern has continued without change for many years. The agriculture production in many parts of region has touched a low leaving the farmer with little or no incentives to make additional savings and investments. This state of agriculture is responsible for the backwardness of the region.

The cropping pattern of the region is characterized by mono-culture in rice with little diversification. In years of crop failures and famines, there is exodus of people from the rural areas to mining and industrial areas.

However, the region is not without areas of progressive farming although they constitute a small fraction of the total area. **In Cumbum** and parts of Tarlupadu mandals where fertile black soils are existing, there is increasing trend towards cultivation of tobacco and cotton.

The cropping pattern is characterized by very little diversification. The holdings are of very small size and can hardly sustain an average

family. Also accompanied by this agricultural backwardness is the social backwards interms of health, education and inadequate transport and communication facilities. The existing transport facilities are deficient and do not provide satisfactory accessibility to many areas of the region.

Agro-based Industries:

As we have already discussed, Markapur region is marked with subsistence agricultural economy. Besides paddy, predominantly subsistence crops like millets and pulses are grown thereby the need for agro-processing is minimum. There are 30 rice mills in the hinterland besides 8 rice mills in town. Further, there are 7 ground nut mills in the hinterland. Though cotton and sugarcane are the main commercial crops, the agro-processing units are in towns like Guntur and Narasaraopet which are located 100 kms. away from Markapur. Another commercial crop is oranges which is marketed in Vijayawada, Hyderabad and Nagapur. Thus the very nature of agriculture in Markapur generates less scope for marketing and processing.

The major employment source in the hinterland is slate mining and slate manufacturing, which is discussed in detail in the following chapter.

MARKAPUR TOWN

Location:

Markapur is a small town situated in the eastern part of Peninsular India. It is located on the **Guntakal-Guntur** broad guage line. It is the head quarters of the Revenue Division in the district and is about 80 kms. South-West of Ongole, the district head quarters. It is located 350 kms. from Hyderabad, the capital of Andhra Pradesh.

History and Growth of Town:

The most important aspect behind the history of Markapur town is the existence of Lord Chenna Kesava Shrine. This temple was built in the medieval period. Markapur is named after a shepherd girl, **'Marika',** by whom the temple here is said to have been founded in the fourteenth century A.D. However, Marikapuram village began to develop from early nineteenth century, when an officer of Gajapathi Raja by name Telugu Rayudu built the tank here as well as the large Telugu Rayudu Tank in the **Nallamala** valley in the **north-west** corner of the **mandal.**

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During 1920s and 1930s Markapur is a small village with a population of around 6OOO. While probing into the history of town, discussions with senior citizens of town brought to light some interesting facts. Markapur was basically a local pilgrimage centre and infact the growth of **village** is due to migration of Vaishyas to this village to establish small shops considering its pilgrimage importance. Its importance grew with the completion of nine storied Raja Gopuram in mid 1930s. Another reason for development of Markapur as pilgrimage centre is of its location on the **way**

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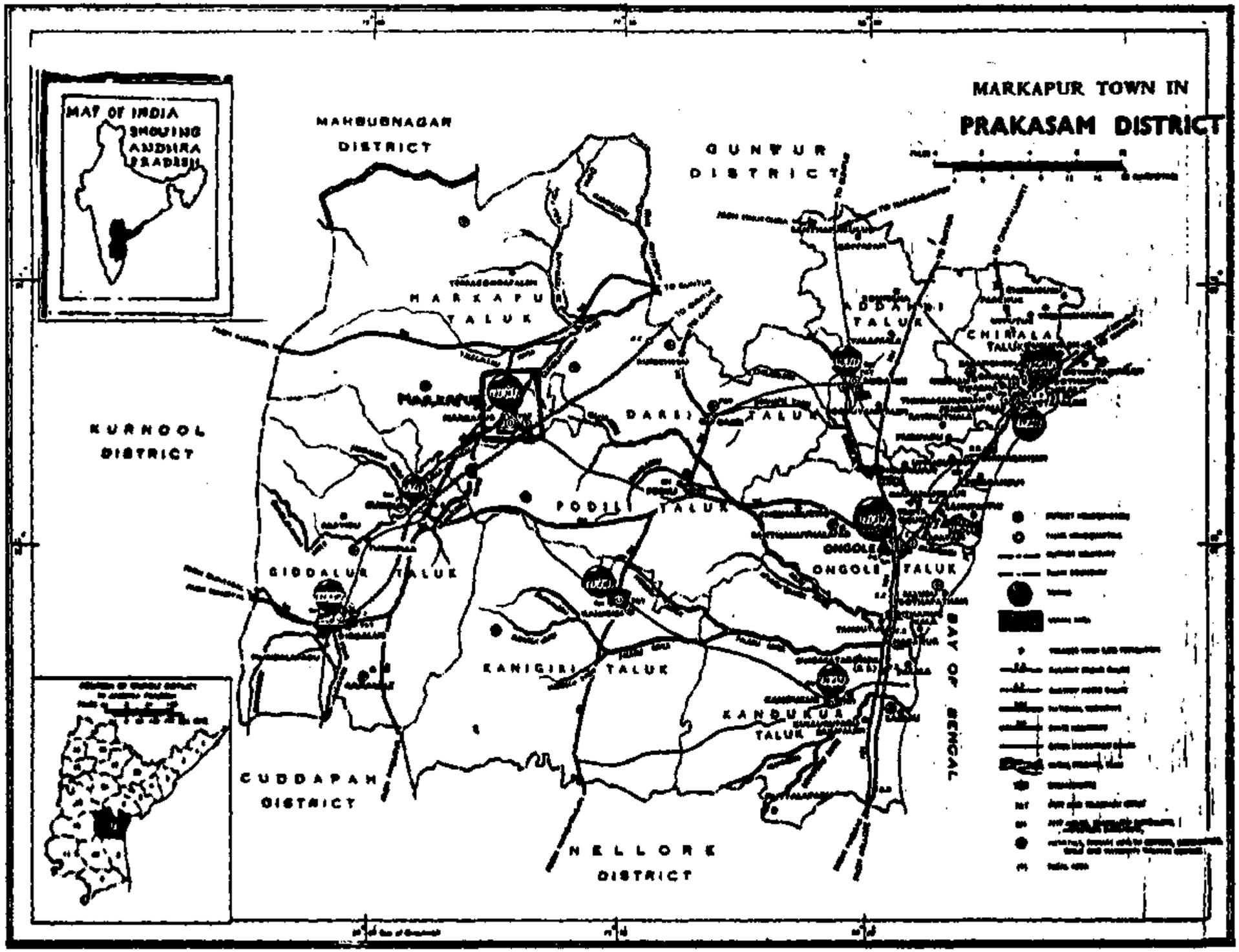

MAP OF INDIA
SHOWING
ANDHRA
PRADESH
MARKAPUR TOWN IN
PRAKASAM DISTRICT
MAHBUBNAGAR
DISTRICT
GUNTUR
DISTRICT
KURNOOL
DISTRICT
MARKAPUR
TALUK
DARSI
TALUK
PODILI
TALUK
GIDDALUR
TALUK
KANIGIRI
TALUK
ADDANKI
TALUK
CHIRALA
TALUK
ONGOLE
ONGOLE
TALUK
KANDUKUR
TALUK
BAY OF BENGAL
CUDDAPAH
DISTRICT
NELLORE
DISTRICT

to another major pilgrimage centre, Srisailam. People visit this temple and go to Srisailam which is 80 km away from Markapur. However, discovery of slate stone in the surrounding areas of Ifarkapur during 1920s changed the entire fortune of liarkapur town.

Markapur for the first time on 1st October, 1964 was declared as grade III municipality town. Later on, on 2nd May, 1984 it was upgraded as grade II municipality town.[10] The area of the town is 28.77 square kilometers. Markapur is the largest slate manufacturing centre in India and produces nearly eighty percent of the slates manufactured in India. Presently, it is the head quarters of the Revenue Division.

Demographic Growth of Town:

The total population of the Markapur town according to 1991 census is 45,563 of which 51 percent are males and the remaining 49 percent are females. The population growth of Markapur town since 1951 is presented in the below given table.

Table:5.S

POPULATION GROWTH OF MARKAPUR

Year	Population	Decade variation	Growth rate(%)
1951	11.794	3.348	39.6
1961	16,665	4.871	41.3
1971	22,263	5,598	33.6
1981	34,381	12.118	54.4
1991	45.563	11.182	32.5

Source: Census of India, 1991.

From the table 5.5 we can observe that, the decadal variation of population of Markapur indicates that there are wide fluctuations in the growth rate of Markapur town. During the last four decades the population of Markapur increased from 11,794 to 45,536 registering a growth rate of 286 percent.

In the history of Markapur only in the decade 1971-81 the growth rate of town was above 50 percent. However, again in 1991 census, the growth rate has fallen down from 54 percent to 32 percent. Also, there is decrease even in the absolute increase of population between 1981-91 when compared to that of 1971-81 decade.

The major section of population in Markapur town are Vaishyas. They constitute 30% of the total population of Markapur. Other important sections are Muslims (207.), **Balijas** (157.), Reddies **(15%)**.[12] Primarily Vaishyas are the most important dominant section engaged fully in all commercial activities like hotel industry, clothing, general (kirana) stores and others besides slate industry. Muslims are mostly engaged in automobile industry besides slate industry.

In Markapur, according to 1991 census reports, 8 percent of people belong to Scheduled Castes and 1 percent to Scheduled Tribes.

Population Density:

The population density of Markapur town was 773 in 1971. It rose to 1,194 in the year 1981. According to the **1991** census, the population density of Markapur is 1,582.

Literacy:

In Markapur, nearly 48 percent of population are literates. There is one degree and intermediate college at Markapur. Further, there are two high schools, three middle schools and thirty one primary schools. Besides this, there are eight English medium convent schools run by various private organizations. There is one high school for the rehabilitation of child labours of slate industry run by Assist India, a voluntary organization in association with Ministry of Labour, Government of India.

Medical and Health Facilities:

There are two major hospitals functioning in Markapur town. They are the government hospital with 30 beds and an Employees State. Insurance (E.S.I) hospital serving as an out patient unit.[13] Further, there are 12 private nursing homes functioning in the town. As many as 13 medical shops exist in Markapur which supply the required medicines to the people of the region.

Transport and Communication:

Markapur is located on the route which links Rayalaseema region with Andhra region. All the buses of Rayalaseema travelling towards Andhra region pass through Markapur. But, most of these buses are night services besides a few day services. Further, this town lies on Vijayawada-Guntakal broad guage railway route.

The Markapur APSRTC Depot daily operates sixty three buses to the nearby mandals and towns. The total income of the Markapur depot per month

is around thirty lakh rupees. Markapur draws people mostly from within 20 to 25 kms. radius of the town.[14]

There is one Telephone exchange and Telegraph office in Markapur. However, no S.T.D. facility is available. The number of Telephone connections existing in town are 297. Recently a radio station is opened in Markapur.

Occupational classification:

In Markapur, of the total population of 45,563, 31 percent (14,245) are main workers and 0.5 percent (248) are marginal workers and the rest 68 percent (31,070) are non-workers.

Of the 31 percent of the main workers, a majority of them (9.5%) are engaged in household manufacturing sector, while only marginal sections (1%) are engaged in non-household manufacturing sector. Trade and commerce constitute the next important sector where 6 percent of workers are engaged. Another 6 percent of workers are engaged in other miscellaneous services. Also a significant portion (4 percent) of them are agricultural labours.

Commerce and Trade:

The structure of enterprise (commerce) is primarily defined by the market economy and its specific local manifestation. Business in Markapur is of subsistence type. The town business in general is of anarchic nature and the merchants feel there is high competition among themselves.

Most shops are small and capital is limited. Much of the commerce and trade is carried out in the shopping streets established around the temple located at the heart of the town. Agro based servicing and supplying units, fertilizer shops, electric goods, cloth stores, medical shops and general (kirana) stores constitute the major section of trade and commerce units. Since, the agriculture in the region is of subsistence type, the business done by the few agro based units like fertilizer units (11), servicing units is also seasonal and weak. The number of cloth shops rose from 22 in 1950 to 64 in 1993. However, there are only three big shops which are existing from 1960s. Since the majority of people in the region are workers of slate industry and small and marginal farmers, the buying capacity of the people is weak thereby the trade and commerce of the town is weak and is of subsistence type.

Table:5.6
Export, Import and Manufacture of Three Most Important Commodities of Markapur

Year	Import	Export	Manufacture
1981	Slate frames	slates	Slates
	Slabs	Agarbathis	Agarbathis
	Country wine	Cotton	Tooth Powder

Source: Town Directory of Andhra Pradesh, Census of India, 1981.

Any discussion on the commerce and trade of Markapur has to incorporate the role of Vaishyas, the dominant business community in Markapur. However, rarely a mention is made of the economic importance or social relevance of the present day bania castes.[18] In Markapur, Vaishyas comprises the largest, most influential and wealthiest segment of the resident population. The largest single group after Vaishyas is the Muslim

community which account for slightly over 20 percent.

Local people say that Vaishyas and Brahmins are anti-Muslim because these castes mostly retain the spirit of Hinduism in social habits and ideals and therefore are inimical to Islam. In Markapur, the leading Vaishaya business men have affiliation either towards Congress or Telugu Desam parties. However, they are more oriented towards Hinduism and have strong sympathy towards Bharathiya Janata Party.[19]

The antagonism between Vaishyas and Muslims in Markapur is not totally communal or religious but partly due to political and business competition. Some of the Muslims do own slate factories besides they have monopoly on slate transporting. Although a good deal of overlapping exists in the nature of their commercial ventures, Muslims and Hindus do tend to specialize their economic activities. Vaishyas mostly concentrate in general trade, i.e. kirana shops, cloth stores, electric shops, oil trade, hotel industry besides dominating in the slate manufacturing. Muslims mostly are engaged in the automobile industry.

Although most of the Vaishyas like to start a new business, very few wanted to risk the capital that such undertaking would require. This is accepted by one leading Vaishya Slate industrialist in Markapur, Sudhakar, where he says "Vaishyas in Markapur though have lot of capital, rarely venture to invest in any activity other than slate industry, or on any other new activity within slate industry". Thereby, though there is declining trend of slates, still many stick to slate business with little capital investment. However, our interviewee, that is, Sudhakar is a

masters graduate in commerce thereby convinced his father to invest money in starting a new design tiles industry, particularly of green colour which has greater market in European countries.

Markapur Vaishyas tendency of non investment in new avenues indicate the subsistence-type thinking that forms their business procedure. Vaishyas are chary of investment and risk taking. They are greatly restrained, have conservative familial subsistence orientation of individual businesses. They all complain of lack of investment capital, whereas their neighbours always accuse them of having lakhs of rupees hoarded.

Thus, the "profit motive" among the local merchants and particularly among Vaishyas has taken an involuted form in a high rate of savings and business chicanery rather than an outward manifestation in large business investment and expansion.

This may be one of the important reason for outsiders investing in the Markapur design tiles industries. To mention, Venkateshwara design tiles industry, the largest design tiles industry in Markapur, belongs to Manik Reddy, who hails from Telangana region in Andhra Pradesh. Further, other design tiles units also belongs to non-local people.

Notes:

[1]Hand Book of Statistics, 1989-90, compiled by Office of the Chief Planning Officer, Prakasham district, p xv.

[2]Mandal Development Reports, Government. of Andhra Pradesh, compiled by Chief Planning Officer, Prakasham District. 1987.

[3]Hand Book of Statistics, op.cit., 1989-90, p 49.

[4]Ibid, p 47.

Field notes. Interviews with Gunman, President, Slate Mine Workers Association, Trade Union leaders viz.Nasariah, Ravindra, information provided by pamphlets of slate mine workers association, report submitted by slate mine workers to the Chief Minister of Andhra Pradesh when he visited Markapur in 1987. Also see Planning Commission report on Child Labour in Slate Industry of Markapur, 1992, pp 9-10.

Hand book of Statistics, op.cit., 1992-93, p 48.

District Gazetteer, Kurnool district, 1951, p 52.

[8]Presently called as Cumbum tank, rated as one of the biggest tank in Andhra Pradesh. Kurnool District Manual, 1886, pp 184-185.

[9]Narayana, the president of town chambers of trade and commerce, says that he was nine years old when temple's Raja Gopuram was constructed.It was constructed completely based on money made by people's contribution. People voluntarily participated in the construction activities. He says, he himself used to carry mud haskets and helped in the construction activities.

Administrative reports of Markapur Municipality, 1992-93, Office of the Municipal Commissioner, Markapur.

Ibid. Also please see Planning Commission Report, 1992, op.cit. p 9.

Field Notes. Interviews with Assistant Labour Officer, Revenue Divisional Officer, Municipal Commissioner, various persons engaged in slate industry, commerce & trade.

[13]Hand Book of Statistics, 1992-93, op.cit.. p 36.

[14]Field Notes. Interviews with Manager, Assistant Manager. Traffic inspector. APSRTC, Markapur.

Hand Book of Statistics, 1992-93. op.cit.. p 207.

This information does not totally explain the ground level facts. This is because, the employees of slate factories and companies never reveal facts to any government officer for any official purpose. Also they strongly instruct all the slate workers never to spell out their work place and wage details.

Field Notes. Interview with Kesava Rao. General Secretary of Markapur Cloth Merchants Association.

[18]Zamindar to Ballot Box, Richard G Fox, 1969. p 4.

19

General Secretary of Slate factory owners association is the active member of local R.S.S. unit. The interview with him was undertaken in the office of the newly constructing temple at the heart of the town. In the interviewing process I was patient enough to listen to his lecture on Hinduism, present role of youth to protect it before he actually started talking on the details of Markapur slate industry and other aspects.

CHAPTER VI

SLATE INDUSTRY IN MARKAPUR

Introduction
Origin and growth of silk industry
Location of industries **and** companies
Slate manufacturing process
Manufacturing process in modern slate factories
Selective description from the sample survey
Wage structure of the labour force
Slate pencil units
A note on slate mines
Market conditions of slate industry

This chapter presents a detailed account of the origin, growth and functioning of the various units of slate industry of Markapur. Slate industry can be divided into two major parts.

1. Slate mining.
2. Slate manufacturing.

First, a detailed account of growth and functioning of various stages of slate manufacturing is presented. This is fallowed by a brief note on slate mining activities. In the final section market conditions in slate industry are discussed.

Introduction:

The slate industry of Markapur is over 80 years old and is the main centre for slate manufacturing in India. Slates of Markapur are supplied to all places through out the country for primary education to the school going children.

The slate industry is a major source of employment in Markapur region. While the 1991 census data puts the figure of workers engaged in slate units at 1313, conversations with the employees of the various slate factories, companies and the trade union members placed the figure of workers between 5000 and 6000. Of the total workers, approximately 1500 are children below the age of 14 years. However, the workers strength was nearly 10,000 during mid 1970s.[2] While slate industries pertains to the Markapur town and its vicinity, slate mines from which raw slate layers are extracted constitutes the major employment base for nearly 70 percent of the population in 40 villages. Slate mines are spread over in 1900 acres of land in Markapur region. Trade union members and other reports, put the

total number of workers employed in the mines as 35,000 to 40,000, of which more than 4000 are children.

Origin and Growth of Slate Industry:

The slate industry of Markapur was started in the 1920s after an accidental discovery of smooth slate stone by a person belonging to vadiyara community in 1918. In the early years, the making *of* slate must have been a household affair and concentrated only in few villages. Slate manufacturing, based on the use of light machinery or rotating machinery with the assistance of manual labour, was started more precisely in 1944. Use of machinery in various stages like stone polishing, frame polishing and slate planeing with the use of power was, however, started in 1960s. Further it was in 1960s the rise factories with special emphasis on large scale production and recruitment of labour on a regular basis took place. Rapid growth of slate industry in terms of production, marketing and employment generation was demonstrated in two decades following 1960s. According to the Markapur Slate Exporters Association (registered in 1961), at present there were 100 household units locally called *companies,* and 50 slate factories catering their production to the requirements of market within as well as out side the country.

In slate companies, the various processes are under taken entirely by hand, where as in slate factories some processes are under taken by the large scale machinery run with the aid of either electric or oil engines. While these companies and factories are under taking different processes of work, there are some units locally called bodibandalu, which take up the cutting of raw slate stones into the required sizes as per the order. These units are spread over in a vast area within a radius of 30 km of

Markapur. Many families, including Reddys, **Kapus,** Balijas, who found It difficult to support themselves by their traditional occupations, took resort in slate industry.

Prior to 1975 the slates of Markapur found a high place in markets of distant countries like Srilanka, Indonesia, South Africa and other places. Slates to these markets were supplied by the merchants from Madras and Bombay who possessed export licenses for foreign countries.[8]

Around 1977 the slates were sent to the markets of Nepal, Bangladesh, Pakistan and Srilanka. The industry could supply yearly slates worth of 15 crores of rupees.[9] The prosperity of this industry was not limited to the foreign exchange alone, even the related infrastructure like railways benefited greatly. For instance in 1987 South Central Railways' revenue for transporting slates was Rs. 14 lakhs. **Infact,** the 1970-80 decade may be considered as the golden period of slate industry which had nearly 200 to 250 slate companies and 50 slate factories working to their full capacity.

Since early 1980s the slate industry showed the signs of decline both interms of number of factories, companies and in production levels. For instance, as per the statements provided by the Assistant Labour Officer, there were only 97 companies and 76 factories functioning in Markapur in 1993.[12] But these factories and companies are not entirely stone slate units, but consisted of enamel, plastic, and cardboard factories also. Out of 76 factories mentioned above, there are 15 enamel, 5 plastic and 20 cardboard units.[13] The advent of modern slates adversely affected the stone slate business activity because it caused a drastic decline in companies

from 200 to nearly 100, and that of factories to 37. Another dimension added to the structure of the slate industry from 1990s is the development of the design tile units. It is these units that changed the position of the slate industry drastically in these years.

As for employment, the reports provided by the Assistant Labour Officer put 485 workers working in factories and 556 in companies as listed in the records maintained by the employer for the year 1992. It may be mentioned that this figure refers only to registered workers. However from the interviews held with various groups of people, it is found that the workers in these factories and companies still range from 5000 to 6000.[14]

Location of Industries and Companies:

Markapur town can be divided into two parts if one fallows the Tarlupadu to Yerragondapalem bus route which passes from South to North of the town. Most of the slate industrial activities like slate industries, companies, bodibandalu units are concentrated on the western part of the town, particularly, in 7th and 10th wards. Further, few industries and companies are also located in 1st ward on the eastern side of the town particularly in the area behind Revenue Division Office.

The central part of the town on both sides of the main road constitute the modern commercial area. However, the area around the temple at the heart of the town is the old and main commercial area.

Factories which are recently established are given permission to start only in Industrial Estate located on Ongole road on the south eastern part

of Markapur. Most of the factories started in eighties are Enamel, Plastic and Design slate units are established in the Industrial Estate located in the outskirts of town on the Ongole road near Markapur Railway Station. This is because, in 1984 an order was issued by the district collector not to give permission to start new factories within the town premises. However, all the cardboard units which were started in the mid eighties are located in town premises. Also, plastic units are started in the traditional slate industrial complexes which are located in town. These are being allowed since these units cause no pollution.

With regard to the social base of the industry it is noticed that most of the factories and companies are owned by the Vaishyas, the predominant local business community. However, the big and leading factory owners are those from outside the Markapur area. For instance the large factories like Sipani Company, Kanpur factory and Govindram factories were started two to three decades back by the leading business families from outside Andhra Pradesh. Almost all these factory owners are residing in the town.

Stone Slate Manufacturing Process:

The manufacturing process of the raw slates consists of three different stages. The first stage involves getting the stones from the mines and cutting the raw slates into different sizes, that is, **6"x"4, 7"x5", 8"x6", 9"x7"** and other big sizes according to orders. In the second stage the main work is making stone polishing, cutting clutches, and wooden planeing by machine. Third stage relates to applying black colour for polished slates, fitting the slates to wooden frames, nailing the frame in four corners, rounding the corners and tin binding the same.

The three stages exhibit wide variations with regard to the nature of work processes, workers employed, social groups involved, concerned wage structure, and legal provisions applied. Extracting of raw slate layers that is work in mine involves again five stages the details of which are provided in the forthcoming sections.

From cutting raw slates into different sizes to packing the slates, approximately 20 stages have been identified. There are only a few factories that undertake all these stages in their factory premises. Most of the factories get some stages of the work done outside the factory. They allot the required work to the mediators or the household owners on contract basis and it is the responsibility of company owner or contractor to get the work done on time. In this case the contractor usually gets the agreed amount. The transport costs to shift the commodity back to the factory premises is the responsibility of the factory. In some factories the premises and the machines usually belong to the owner who directly hires labour and gets work done on a lot basis. But in most of these factories the owner who owns the machinery and premises, usually rent them out to sub-leasers who arrange for different slate process by employing labour. All companies, however, have to get some parts of manufacturing like mud polishing, locally called as **buruda** *polishing*, and planing in factories.

However in enamel and plastic units the machinery is completely under the charge of the original owner. He employs different groups of workers as per the factory requirement and pays wages as per the **Minimum** Wages Act.

The only exception to this is the employment of children.

Manufacturing process in Enamel, Plastic and Cardboard Slate Factories:

There are five enamel slate manufacturing units in **Markapur area.** Of these one is located in the Markapur town, while the remaining four are established in the Industrial estate located in outskirts of the town. Essential inputs like tin, metal and plastic beads, paints are brought from distant places like Bombay and Calcutta and not from the hinterland.

The first stage in the slate manufacturing process is cutting the tin into required sizes as per the orders. These sized tins are then sent for acid oxidation, where these pieces are soaked or dipped in the hot water mixed with chemicals. This is mainly to purify these metal pieces from rust. Mostly children below the age of 14 are employed for this work. They are allotted a certain amount of work which they have to finish within the time allot ed.

Painting the purified slates with liquid paints is the next important process of work. These painted slates are kept from 10 to 15 minutes in heat chambers having a temperature of 670 degree celsius. After giving a few more rounds of painting, slates are again brought back to heat chamber. Finally slates are taken to moulding machines in order to affix the frame of different colours. Except in acid oxidization, almost all workers employed are adult **male** workers. This process of colouring and painting in enamel units usually cause bleaching of hands and other related skin disorders.

Plas work, wherein, the extra strips of plastic at the edges of the frame (which are formed when kept in moulding machines) are removed is the last important stage of the enamel slate manufacturing. Mostly women workers including girl children are employed for plas work.

The manufacturing process in the plastic factories is almost similar to the process carried on in the enamel units, except for the absence of modern heat chamber. Instead of modern kind of heat chamber these plastic units usually operate ordinary type of heat chambers using firewood. Metal pieces used in plastic units are generally low both in quality and cost.

An interesting aspect of these enamel and plastic units are that the children and women are employed in unskilled category of work.

Interviews with the various employers were conducted in order to elicit information on various aspects of industry like work force, wage structure in these units, general trend in the employment of children, facilities provided by these factories like E.S.I., P.F., financial compensation etc., and legislations applicable to the factories and the nature of inspections carried out by the government officials in these units. Our sample is limited to 17 units, the composition of which is given below

Stone slate units	3
Stone slate & enamel units	2
Design tiles	1
Enamel slate units	4
Household units	5
slate pencil units	2

Table 6.1

Labour Force in Slate Factories and Companies

Name of the Factory	Nature of Work	Present Strength of Workers				
		Hale	Female	Boys	Girls	Total
1. Eanpur Slate Factory	Slate	40	20	05	15	80
2. Viswanath Slate Factory	Slate & Enamel	15	10	02	02	29
3. Govindaraa) and Motila 1	Slate & Enamel	15	10	03	04	32
4. Sujatha Enamel Industry	Enamel	10	08	04	03	25
5. Viranjaneya Enamel Ind.	Enamel	15	06	08	--	29
6. Lepakshi Enamel Ind.	Enamel	30	10	10	02	52
7. V.J.R. Enterprises	Enamel	10	06	03	05	24
S. Dayal Slate Works	Design Tiles	08	02	--	—	10
9. Kiran Kishor Slate Works	Household	07	05	04	02	18
10 aqusa Slate Works	Household	08	07	02	02	19
11 Ratna Pullaiah Unit	Household	03	04	02	05	14
12 Hanuman Slate Unit	Household	06	05	06	--	17
13 Kareem Company	Household	07	05	02	02	16
14 Slpani Slate Factory	Slate	30	24	10	14	78
15 BVR Slate Industry	Slate	25	15	08	04	52
16 Miryala Kallayya	Slate Pencil	02	02	--	--	04
17 Mughal Raheem Beg	Slate Pencil	01	03	01		05

Source: Field Survey

Table 6.1 shows that, in stone slate factories the workers strength extends from 70 to 80. The strength of workers in Enamel factories is 25 to 50. In household units 15 to 20 workers are engaged. In design tiles 10 workers and in slate pencil units 4 to 5 workers are engaged. In almost all these units there is significant number of children below 14 years are engaged.

In factories and companies single shift is a general phenomenon. But the number of hours of work in slate factories and companies is greater between February and July. This is because it is during these months that the factories and household units undertake the Government tenders and they have to ensure the required supplies by June and July. In these months the factory employers usually resort to two shifts.

Wage Structure of the Labour Force:

The wage structure in various slate units exhibit wide disparities between the various categories of workers employed. In each variety of slate manufacturing like raw slate, enamel, and plastic, employers follow different systems like regular monthly consolidated pay, daily piece rate system and contract pay system. The wage structure also reveal the exploitative nature of operations as different groups are excluded from minimum benefits as entitled by the Factories Act or by the Minimum Wages Act.

For instance in stone slate units daily wage for the recognized workers vary depending on the nature of work. Generally four categories of workers are identified for the payment of daily piece rate wage. These

four groups are as follows.

1. Raw slate cutting whose daily wage is Rs. 12.
2. Mud polishing whose daily wage is Rs. 15.
3. Nice polishing whose daily wage is Rs. 15.
4. Frame polishing whose daily wage is Rs. 20, but usually gets Rs. 35 to 45 depending on the extent of work.

The wages for the above mentioned categories of workers is decided based on the amount of work which they have to put in. For instance in nice polishing and frame polishing, they have to complete the target of 8 boxes, each box containing 48 slates. All these categories of workers are paid a yearly bonus of Rs. 500 at the time of the festival of local god Sri Chennakesava which usually falls in the month of April. It is at the time of this festival that workers usually change their employer.

In enamel units the machine operator and chemist get a consolidated pay of Rs. 600 and they are entitled for living quarters also. The average daily wage of others like that of an operator adjusting or fixing frame would range from Rs. 20 to 50; worker employed in colouring or painting gets Rs. 24 for completing 8 boxes per day. the average daily wage for a women worker amounts to Rs. 15 per day; and those of children employed to Rs. 9.

In almost all factories the employers are required to provide beneficiary schemes like Provident Fund and **E.S.I.** facilities to the registered workers. Because of this employers keep only 10 to 15 members in records. Women and children, who generally fall under the unregulated lot of workers, are not provided with any of these facilities.

Table 6.2

Wage Structure in Slate Industry

Name of the Factory	Nature of Work	Per Day Wage In Rupees			
		Male	Female	Boys	Girls
1. Kanpur Slate Factory	Slate	24	15	15	15
2. Viswanath Slate Factory	Slate * Enamel	24	15	15	15
3. Govindaram and Motilal	Slate *k Enamel	20-25	15-20	10-15	10-15
4. Sujatha Enamel Industry	Enamel	20-25	15	10-15	10-15
5. Viranjaneya Enamel Ind.	Enamel	20-25	15	10-15	10-15
6. Lepakshi Enamel Ind.	Enamel	25-30	15	10-15	10-15
7. V.J.R. Enterprises	Enamel	25-30	15	10-15	10-15
8. Dayal Slate Works	Design Tiles	25	15	--	—
9. Kiran Kishore Slate Works	Household				
10 Aqusa Slate Works	Household	Wages in slates companies vary depending on the work done on each day			
11 Batna Pullaiah Unit	Household				
12 Hanuman Slate Unit	Household				
13 Kareem Company	Household				
14 Sipani Slate Factory	Slate	20-25	15	15	15
15 BVR Slate Industry	Slate	20-25	15	15	15
16 Miryala Kallayya	Slate Pencil	15-20	10-15	--	--
17 Mughal Raheem Beg	Slate Pencil	15-20	10-15	10	--

Source: Field Survey

However it is clear from table 6.2 that an adult male worker receives an average daily wage ranging from rupees 20 to 25 and female worker rupees 15 per day. According to the information provided by the employer, the average daily wage for those children employed generally varies between rupees 10 and 15. An interesting aspect of the wage structure is that the girl children employed in enamel units are not linked to the factory pay rolls. They are usually brought to work by the contractor, who provide work for 10 to 15 days in particular factory.

All the employers surveyed stated that child labour is existing in their units. They maintain records of those 10 to 15 workers, who generally enjoy the status of the workers. The names of other members are never properly maintained. Further records of children employed were never maintained.

The stone based slate industries and companies do not provide any facilities for skill development. As far as other facilities are concerned enamel and plastic units located in Industrial Estate, provide residential facilities for the machine operators and chemists.

The employers of the slate factories complained of health problems like TB, bronchitis, dust allergy and respiratory problems, which the workers are prone to get when they work in the state factories and companies. Major problems in enamel factories, as complained by employers are related to skin disorders like bleaching of hands etc.

Between 1986-1992, the factories have not brought any of the accidents

occurred in their premises to the notice of the authorities. All 15 respondents expressed that such accidents or injuries had never taken place in their factory premises. But interviews with the villagers of Vemulapeta and Besta colony, however, brought to light a few accidents cases. They had failed to get any compensation

With regard to the environment of Bodibandalu units it is noticed that in most of the cases the rough slate layers are cut into different sizes, mostly in open spaces without any shelter near the mines,homes and the factory premises.

In slate factories different stages of work are undertaken in different work places within the factory premises. Mud polishing, nice polishing and colouring processes are carried out in open spaces having adequate ventilation and lighting. Other stages of work like frame cutting, planing and round polishing are carried out in rooms having inadequate ventilation facilities. In all factories drinking water facilities are available. But the sanitation and toilet facilities are provided only in few factories.

In slate companies various work processes are undertaken in congested and cramped conditions. Most of the companies are located in narrow lanes and by lanes of 7th and 10th wards. In most of the units the entire work place consists of the two rooms (9 x 9 approximately) and two verandas. In some units fixing of nails and bolts are carried out in rooms where there is no provision for ventilation.

When asked about the legal aspects of the various legislations applicable to their factories and companies, they expressed the view that they are not strictly enforced. For instance, the employers are reluctant to say anything about records. In these records, the employers hardly maintain the names of more than 15 workers. This is because all those workers whose names are listed in the records are entitled to benefits like ESI, PF. Employers stated that they tried to deliberately reduce the number of ESI cards. Instead, they have accepted to pay consolidated amounts to the workers. In most of the factories and units, facilities for skill development are not visible. As for the requirements of the Factories Act, shops and Establishment Act, Minimum Wages Act, the employers never implemented those provisions related to welfare and health measures in the factory premises.

All factories including enamel, plastic, and cardboard come under the jurisdiction of legislative measures like the Factories Act, Minimum Wages Act, and Child Labour (Prevention and Prohibition) Act, while the companies are brought under the jurisdiction of the Shops and Establishment Act. But only workers in factories are entitled to welfare benefits like ESI and PF.

Slate Pencil Units:

Another activity related to the use of raw slate stone is the growing importance of slate pencil units. In early 1970s there were six units. A remarkable increase in these units was noticed within a decade, that is, between 1975 and 1985. There are 25 units presently operating. This increase is due to a decrease in the cost of machinery itself, from Rs. 10,000 to Rs. 8000. Replacement of various parts like cutting blade,

supporting rods etc., are the technical problems associated with these units.

Cost of raw materials vary depending on the quality of stone they opt for. For instance, the cost of first quality stone is about Rs. 1350 for trader, while that of second quality is Rs. 1250. Generally they go for latter quality. This cost includes

1. Rs. 100 for permit
2. Rs. 60 for loading the slate
3. Rs. 800 original stone cost
4. Rs. 260 transport cost.

Normally each unit on an average produces 100 to 150 boxes per day. Some times they produce upto 200 boxes provided there is proper supply of electricity.

The price of the product varies (Rs. 2 to 3 per packet) depending on sizes. Each packet constitute 100 slate pencils. Each box constitute 50 packets.

Slate pencils have better market from December to May, the period before new academic year starts for schools. In lean season the rate of the product ranges from Rs. 90 to Rs. 100 per one box. Usually they hand over the material to their merchant/sahukar from whom they get advance. The merchant collects product once in a week (mostly on Sundays) during season and once in a two weeks in lean season.

Most of these units are household units managed by family members. If

they employ an outsider, they have to pay Rs. 12 per 50 packets. In each unit workers are employed at three levels.

1. **Ullupattuta:**[18] He is paid Rs. 350 monthly, besides bonus of half of his monthly salary during the local cultural festival held in April. Further, he is paid an advance of Rs. 1500.

2. Machine operator: He is paid Rs. 15 per day, Rs. 1500 towards advance, and Rs. 100 as yearly bonus.

3. Two women who are engaged in sizing and sharpening the pencil are paid Rs. 12 per day. They get no advance and are paid Rs. 60 as yearly advance.

Most of these units are owned by Muslims. Interestingly no Vaishya owns a pencil unit.All these units are located in 10th ward. S.B.I. provided financial assistance to five units.

In the recent years, especially from the late 1980s there is decline in production levels of slate pencil in Markapur. No new units are coming up. Owners of these units say that the market for Markapur slate pencil is decreasing because the slate pencil of Markapur is far below the quality of Mandsour (Maharashtra) slate pencils which are of pure white and are more soft.[19] The Markapur slate pencils are slightly black thereby are not preferred much. Further, these pencils are not suitable to modern slates.

If we observe carefully, the rapid increase of these units during mid 1980s might be because, as the demand for slate stone decreasing, the erstwhile slate companies in an attempt to look for other alternatives began establishing slate pencil units. However, as the market for slate

pencils never rose as they expected, slate pencil units in Markapur, never got a strong foot hold and underwent stagnation.

A Note on Slate Mines:

Mines are spread over a vast area covering nearly 1300 acres in hinterland of Markapur. Over 70 percent of the, **population,** ranging between 30,000 to **40,000,** from nearly 40 villages are dependent on the slate mines for their livelihood. In these 10 to 12 percent are children. There are 32 villages from which most of the workers are employed in slate mines.[20] Work in the mines involves the following five stages:

1. To dig the stone and remove the raw slate layers.
2. To carry out the slate stones from the mines to outer areas.
3. To carry out the wastage like mud, stones etc., from the mines.
4. Transportation of stones from mines to factories or to houses. Here workers are employed for loading and unloading the stones.
5. To cut the raw slates layers into the required sizes.

Generally women and children are employed in 3rd and 5th stages essentially to carry out the wastage like mud and stones. Sometimes children are employed for cutting out raw slate into the required sizes. On occasions children do this as a part of the family labour.

The structure of operations pertaining to the ownership/lease rights over the mines have caused great variations in the wage structure and employment structure of the workers employed in these mines.[21]

The work in mines is carried out in two shifts. First shift extends between 7 a.m. and 12 p.m. while that of the second shift extends between 1

p.m. and 5 p.m. Children and women get the same wages, that is, Rs. 5 per day. Wages for men employed in extracting raw slate layers usually vary from Rs. 20 to Rs. 30 per day. Mine workers are not entitled to welfare benefits like P.F. and ESI. Mines Act, 1952 is applicable to all the mines, but there is no effective machinery for ensuring the proper implementation of legal provisions related to the slate mines. Minimum wages Act does not apply to the slate mine workers. Consequently, the slate mine workers are forced to live in dire economic conditions.

The mines are very deep and steep ranging from 30 to 100 feet. The entire work in these mines is carried out in a crude, unscientific manner without providing for safety measures. Most of the mines are deep without any proper stair cases or steps. The result is that accidents or injuries are a quite usual phenomenon in these mines. In case of any fall, or accident, the death is the instant result. In case of any injuries, minimum medical facilities are hardly available near the mines. In case of major accident, the workers family usually gets nothing in the form of accident compensation and further no attempt has been made to bring such cases to the notice of authorities.

Besides injuries and deaths which are the main occupational hazards, the mine workers are prone to respiratory problems. Many workers complained of body aches after the working hours. To overcome this pain most of the mine workers are prone to alcoholism. Many children complained of hard sores in palms and fever and cough.

The development of "design tiles" and factories further increased the

demand for raw slate layers and consequently the employment of children in the mine has increased greatly. Because of the absence of alternative employment sources in the region, as the entire region is a drought prone area with minimum available irrigation facilities, there is hardly any scope for the extension of agricultural activities in the region. Because of this, even though the government has sanctioned land from two to four acres to scheduled castes and tribes, still these are not brought under cultivation. Entire families are therefore forced to work in the mines.

Market conditions of Slate Industry:

Slate has been part and parcel of Indian school education since 19th century. In the recent years though there has been significant change in the type of slates being used, that is, enamel, tin, plastic, cardboard slates instead of stone slates, there is no drastic change in the utilisational levels of slate. However, the duration and extent of slate use is coming down in the present school education system particularly in the Convent schools with the increasing use of note books under the new syllabus system. However, with the increasing literacy trends one has to conclude that the demand for slates is still fairly high though not increasing rapidly.

Any discussion on market trends of Markapur slates includes analysis of two types of slates.

1. Traditional slates. i.e., stone slates.
2. Modern slates. i.e., enamel, tin, plastic, and cardboard slates.

Before 1980s Markapur produced only stone slates. Markapur covered 80 percent of the slate market in entire India.

With the advent of modern slates in the form of enamel, tin, cardboard, the market demand for stone slates got affected. Because the modern slates are more durable, light weight thereby easy for children to handle and are suitable for rough use. This necessitated the shift in the manufacturing from traditional slates to modern slates. Thus, after 1980 not even a single new stone slate industry was started and at the same time the production levels within the existing stone slate units got decreased as they started modern slate units.[22] The slate companies which were around 250 in number declined and their present strength is around 90 units. At the same time the strength of modern slate units began increasing gradually. Also these modern slate units are being started in various places of India. To mention, modern slate industries in Andhra Pradesh are started at Hyderabad, Proddutur and other places.[23]

Another important factor which affected the growth of slate industry in general and stone slate in particular is the infighting among slate industrial owners and between owners and slate market agents. Discussions with numerous industrial owners and market agents brought to light that there is no coordination within and between owners and market agents. The market agents who will be on market line touring various places and get orders, have disunity, there is no demarcation of areas among themselves either officially or unofficially, thereby the intra competition among market agents is leading to decline in the prices of slate. This is because, if one market agent quotes certain price to one party, another market agent quotes lesser price to the same party promising one standard of product but supplying another quality of product later on. This is leading to not only decrease in price but also in terms of name and fame of

Markapur product. Further, on numerous occasions the market agents who buy products from industrial owners on credit, promising them to pay back when they sell the product very often delays in paying to industrial and slate company owners. This delay in payment of money to owners is leading to lack of capital to them thereby affecting their production in the absence of input capital.

Thus, owners complain that they not only get low profits but also delayed payments thereby they are forced to pay higher interests to the persons or institutions from which they got the input capital. However, market agents complain that the delay in their payments is due to the delay in payments from the parties to which they sell. This according to them is because there is no one ready to buy on cash but only on credit. Thereby parties pay them in installments and not at once.

Coming to market position of modern slate industry of Markapur, though the overall market position of these slates is good, one important factor which started affecting this market is, the growth of these industries in various places of India thereby increase in the competition of their market and affecting the further growth of these industries in Markapur.

Moving to the other half of slate industry, that is, slate mining, interesting changes have occurred due to changes in slate manufacturing. Infact one can say mining sector adopted itself and created its own new avenues in the changing industrial conditions.

As the slate industry shifted from traditional to modern slates, the demand for slate stone began to fall down. In these conditions, the **mining** industry looked for other avenues for utilization of their raw material and the *design tile* industry is the solution to it.

The slate stone slabs brought from the mine are made to square pieces of around one feet. These are used as tiles in Europe, Australia and other countries. The export demand for the product is high.

This demand for tiles in a way gave a boost to mining industry in Markapur region. Thereby though there is decrease in the production of stone slates, the mining industry is being continued due to the tiles industry. As the manufacturing of tiles is a simple process which includes the cutting of slabs brought from the mines into small pieces, the consumption of mine stone is rapidly increasing, thereby in a way, the mining activities have become more brisk. However, though consumption of slate stone due to design industry is increasing at a more intense pace, the employment generation in design tiles industry is minimum since it involves minimum manufacturing work which is totally done by machines. **Infact,** the more they are untouched, the more natural the tiles look and the more they are preferred by consumers.

Thus, the changes in the slate industry drastically affected the production, wages and employment levels in factories, with minimum effects in the mining industry.

Conclusion:

The slate industry of Markapur experienced rapid growth from 1960s to 1980. The advent of modern slates in 1980s led to decline of traditional slate units and companies. Further, the infighting among the market agents and production of modern slates in other places also affected the slate industry of Markapur.

How these various changes that occurred in slate industry affected town-country networks in Markapur region? What is the impact of these changes on the development of town vis-a-vis region? Attempts to find answers to these questions will be made in the forthcoming chapters.

NOTES:

[1]Planning Commission report on Child Labour in Slate Industry of Markapur, 1992, p.9.

[2]Planning Commission Report, op.cit., p. 10. The results of the base line survey done by Jagruthi-Assistant India, a non-governmental organization functioning in Markapur also showed the same conclusions. Field notes. Interviews with trade union leaders viz.,Nasariah, Guruviah, District Labour Officer, Nirmal Kumar Prasad.

[3]Planning Commission Report, op.cit. p 109.

[4]Ibid, pp 9-10

Report of Slate Manufacturers Association, Markapur, on growth of slate industry of Markapur. Also see Planning Commission Report, op.cit., p 10.

[6]Ibid.

[7]Ibid.

[8]Ibid. Field notes. Interview with Padarthi Ramaiah, President, Markapur slate Exporters Union, trade union leaders, slate workers union leaders.

[9]Slate Manufacturers report, op.cit.

Planning Commission Report,op.cit., p 64.

Annual reports of the Assistant Labour Officer, Markapur, 1992. Field notes. Interviews with slate industrial and household unit owners.

[12]Annual reports of Assistant Labour Officer,op.cit.

[13]Ibid.

[14]Field notes. Interviews with employees of Slate factories, Trade union leaders, slate workers of Venkateshwara slate factory, Sipani slate factory, Kanpur slate factory. Also please see Planning Commission Report, op.cit., p 12.

The Industrial Estate has nearly 30 factories, which are modern slate and design tiles industries. This estate is developed by Andhra Pradesh Industrial Infrastructure Development Corporation. It was started in early eighties in Markapur.

The detail description of slate manufacturing in different types of slate factories is based on field observation and field notes. A sample of slate units of different kinds were selected and interviews were conducted with owners and workers of these units.

The relations between slate factories and companies are explained in detail in chapter VIII.

[18]Here, the workers cuts the slate stone layers brought from mines into thin layers, smoothen them and divide them into small pieces.

[19]Mandsour is famous for production of slate pencil. Due to the availability of white stone which is soft natured, large-scale slate pencil production is undertaken. Because of its soft natured, the slate pencils produced are of fine quality and are supplied all over India.

20
Field notes. Interviews with Guruviah, President, Slate Mine Workers, Markapur, Pamphlets of slate mine workers union, Report submitted by slate mine workers to Chief Minister of Andhra Pradesh when he visited in 1967. Base line survey report Assistant India Society, Interview with trade union leaders, district labour officer sri Nirmal Kumar Prasad. Also see Planning Commission Report, op. cit., pp. 9-10.

21 The details are provided in chapter VIII.

22
Annual reports of Assistant Labour Officer, Markapur, 1993.

23
Field notes. Discussion with slate industry related persons particularly, Sudhakar, design tiles unit owner. Also see Planning Commission Report.op.cit., p 19.

24
Field notes. Interview with Manager, Venkateshwara design tiles units, Sudhakar, owner, Hanuman design tiles unit, Markapur.

CHAPTER VII

TOWN-COUNTRY NETWORKS IN DHARMAVARAM AND MARKAPUR: A DESCRIPTION FROM THE FIELD

Having studied the socio-economic background of Dharmavaram and Markapur regions in the previous chapters, attempts will be made in this chapter to study the growth and functioning of these towns in their respective regional economic contexts. This is done mainly by describing the growth pattern of these towns through tracing the formation and dilution of linkages between towns and their hinterlands at different stages of their development, and by studying the nature of functional relationships between various groups located in town and hinterlands of both the regions. The assumption here is that, the above attempts will help us in understanding the functioning of both the towns in their regional set up and enable us to identify the inherent processes behind the growth pattern of both the towns.

DHARMAVARAM:

Intensification of Backward, Forward and Total Linkages of Dharmavaram with its Hinterland:

Before mid 1960s Dharmavaram had feeble backward linkages. These were mostly limited to groundnut oil and dechotomization mills. Another field was silk weaving, where silk weavers from hinterland procured raw materials from the town and got them weaved into silk sarees in the villages and brought them back to town for marketing and trading. However, during this period cotton weavers who were facing poverty due to lack of work and extreme low wages began migrating to Dharmavaram not only from various parts of the district but also from neighbouring districts and shifted to silk weaving because of its better wages.

Another significant development which influenced the growth of the **Dharmavaram** is, the change in the relationships between master weavers and other weavers (This is explained in the forthcoming sections).

One more important development which led to the strengthening of the **Dharmavaram's** backward linkages with its hinterland is the spread of mulberry cultivation from 1980s. This led to numerous multiplier effects in the silk industrial activities of the town and in the overall development of silk industry vis-a-vis town. The cultivation of mulberry crop in the hinterland tregurred the development of agro-processing industries related to silk in the form of silk reeling and twisting industries. This led to increase in the raw silk selling and zari selling units. Thus, the availability of all raw materials in the local place and the increasing remunerative of weaving activity facilitated the rapid spread of silk weaving both in town and hinterland. The spread of weaving again increased the dyeing units. The rapid rise of weaving resulted in increasing the silk saree production which again led to increase in the saree trading units or silk saree shops.

Dharmavaram besides developing as a silk industrial centre, from 1970s, also developed as a agro-processing centre particularly from the point of view of the groundnut mills. The groundnut mills which were 10 in 1970 increased to 28 in 1992 due to rise in the cultivation of groundnut crop which is the major commercial crop grown in the region.

Thus, the strengthening of backward linkages of **Dharmavaram** with hinterland in the form of mulberry cultivation, groundnut cultivation and

its multiplier effects in the town and the strengthening of forward linkages with the spread of weaving in the hinterland which consumes the raw materials produced in the various industries in town and produce final products, led to rapid development of town. Further, the intensification of both backward and forward linkages created directly and indirectly much impact in the form of development of commerce and trade, improved buying capacity of people both in town and hinterland and generation of surplus which created growth of private financial corporations, investment in electronic shops, garments, development of hotel and recreation activities, increased habits of luxury consumption, development of general trade and commerce, demand for real estate which are called aspects of **'total** linkage'.[3] But here, one has to study what are the forces for intensification and strengthening of forward, backward and total linkages of the town with its hinterland and for high generative effects of these linkages on town. This necessitates us to focus on the nature of relations between various functional groups in town and hinterland which are the actual functioning units of linkages.

MARKAPUR:

Dilution of Backward and Forward Linkages of Markapur Town with its Hinterland:

Though the manufacturing of slates in Markapur started in 1940s, production on large scale methods with the use of modern machinery and electricity started only from late 1950s. In fact, traditional (stone based) slate production started rising in 1960s and attained its peak during 1970s.

During this period, particularly during 1970s, Markapur developed intense backward linkages in the form of supply of slate stone to slate factories and companies. This created lot of employment both in town (slate factories) and in hinterland (slate mines). Also there were forward linkages in the form of creation of employment in factories to the hinterland people. As a result of these linkages Markapur experienced good growth both in terms of slate production and employment generation and in terms of demographic growth thereby achieving the highest decadal growth rate of 54.4 percent in 1971-81 decade.

However, from 1980s the erstwhile intense backward linkages of Markapur town began to dilute with the decline of stone slate industry and growth of modern plastic, enamel, cardboard slate industry. The modern slate industry functions without any significant backward and forward linkages with hinterland either in terms of supply of raw materials or providing employment to hinterland people respectively. At the same time, the modern design tiles industry created lot of employment in mines but its impact on town's employment is negligible due to its limited role in

manufacturing. Consequently the town lost its erstwhile backward and forward linkages and started experiencing 'enclave type of urbanization*.

However, it is essential to study what are the forces or processes behind the intensification and strengthening of linkages at Dharmavaram and dilution of linkages at Markapur. This necessitates to focus on the nature of production relations between various functional groups in town and hinterland of the both regions which are actually the functioning units or agencies of linkages.

Thus, in the forthcoming section an attempt is made to study the pattern and nature of relationships between various groups spread over in town and country of the both the regions.

DHARMAVARAM:

Relationships between Mulberry farmers, Silk Reelers and Twisters:

Mulberry farmers undertake both the mulberry cultivation and silk worm rearing (from eggs bought from government and private grainages) and produce cocoons. They can sell cocoons in any government cocoon market located any where in India. Prior to 1982, in Dharmavaram region mulberry farmers used to take their product to far away places like Mysore, Vijaynagar, Ramnagar and other places in Karnataka state.[4] However, in 1982 the state government of Andhra Pradesh under the control of Department of Sericulture started government cocoon market yards in Dharmavaram, Hindupur and Kadiri towns of Anantapur district.

In each region there is mulberry farmers association who are members in the cocoon market yard committee. In the market yard where auction of

cocoons is undertaken, the reelers participate *fa* buying cocoons. The auctioning is conducted by market yard officer with the help of market yard committee where officials, mulberry farmers, reelers are members. The entire activity is supervised by Assistant Director of Sericulture. Whenever a farmer is dissatisfied with the cost of his product, he can withdraw his product from auctioning by paying nominal fee to market yard officer and can participate in auctioning in the following day or he can participate in any other market yards located in other towns. As a result of all these measures, farmers are able to get good price for their product and the scope for exploitation of one group by another is minimized.

Interviews were undertaken with mulberry farmers in Dharmavaram cocoon market yard in the months of November 1992 and February 1993. The cost of one kilogram of cocoons during this period was between rupees 100 to 130. According to farmers, since there is healthy competition between various reelers located in Dharmavaram town the farmers are getting good price for their crop and thereby the cultivation of mulberry crop is rapidly increasing every year. According to the survey done by the department of sericulture, on an average there is an increase of five hundred to six hundred acres of mulberry cultivation every year in the hinterland of Dharmavaram. The farmers further view that the mulberry crop which gives three to four yields per year is more income generative than many other commercial crop grown in the region. Thus, in recent years mulberry crop is acquiring greater prominence and popularity among farming community in the region. Coupled with this, the department of sericulture is undertaking numerous developmental and welfare programmes for the development of sericulture in the region.

The department of sericulture has developed two demonstrating units in the hinterland of Dharmavaram, where the farming techniques of mulberry crop is explained to farmers. Besides this, chawki rearing centres are also established. Here, the sericulture department will maintain the silk worms in the initial period and later will pass on them to farmers. Further, the mobile exhibition vans of the department will visit various villages and supervise, assist in mulberry cultivation and silk worm rearing. The department with the cooperation of NABARD and other banks is disbursing loans to mulberry farmers extending from rupees 10,000 to 15,000 to each farmer for construction of shed, infrastructure for silk worm rearing and for cultivation of mulberry crop. Separate schemes in association with scheduled caste and scheduled tribe development cells were initiated for mulberry farmers from weaker sections. As a result of these various government welfare policies and due to generative linkages between farmers and reelers, the cultivation of mulberry crop is growing rapidly in the hinterland of Dharmavaram.

Coming to the relationships between reelers and twisters, all large scale units undertake both reeling and twisting activities. The household units do reeling and twisting separately. The household reelers sell the reeled silk to the twisters based on the rate of cocoons and reeling charges. Twisters who follow the daily rates of cocoons, are well aware of the cost of silk and thereby the transactions between reelers and twisters are smooth and straight forward.

Relations between Reelers, Twisters and Raw silk agents:

Most of the transactions in silk industry are based on the cost of the

cocoons, based on which cost of raw silk is decided. The cost of cocoons is daily decided by Central Silk Board located at Mysore. In fact, every person involved in silk business have day to day following of the cost of one kilogram of cocoons. Based on this, the transactions in local market yards will be undertaken. The numerous raw silk agents buy silk from central and regional silk centres in Mysore and Bangalore and from local reelers and twisters based on the cost of cocoons. In Karnataka, on all raw silk bundles the department of sericulture puts its seal certifying the quality and the price. In Dharmavaram town, besides private raw silk dealers there are government dealers in the form of SeriFed, Government of Andhra Pradesh and Karnataka Government Silk exchange centres. Every reeler is free to sell his raw silk to either government or private raw silk dealers. Due to healthy competition between government and private raw silk dealers and within private raw silk dealers and due to greater demand for raw silk, the reelers and twisters gets reliable price to their product.

Relations between Raw Silk Agents, Zari Agents and Weavers:

Thousands of weavers located in town and hinterland of Dharmavaram buy the necessary silk and zari materials from the numerous raw silk and zari dealers located in town. As mentioned already the transactions between raw silk agents and weavers are based on the cost of cocoons during the period and thereby the cost of raw silk. The relations between each raw silk dealer and weavers are regular and constant. Each dealer mostly have his own regular customers. Since the buying of silk is a continuous activity, each weaver buys the product mostly from the same set of dealers. In Dharmavaram region, of the 75 percent of weavers who by raw silk from

private dealers, nearly 65 percent of them buy regularly from two or three dealers. Of the remaining 10 percent of weavers, 7 percent of them buy constantly from single dealer. This shows that most of the weavers buy from either two to three dealers regularly, where they maintain permanent relations with them. Further, most of the weavers buy their product on credit basis and repays the old balance every month when they buy new product.

Of the 79 percent of weavers who buy zari from private zari dealers, nearly 60 percent of them buy from two dealers while 10 percent of them gets zari from their silk merchants. Only 5 percent of weavers maintain relations with more than four zari dealers at a time.

This shows that most of the weavers maintain a permanent, reliable relations with the same set of raw silk and zari dealers. The transactions to a major extent are governed by mutual trust. Further, the weaver buys the silk not for his own consumption but for weaving and selling the product to others. He buys the product without much bargain, because in selling the product to the silk merchant he would calculate all his input costs besides calculating his wages and profit ratio.

In order to get first hand information of the networks between weavers and raw silk agents on numerous occasions, the researcher used to sit in raw silk selling units discussing casually with the dealer and observing the entire operations between him and his customers. In most of the cases, the customers (weavers) to these units are of regular nature. Each raw silk dealer has regular customers. Thus, the relations between them are

regular, permanent and enduring. Each weaver knows the existing cost of the cocoons and thereby the cost of raw silk. He buys raw silk without much fuss or bargaining, however, taking all the care in terms of procuring good quality of silk yarn. In most of the cases weaver pays the previous debt and takes the product again on debt. This buying the product and repaying the debt is a regular process. Each knows the other well. Thus, the transactions and relationships between them are simple and straight forward. There are also weavers who readily pays the money and takes the product.

While discussing on the relations between various groups of silk industry, Sri Subbarayudu, one of the leading private raw silk dealer in Dharmavaram says the entire gamut *of* relations between various sections of silk industry are weaved together with the threads of **'belief'** and 'trust'.

Relations between Weavers and Silk Saree Merchants:

The relationships where master weavers had greater say and were dominant underwent rapid changes from early 1970s with the implementation of 20 point programme and nationalisation of banks. Under 20 point programme, loans were disbursed to silk weavers to buy looms and raw materials.

Previously master weavers (who were the silk saree merchants) had monopoly over the entire silk industry in Dharmavaram. There were around fifty to sixty master weavers in the late 1960s. Each master weaver maintained silk weavers whose number varied from **30** to 150 based on their capacity. Master weavers supplied looms, all raw materials like dyed raw

silk, zari silk to weavers and got the sarees woven from weavers according to the designs and colors ordered by them. Master weavers got the raw materials from Bangalore. Locally, very few raw silk and zari dealers (S to 10) were existing at that time. The wages of silk weavers were decided by the master weavers. Since the master weavers owned the looms, and raw materials, they used to dominate and decide the wages of the weavers. Master weavers paid low wages to weavers. Because of low wages weavers took loans from master weavers. These loans in a way bound the weavers to work for their master weavers irrespective of the wages.

The entire life of weavers depended on the mercy of the master weavers. Before 1970s most of the master weavers and weavers were from traditional weaving castes. In a way this feeling of caste solidarity among the master weavers and weavers is one of the strong binding factors

for strong and emotional relationship between each master and his weavers. Each master weaver projected himself as the source of bread to his weavers' families. Generations of weavers within a same family worked with the same master weavers. Thus, in spite of low wages, the functional relationships between master weavers and weavers were governed by the dominance of the master weavers and the insecurity among the weavers. The weavers regarded their master weaver as the source of their livelihood a source of permanent employment to them and to their children, a person who readily help at times of strain and insecurity. Further, most of the weavers are landless or even if they have few acres, they are of no use in the rain fed economy of the region thereby had no alternative source of living except weaving.

Even to this day one master weaver Kothapalam Sreenivasulu maintain twenty five weavers. He supplies all raw materials and get the sarees weaved by them as per the designs and colours stipulated by him. When he was asked why he is still following the old practice of maintaining weavers and supplying raw materials to them, Sreenivasulu replied that "by supplying all the required standard raw materials and looms I have better hold on the weavers whereby the quality of the weaving will be good". From the other side, when weavers were asked for the reasons why they still work under Sreenivasulu as labour weavers, most of them replied that the relations with their master were deeply rooted in their families since a long time. Even their elders worked under the same master weaver. They further view that though they get only wages (and are devoid of profit percentage like independent weavers) there is constant work for them, and the work satisfaction is high due to regular supply of standard raw materials thereby the quality of weaving is high. Also the master weaver comes to their help at times of crisis and uncertainty. They view the master weaver as a permanent source to rely upon. However, some of these weavers beside weaving for Srinivasulu, also buy the raw material on their own, weave the sarees and directly sell to silk merchants.

From early 1970s silk weavers who were subjective to master weavers began to acquire independence with the provision of loans for their looms and for buying raw materials. Of the total 150 weavers households surveyed in Dharmavaram region (town amd hinterland) 73 percent of them applied for government loans. Within this, 55 percent of them secured government loans. While 28 percent got a loan of Rs.5000 to Rs.7000, 7 percent got loan ranging from Rs.7000 to Rs. 10,000. Further. 9 percent each got an

amount between Rs.10,000 to Rs. 15,000 and Rs.15,000 to Rs.50,000 respectively. While some independent weavers began weaving sarees on their own by buying required raw materials and selling the sarees to master weavers, some weavers who still continued to work with master weavers began to demand better wages. These changes improved the position of the weavers both economically and socially and weaving slowly began attracting people not only from traditional weaving castes but also from many other castes. Thus from early 1970s the population of Dharmavaram town began growing rapidly due to migration of weavers from different parts of district and from other neighboring districts. Also, weaving acquired a new social and economic position because of its independent nature and income generative thereby began to spread rapidly in the hinterland of Dharmavaram.

Weavers are of two types.

1. Independent weavers.
2. Labour weavers.

Independent Weavers: These own their instruments of production and buys all the required raw material on their own, weaves the sarees and directly sell them to the silk merchant. Obviously here, the weavers get good income since, he gets five to ten percent profit ratio besides wages.

Labour Weaver: These weavers neither own instruments of production nor objects of labour but depends on silk merchants. In fact in Dharmavaram silk merchants and independent weavers maintains contacts with labour weavers, the number extending from five to twenty based on his capacity. They always supply them looms and necessary raw materials or in some cases

provide money to buy raw materials and ask them to weave the sarees as per his ordered colours and designs. Here the labour weavers gets only wages. The wages for silk sarees are fixed as per the understanding between the silk saree merchants association and weavers association. These wages are fixed and are to be followed by every silk saree merchant.

In the present study of the 150 sample weavers households interviewed in **Dharmavaram** region (100 in town & 50 in hinterland) we can observe from the below given table that there is almost complete erosion of institution

TABLE:7.1

Status of silk weavers in Dharmavaram region

Type of weaver	Town	Hinterland	**Dharmavaram** region
Master weaver	1		1
Independent weaver	76	80	77
Labour weaver	23	08	18
cooperative weaver		12	04

source: Household survey.

of master weavers and increasing trend towards Independent weavers who constitute 767. and **80%** of total weavers in Dharmavaram town and hinterland respectively. Interestingly, the labour weavers **are** more *(237.)* in town when compared to hinterland **(8%)**. Thus, with the increasing trend towards growth of independence weavers, the income levels of weavers are increasing rapidly.

TABLE:7.2

Income levels of silk weavers in Dharmavaram region

Income range in Rs.	% of weavers in Dharmavaram	% of weavers in hinterland	% of weavers total region
1000 & below	13	08	11
1001 & 2000	32	14	26
2001 & 3000	29	32	30
3001 & 4000	15	14	15
4001 & 5000	03	16	07
5001 & 10,000	08	16	11

Source: Household Survey.

From the table 7.2 we can observe that in Dharmavaram town majority (60%) of weavers earn between two thousand to three thousand rupees per month. However, in hinterland, majority (627.) of weavers earn two thousand to five thousand rupees in a month. The average monthly income of a silk weaver in town is Rs. 2619, while that of hinterland is Rs. 3420. However, one has to carefully study the reasons behind the high household income in hinterland. This is mainly because, weaving in hinterland is still in the hands of traditional weaving castes. Though numerous persons from various castes are entering weaving, still they are labour weavers, working in the families of these traditional weaving households, where, they come and work as apprentice weavers and labour weavers. Thus, in most of the weaving households, the number of looms are high in hinterland when compared to that of town. To mention, 6% of weavers households in hinterland have 8 looms, whereas in town, not even a single household has 8 working looms. And in these households in hinterland, the number of hired workers (Labour weavers and apprentice weavers) will be more. From the Table 7.3 we can observe that, in hinterland 30 percent of households engage hired workers,

TABLE:7.3

Hired workers in Dharmavaram town and hinterland among silk weavers households

Number of Hired workers	Number of households in Town	Number of households in hinterland
Nil	81	70
One	10	10
Two	04	14
Three	04	04
Four & above	01	02

Source: Household Survey.

whereas in town it is only in 19 percent of households. Further, in town only 4 percent of households engage two hired workers compared to 14 percent of households in hinterland.

Thus, the lower percentage of labour weavers *[87.)* in hinterland when compared to town **(23%),** as shown in Table No. 7.1 is because, in town, since the looms are located in houses of labour weavers, they are easily identified and detectable. Whereas in hinterland, the looms **are** located in the houses of independent weavers, thereby, in survey, they are not considered as labour weavers since they fall part of independent weaver households. Thus, their production and income is also included in independent weaver households, thereby, it is reflected that, the **average** income of weavers households in hinterland is high when compared to town.

In reality, the labour weavers in disguised form (working in independent weavers households) are more in hinterland. Since these labour weavers have no necessary facilities and techniques, to establish looms in their own houses, they work in independent wearers houses.

Linkages between Basic-Economic Activities and Non-Basic Economic Activities: Growth of Total Urbanization

The development of basic economic activities in Dharmavaram in terms of growth of silk industry and groundnut industry led to development of non-basic economic activities in terms of improved trade and commerce, real estate, better role of Dharmavaram town in terms of educational centre, health centre, transport and communication centre, recreational centre and political centre.

The development of silk industry and groundnut industry led to high capital accumulation in Dharmavaram. The buying and consuming capacity of the people involved in the basic economic activities increased. More than seventy percent of the population of the town is involved in the basic economic activities of the town. Due to high buying and consuming capacity of these population the demand for essential and non-essential goods is high. Further, because of its strong economic linkages with its hinterland, Dharmavaram also draws huge population to town and thereby again boosting general trade and commerce. To mention one example, thousands of silk weavers not only from its immediate hinterland but also from neighbouring divisions of Anantapur and Hindupur are also drawn to Dharmavaram either to buy raw materials and to sell the finished product or to get the looms repaired or to buy the spare parts of looms Thereby these people also buy all the day to day essential and other non-essential items in Dharmavaram inspite of other towns being near to their places.

The below given example substantiates the above point. The people from ekalavya weaving colony located beside S.K. University which is 10 kms from Anantapur town, visit Dharmavaram once in ten days on silk industry related

work and says that they do their entire shopping in Dharmavaram in spite of Anantapur town being much nearer to them. Besides the factor of drawing consumers from beyond the regular hinterland, one more factor which improved trade and commerce of Dharmavaram town is the high consuming capacity of Dharmavaram people and improved capacity of its hinterland people particularly weavers and mulberry farmers besides others.

The investment in these trade and commerce, real estate and other activities is done by local dominant sections in basic and non basic activities and also from the agricultural land lords of the hinterland. It is important to notice that there is increasing trend of investment in private finance corporations, silk saree shops, and in the opening of various shops like electronic goods, cloth stores, garment shops, kirana shops, furniture shops, lodges, bars and restaurants, cinema theatres, real estate particularly in land speculation.

Conclusion:

It is evident from the above discussion that the relations operating between different functional groups which are actually the functional units of linkages are generative to all the groups thereby leading to the intensification of town-country linkages and the growth of Dharmavaram town and its hinterland.

We may conclude from the earlier discussion that the relations between various functional groups located between Dharmavaram and and its hinterland and within Dharmavaram are generative and mutually beneficial and helpful. This is because, the development of one group depends on the

development of the other. These various groups more particularly related to silk industry are meticulously dependent on each other and are linked strategically not only for their development but for the development of the entire silk industry. One important thing to be mentioned here is that, if the relationships between two functional groups are non-cooperative and exploitative it disturbs the relationships of all other groups and the whole silk industry itself.

One such development which occurred during 1992 in fact threatened the development of silk industry in Dharmavaram. The details of the incedent are provided in Appendix III.

Thus, in Dharmavaram region, the mutually cooperative and generative pattern of relationships between various functional groups like mulberry farmers, reelers, twisters, raw silk dealers, zari dealers, dyers, weavers and silk merchants resulted not only in intensification of various kinds of town-country linkages but also led to generative urban and regional development.

RELATIONS BETWEEN VARIOUS CROUPS IN TOWN AND COUNTRYSIDE OF MARKAPUR REGION:

Relations between Mine Owners and Workers:

Slate mines are spread over a vast area covering nearly 1900 acres in Markapur region. At present over seventy percent of the population ranging between 35,000 to 40,000, from nearly forty villages are dependent on the slate mines for their livelihood.

In order to understand the relations between the various sections

involved in the mining activities, a detailed analysis of the various aspects like the socio-economic background of mine owners, the nature of ownership, the role of sub lease holders, pit owners, maistries, in exploiting the mine workers, the wages of various groups of mine workers, the working conditions in mines, the timings of work, and other details are studied.

Work in the slate mines involves the following five stages:

1. To mine the stone and remove the raw slate layers.
2. To carry out the slate stones from the mines to outer areas.
3. To carry out the wastage like mud, stones etc., from the mines.
4. Transportation of stones from mines to factories or to household units. Here workers are employed for loading and unloading the stones.
5. To cut the raw slate layers into the required stages.

Generally women are employed in the 2nd and 3rd stages of work. Children are employed in 3rd and 5th stages essentially to carry out wastage like mud and stones. Sometimes children are employed for cutting raw slate into the required sizes. On occasions children do this as a part of the family labour.

The Nature of Ownership and Leasing Pattern:

The nature of operations arising from the ownership and lease rights over the mines have caused great variations in the wage structure and employment generation of the workers employed in these mines.

The state government usually lease out the mines to few individuals. For instance, a major portion of the mines in Markapur and Tarlupadu mandals are leased to the family of Buchirayan, who enjoy lease rights

since 1960. Hailing from the West Godavari District of Andhra Pradesh in 1960 Chelikani Buchi venkata rao got the lease rights over the mines for 20 year period. After his death, his son Chelikani Buchirayan got the lease rights transferred on his name for another 20 year period, that is, upto 2000 A.D.[12]

In course of time the main lease holder chelikani Buchirayan started the sub lease system, whereby rights over a substantial portion of the mines are given to local people who are local political leaders and land lords. For instance in 1978 Ravi Venkatareddi of Tarlupadu village got sublease rights over 333 acres of mines belonging to Chelikani Buchirayan. R. ChinnaKasi Reddi and S.K. Sattersaheb are other two leading individuals who secured these sublease rights. In return Buchirayan enjoys four varieties of financial benefits in the form of permits. These are:

1. Rs.130 per lorry load that is, 10 tons of slate layers.
2. An amount of rupees 50 per each load of slate layers.
3. Some share from all those who undertake cutting of raw slate layers, called bodibandalu.
4. An amount of Rs. 20 each cart load of slate pencil layers.

Another dimension added to the structure of ownership with reference to mines is the growth of pit ownership. These pit owners are mostly from Markapur town, some of them are also owners of slate factories. Their main aim behind getting lease rights over small parts of mines is to acquire and have continues supply of raw material to their industries at cheaper rates. Under this system the sub lease holders generally give small patches of land ranging from 4x4 to 40x40 to pit owners. The employment of workers and the payment of wages to the workers are entirely in the hands of these

pit owners. Depending on the size of their unit, pit owners usually employ 10 to 40 workers. After complete exhaustion of one pit, workers abandon that area and move on to a new pit either under the same pit owner or to new pit owner. Thus, the employment in the mines of the pit owners depend on contractual terms. There exist no direct connection between the workers employed in various pits and between the original mine owner or between the workers employed in various pits.

Excluding few main workers who actually dig the mines most of the other workers, women and children employed for carrying waste material are under the control of maistries, who play a mediatory role. These maistries generally establish wide contacts with the various pit owners.

Information obtained from different village maistries brought to light that the workers belonging to various castes like Reddies, Vadderas, Mal as, Madigas, Kapus and others have distinct 'mutahs' under the sole control of their caste maistries. For instance in Chennareddi Palli village Marri Gal lemma is incharge of Harijan palem mutah, while Kapu Venkatakshamma is incharge of another mutah. Under each mutah 10 to 20 children and a few women are employed. Maistries maintain a register of children and women employed under him/her inorder to maintain their own accounts but in now way connected to either to pit owner or mine owner.

Work Timings:

The work in mines is carried out in two shifts. The first shift extends between 7 a.m. and 12 p.m. while second shift extends between 1 p.m. and 5 p.m. Thus each shift works for nearly S hours. One hour

interval for lunch is provided within these working hours. In summer, work is undertaken only in morning shift. This is because, the slate layers get heated up in the afternoon and are extremely difficult to handle in the hot sun with bare hands.[13]

Wages:

Children and women get the same wages that is Rs. 5 for one shift and Rs. 10 for two shifts. However most of the women and children work in the first shift, as in the afternoon they have to look after cooking and other household activities. Over a period of three decades the increase in the wage rates for those working in mines was very low. The wages for those working in carrying waste material increased from paise 50 to one rupee, from one rupee to two rupees and fifty paise, then to three rupees, and only in 1992 it has been raised to Rs. 5.[14]

Wages for men employed in extracting the raw slate layers usually vary from Rs. 20 to 30 per day. Mine workers are not entitled to welfare benefits like Provident Fund, Employment Security Insurance. Mines Act, 1952 is applicable to all the mines, but there is no effective machinery for ensuring the proper implementation of legal provisions related to slate mines. Minimum wages Act does not apply to the slate workers. Consequently, the slate mine workers are forced to live In dire economic conditions.

Household Income of Slate Mine Workers:

Of the 50 households surveyed in five mining villages of Markapur hinterland, about 80 percent of households monthly income is below

thousand rupees. 15 percent of households income is between Rs. 1001 to 1500. And the remaining 5 percent of households fall in the income range of Rs. 1501 to 2000. Most of the slate mines workers does not have any additional income source. Only 7 percent of slate mine workers hare land between 1 to 4 acres. Since the region is dry, only rainfed staple food crops like korra, sajja, arika are cultivated. Thus, though all members in a household find employment is slate mines, their earnings are not sufficient to meet their basic necessities and are therefore forced to borrow money from their mine owners or local money lenders.

Debts:

Nearly 80 percent of slate mine workers have debts. Within this, nearly 60 percent of them have debts ranging from Rs. 1000 to 5000, 30 percent of them have debts ranging from Rs. 5000 to 10,000 and the remaining 10 percent borrowed more than Rs. 10,000. Majority of them borrowed form mine owners, pit owners and private money lenders.

Because of this debt, the mine workers are put in a difficult situation. First, they cannot demand high wages. Secondly, they cannot change the employer, unless he/she redeems the loan which is owed either to the mine owner or pit owner. Most of the slate mine workers are thus forced to live in bondage.

Workinf Conditions and Non-Registration of Workers in Slate Mines

Slate mine workers are not only kept in a perpetual bonded labour situation, but also are forced to live and work in those conditions which are very detrimental to their overall development. For instance, in

Venkateswara mines which is one of the largest mine in the area, workers employed are mostly in the age group 10-60 years. They have to work in steep mines having a depth of 10 to 70 feet. In the registers maintained by the owner or the mine manager, only 25 workers were listed earlier, but now the number has increased to 75. Nevertheless, the actual number of workers employed in this mine is around 5000. In case of any accident causing instant death or injury, it is very difficult to find the name of the worker injured, as the manager usually resorts to falsification of the records. Moreover, the workers are subjected to irregular working hours, lack of provision of safe drinking water near and mines, proper rest after 3 hours of continuous work, no facilities for safety and healthy conditions.

The work in the mines is carried out in a crude, unscientific manner without providing any safety measures. Most of the mines are deep without any proper staircases or steps. The result is that accidents and injuries are a quite common phenomenon in the mines. In case of any injuries, minimum medical facilities are not available near the mines. In case of a major accident, the workers family usually gets nothing in the form of accident compensation and further no attempt is made to bring such cases to the notice of the concerned authorities.

Besides injuries and deaths, the mine workers are prone to respiratory problems. Many workers complained of body aches after the working hours. To overcome this pains most of the mine workers are prone to alcoholism Many children complained of hard sores in palms besides fever and cough Further, with the development of "design tiles" industry form late 1980s.

the demand for mining increased. This increased the exploitation of thousands of mine workers due to increased mining activities without generating any significant changes in the employment levels in slate industry.

Relations between Slate Factory Owners and Workers:

The Factories Act, 1948, and Minimum Wages Act are applicable to slate factories. The employees of these factories have to pay wages as per the provisions specified in the Minimum wages Act. Related to the slate factories located in Markapur area the Factories Act regulate the employment of children below 14 years, but bans the employment of children during night shifts.

All the registered slate factories are required as per the rules of the Factories Act to provide Employees State Insurance (E.S.I.) and Provident Fund (P.F) facilities as part of the welfare measures. Interviews with the fifteen employers brought out the fact that though thirty to eighty members are engaged in each factory, hardly ten members are shown in the records as registered workers, because the employer has to provide E.S.I. and P.F. facilities to all of them. Further, in some of the factories like Dayal slate works, the provisioq of E.S.I. and P.F. facilities as stated by the owner of the factory, were canceled in 1973 itself, because the workers started demanding consolidated wages towards the end of the year. But, in Enamel units, the registered workers are entitled for all these facilities. Because of this provision, workers in enamel units are remaining in the same unit unlike in raw slate factories where shifting of workers from one unit to another is common

All slate factories have to provide safety and welfare measures like proper fencing of the machinery to avoid any injuries to workers, proper working facilities like good space for work, proper ventilation, cleanliness, lighting, sanitation and safe drinking water facilities, and dust free environment in the factory premises.

Observations of the various factories brought to light that, most of these welfare facilities are hardly provided in factory premises. In most of the natural slate factories and companies workers are induced to work in a cramped and congested atmosphere, exception being the units located in industrial estate where all these conditions are ensured by the factory owners. Ventilation is poor in natural slate factories particularly in the wood polishing section.

Though Minimum wages Act is existing for slate factories, only some categories of work are mentioned in the Minimum wages notification. Consequently, employers placed majority of the workers in the least paid category. In most of the cases employers give "general" or "non-specific" labour designation to skilled and semi-skilled workers besides unskilled workers inorder to deny them minimum wages and many other benefits to be provided to all registered workers.

Certain in built defects in piece rate system, as given under the minimum wages Gazette Notification,[18] are a source *of* further exploitation of labour in the slate factories. According to the wage notification of slate industry, a case should consist of forty eight slates but in some

factories the number of slates per case are more than the number specified in the notification. Further, as per the notification the employer has to pay certain minimum daily wage to those falling under the category of piece rate system. Quite often this provision is not implemented by the employer.

Most of the employers do not maintain proper rolls of men, women and children employed in the establishment and do not maintain the required registers properly. Non-maintenance of proper records is therefore, a major obstacle to bring cases like payment of low wages, disregard of the hours of work, employment of children to court.

The Assistant Labour Officer of Markapur, the official incharge of undertaking regular monthly inspections of factories, companies etc., feels that the minimum wages act regulated to slate factories is not a comprehensive one. Since 1987 it has not been revised. As the entire wage system in factories is based on piece rate system, identification of a worker in a particular category is very difficult.

A major section of workers in factories are denied minimum wages, as the employers always place them in the least paid 'general' or 'non-specific' category. As per the requirement of the minimum wages Gazette Notification, the fixation of wages for workers employed in slate factories has to be revised once in two years. But. since 1987 DO such revision has taken place.

Table No:7.4

Household Income of Slate Factory Workers

S.No	Income range (in Rs)	percentage of households
1.	000 to 500	07
2.	501 to 1000	42
3.	1001 to 1500	42
4.	1501 to 2000	07
5.	2001 to 2450	02

Source: Household survey.

From the Table 7.4 we can observe that, of the 100 slate factory workers' households surveyed, 50 percent of them fall in the monthly income range between Rs 400 to 1000, 42 percent fall in the category of Rs 1001 to 1500, 7 percent of them get Rs 1501 to 2000 and the remaining 2 percent get above Rs 2000.

Coming to debts, nearly 50 percent of slate workers have debts. Most of them borrow from their employers and few of them from private money lenders.

Another feature in the stone slate factories which is leading to the gross exploitation of workers is the structure of ownership. There is lease system currently in operation in various natural slate factories Most of the owners have leased out their factories not to a single person but for four to five lease holders. These sublease holders usually share the factory which is divided into branches based on the process which they take up in slate manufacturing. Because of this lease system, the scope for the proper maintenance of records diminished further and common services are neglected totally. The scope for such a default lies in the

improper formulations of responsibilities specified in the Factory Act Legislation. The implementation and maintenance of common facilities in the factory premises and other records according to the Factories Act is the responsibility of the owner of the factory rather than the lease holders.

The sublease system is a great setback to the workers unity as they work under different lease holders in the same factory. Thus, the sign of unity and understanding among the workers of a single factory is not visible since the lease holders can remove any worker at any time.

The factory owner and government machinery have failed in implementing various legislations as for as the compensation aspect is concerned. So far, no cases of accident causing death or ill health to workers have been recorded by the concerned enforcement staff like Assistant Labour Officer and Factory Inspector. The scope for such evasion lie in the improper maintenance of the records. However, on some occasions the factory owners paid amount for accident victims ignoring the stipulated compensation as required under the laws that too because of the pressure from the trade union leaders.

Relations between Employers and Workers of Slate Companies:

In the case of slate industry of Markapur the provisions of Shops and Establishment Act applies to all those household units which undertake different process related to slate manufacturing entirely with the help of manual power and which employ less than ten persons.

Under the jurisdiction of the Shops and Establishment Act, all household slate manufacturing units are placed. Minimum wages Act does not apply to these units. Wages are paid on piece rate systems and workers of these units are not entitled benefits like Provident Fund and Employment Security Insurance.

Discussions with the owners of various household units and observations of their working environment brought to light that all household units are operating in congested houses, where provision for good ventilation and lighting are very bleak. Child labour and women employment is high in these units.

Under the Minimum Wages Act, wages once fixed only for slate factories and are not extended to the companies/household units which are covered by the Shops and Establishment Act. Only paid holidays are given to them. They have control neither on the means of their labour nor on the product they produce. In most of the cases, workers are made to work in a cramped buildings. Women are mostly engaged in painting slates and in fixing nails where besides women, children are predominantly employed.

The wages are changed for every two years. All the workers associations are affiliated to All India Trade Union Congress (AITUC). The leaders of AITUC and household units association members meet once in every two years and change the wages of the workers.

The workers position is similar in slate factories also Only difference is that few skilled workers who are engaged with Urge scale

machinery earns better wages. Their number in each factory may limit between five to ten persons within each factory.

From the above discussions it may be concluded that Markapur town intense backward linkages during mid 1960s to 1980 in the form of extensive supply of slate stone to slate factories during which the slate production was in full boom. This further resulted in formation of forward linkages in the form of generation of employment for hinterland in slate factories located in town. The employment potential at this stage of slate industrial growth attracted surrounding hinterland people and thereby town experienced high population growth besides economic development.

However, with the development of modern slate industry, the erstwhile backward linkages of Markapur town got severely diluted and employment scope of town decreased due to decline of traditional slate industry and increasing use of labour saving technology in modern slate industry. Further, though the mining activities increased due the development of design tiles, it developed irrespective of any significant linkage effects with Markapur town. Besides these changes in the town-country linkages of Markapur region, the exploitative processes involved in production process both in mines and factories severely diminished the economic conditions of thousands of people in the region leading to subsistence and enclave pattern of urbanization of Markapur town.

NOTES:

[1] C.Sudhakar, unpublished Ph.D thesis, 1991,p.1 and 147. Sudhakar studied 300 migrant silk weavers in Dharmavaram town. Of these, 63.34 percent are from Anantapur district but not natives of Dharmavaram hinterland. These members were required to travel a maximum of 150 Kms. Another 20 percent were natives of Dharmavaram division and these members came from more 30 to 40 kms. 4 percent belong to the adjacent districts of Anantapur. They come from a distance of 250 kms and above.

[2] The details of the spread of mulberry cultivation are already furnished in chapter IV, pp 81-82.

[3] Please refer to chapter I, section on 'concepts'.

[4] Field notes. Interview with Market Yard officer, Dharmavaram Cocoon Market Yard. Interviews with mulberry farmers in Cocoon market yard who came there to sell their cocoons to silk reelers.

Annual reports of Assistant Director, Sericulture, Dharmavaram, 1992.

On many occasions the researcher used to personally observe the proceedings in the government cocoon market yard, Dharmavaram. The observations were under taken in the months of November, 1992 to February, 1993.

[7] Annual reports of Assistant Director, Sericulture, 1992. op.cit.

[8] Silk weavers household survey undertaken by the researcher, 1993.

[9] Field notes. Interviews with Venkatesam, oldest master weaver in Dharmavaram, Kothapalem Srinivasulu, president Dharmavaram silk handloofn exporters association and others.

C.Sudhakar, op.cit.p.147. Also field notes and survey results.

Planning Commission Report on Child Labour in Slate Industry of Markapur, 1992, pp 22-23. Field Observation. The researcher personally visited slate mines during working hours and observed the mining methods and working conditions of slate mine workers.

Field notes. Interviews with Chelikani Buchirayan, largest mine owner in Markapur region, Venkata Reddy, sub-lease holder.

Field Observation. The researcher was in the field from March to May. 1992 and also few months in 1993. In 1992, being the summer season the work in slate mines was undertaken only in the forenoon. However, the workers worked not less than seven hours from morning 6.am to 1 pm with 30 minutes break for lunch.

[14] Planning Commission Report, op.cit.p.24. Results of household survey. pamphlets of slat mine workers.

The five villages are Rayavaram, Chennekothapalli, Vemulakota, Mekalavaripalli, and Mallampeta.

Field observation and field notes.

[17]List provided in Table No. 6.1 of chapter VI, p 121.

[18]For Gazette Notification ,December, 5, 1987, please see Appendix IV.

CHAPTER

TOWN-COUNTRY NETWORKS: A MARXIST ANALYSIS

Changes in the mode of distribution of means of production in Dharmavaram

Production of objects of labour in the hinterland and its effect on the production relations and on the growth of silk industry and town.

Ownership of means of production by various groups in silk industry of Dharmavaram.

Distribution of productive forces in Markapur and surplus appropriation in slate mines.

Non-commodification of labour-power in slate mines

Distribution of productive forces and non-commodification of labour-power in slate industry of Markapur.

The "Sub contracting system" between factories and companies in slate industry of Markapur

Multiple leasing system in Natural slate factories

Piece-rate system

Labour saving technology

Many studies on small towns show that the growth of towns depend on the vitality of its hinterland and the linkages with it. But these studies fail to explain why some towns grow and others decline despite their intense inter relationship and inter linkages with their hinterlands. This may be because, most of the studies while dealing with the town-country interrelations focus on the inter-sectoral linkages particularly their spatial configurations but paid little attention towards the nature of linkages and their impact both on town and hinterland. This necessitates the study of the social relations *of* production between the various groups involved in the town-country linkages. This aspect has been bypassed by numerous urban studies. Scott's comments are relevant in this regard. He says:

> "Apart from the Marxist literature, in which the concept of social relations of production plays a vital part, relatively little attention has been paid to this area either at the theoretical or the empirical level. The key concepts of orthodox sociological research have usually been occupational status and role, concepts which focus on technical rather than social relations of production.

In this chapter an attempt is made to analyse the pattern of production relations between various functional groups spread over in town and country. This is done mainly by explaining the mode of distribution of the means of production among various sections. This is because the mode of distribution of the means of production among people determines the pattern of appropriation of the results of production. Marx says

> "Historically and logically capitalism is tied to the private ownership of the means of production, which allows private appropriation of produced commodities, thus, private appropriation of surplus value and thus private appropriation of capital

The study of the mode of distribution of means of production among various functional groups both in Dharmavaram and Markapur enables the identification of types of networks that exist between various groups in these regions and the pattern of appropriation and flow of surplus among various groups. Further, efforts are also made to identify the objective conditions of labour by explaining the dependency and domination processes in the relations, the conditions for commodification and non-commodification of labour-power of various groups.

A description of the changes in the mode of distribution of the means of production among various functional groups in both the regions explains the nature of relationships between various functional groups and how these relationships in turn nurture the growth and decline of a town vis-a-vis hinterland. Since the description will be presented in Marxist terminology, the definition of terms is given below.

Labour-Power: The aggregate of those mental and physical capabilities existing in the physical form, the living personality of a human being which he sets in motion whenever he produces a use-value of any kind.

Labour-power is the commodity which its possessor or the wage-worker sells it to capital in order to live, ie. to secure his means of subsistence. Labour-power becomes "commodity" in Marxian terms. only when wage-workers have absolute freedom in disposing their labour-power with out being subject to any preconditions.

According to Marx, the commodification of labour power occurs only under the following conditions.

1. The exchange of commodities implies no other relations of dependence between the exchanging parties.

2. Labour-power can appear on the market as a commodity only when the labourer sell it as a commodity. For this he must be the free proprietor of his own labour-capacity, hence of his person.

3. The labourer and the owner of the money, capitalist, meet in the market, and enter into relations with each other on a footing of equality as owners of commodities with the sole difference that one is a buyer and other a seller, both are therefore equal in the eyes of the law.

For this labourer must sell his labour-power for a limited period only. The labourer must constantly treat his labour-power as his own property, his own commodity and he can do this by placing it at the disposal of the buyer (capitalist) only for definite period of time, temporarily.[4]

The other essential condition which allows the owner of the money (capitalist) to find labour-power in the market as a commodity is that the possessor of labour-power instead of being able to sell commodities in which his labour has been objectified is rather compelled to sell his labour-power itself as a commodity.

Wages: Wages are the prices of the commodity labour-power.

Changes in the Mode of Distribution of Means of Production in Dharmavaram:

In Dharmavaram (as explained in chapterVII) before 1970s, objects of labour,(that is, raw materials like raw silk, zari) and instruments of production, (that is, looms) which together constitute the means of

production were entirely in the hands of few master weavers. The master weavers procured the raw silk from Bangalore and zari from Surat (Gujarath). They employed thousands of weavers who worked under their total dominance and were paid low and meager wages. Even those weavers who own their looms were exploited since they did not own raw materials and were mostly dependent on master weavers for their employment and supply of raw material. Each master weaver assembled looms under a single roof where weavers worked. In some cases weavers settled in the hinterland were also controlled by their master weavers through supply of both looms and raw material. These weavers from the hinterland regularly visited the town for collecting and returning raw materials and finished products respectively.

As weavers had no hold on their means of production they were subjected to the dictates of the master weavers. They owned nothing but their labour-power and even on that they had no hold, as they were forced to submit it to their master weavers for low wages. They had very little bargaining power with their master weavers as they were completely dependent on them for the means of production and for means *of* subsistence.

From late 1960s with the nationalisation of banks and with the advent of the twenty point programme, the Government of India started giving loans to weavers to buy their means of production. Weavers slowly began availing these loan facilities from early 1970s. In order to provide raw mater tals, that is, raw silk and zari to weavers directly, raw silk and zari distributing centres were established in Dharmavaram. Thus. with the ownership of means of production the erstwhile labour weavers who were

completely subordinated to their master weavers began to weave sarees independently and thereby the institution of "independent weavers" began to emerge and this led to the declining role of the institution of master weavers.

Of the 150 weavers interviewed, 83 percent of them started their career as labour weavers by joining under the master weavers. Of these, 20 percent are still labour weavers. These might be the weavers who joined under master weavers in recent years i.e. in late 1980s and in early 1990s. Of the remaining 80 percent who became independent, not even a single weaver became independent before 1969. Weavers started becoming independent only from 1970s more particularly from mid 1980s. Of the 62 percent weavers who became independent (from the total 83 percent weavers who joined under master weavers) though 20 percent of them became independent during 1970s, most of them turned independent in 1980s and 1990s. Also, various government schemes like establishment of cooperative societies, house schemes and others helped weavers. This shows that, as the various Government schemes began increasing from 1970s and the local availability of objects of labour and means of production facilitated labour weavers to become independent weavers.

Presently, in Dharmavaram region. 79 percent of weavers are independent. Of these, nearly 40 percent of them bought looms on government loans. 15 percent each bought either on their own or got from their father as share of his property. Of the remaining 11 percent, 7 percent bought from private loans and the next 4 percent bought from other sources.

With the development of independent weavers the erstwhile monopolistic dominance of master weavers on weavers declined. Weavers began weaving sarees on their own and selling to the master weavers. Thus, the role of master weavers declined in the process of production. Their role has become limited to marketing the product.

Production of Objects of Labour in the Hinterland: Its Impact on the Production Relations, Growth of Silk Industry and Town.

Another significant development which made the networks between various functional groups more equal and remunerative and brought tremendous impetus to the development of silk industry vis-a-vis the growth of town is the production of cocoons (raw material) in the hinterland of Dharmavaram. Earlier, as already mentioned the raw materials were imported from other regions.

The production and easy availability of raw silk locally, decreased further the dependence of weavers for their raw materials on their master weavers. It also decreased whatever little dominance erstwhile raw silk dealers had on weavers.[7] With the production and easy availability of raw silk locally, the number of raw silk centres increased, consequently, the competition among raw silk dealers increased Coming to the other raw material, that is, zari, is neither produced nor manufactured in Dharmavaram region.lt is exclusively brought from Surat and Bangalore As the institution of independent weavers developed, to make zari available to these growing number of independent weavers, various zari selling units were established. This removed the dependence of ail weavers for zari on master weavers.

When the competition within raw silk and zari dealers increased, they in order to attract more customers (weavers) began providing their product at competitive prices. The relation between them and weavers became more amicable in the sense that profit margin of raw materials was reduced and even credit was offered to the weavers. The relations of production there by became more egalitarian, more remunerative to all participants in the production process.

With the elimination of domination of master weavers and with local availability of objects of labour, weaving became economically more remunerative and socially more honorable as they are no longer dependent on others and are masters of themselves. The demand and enthusiasm for weaving increased. As the weavers strength increased, production of silk sarees increased rapidly, which again triggered the growth of silk merchants. Previously the entire marketing of silk sarees was in the hands of a few silk merchants. However, due to the above developments and rapid production of silk saris, people from various castes both from town and its hinterland began entering into silk business. These ever growing strength of silk merchants in order to guarantee themselves regular and reliable supply of sarees began to establish permanent and regular relationships with weavers. In order to see to it that weavers were not attracted by any other merchant they began to supply loans to independent weavers in advance for weaving saris. This, facilitated some weavers who failed to get government loans to buy the raw material on their own and weave the sarees and supply them to the merchant.

Thus, the weavers in Dharmavaram do not form a uniform and identical group. Every person starts as an apprentice weaver then become a labour weaver and finally become an independent weaver. However, with the rapid changes that are occurring in the Dharmavaram silk industry, the scope for the development of silk weavers is wide with the easy availability of means of production and with the increasing demand for the weavers. However, a brief description of the three classes of weavers would help in recognizing the changes that facilitated the rapid development of weavers.

Apprentice weaver: He is a new entrant into the field of weaving, who join as an apprentice with an established weaver, learns from him the art of silk weaving within a period of six months to one year. He again serves under him for one more year where fifty percent of his wages are owned by his master. This additional stay with his master provides him the opportunity to learn the finer techniques of silk weaving and equips him to weave on his own.

Labour **Weaver:** Here weaver neither owns instruments of labour nor object* of labour. Both loom and raw materials **are** supplied to him by his master weaver. He only gets wages for his labour.

In Dharmavaram, most of the labour weavers work under independent weavers and very few of them directly work under silk merchants Independent weavers who own looms either establish locos in their houses or fixes them in labour weavers house, supply them ail the required raw material and pays wages for his labour Weber calls these labour weavers as "wage workers".

Independent Weaver: The weaver owns his means of production. He weaves sarees by buying raw materials on his own and he directly sell to silk merchants and sometimes to outside traders who come from various major cities of India. Here weaver not only owns his labour-power, means of production but his product also. He is independent enough to sell his product at his desired rate and in no way dependent on others. Thus, here weaver is not a wage-labour as in the case of apprentice and labour weaver but is a self-employed worker where he acquires a greater amount of surplus. Weber calls these kind of weavers as "Price workers"

These three kinds of weavers can be looked as three stages through which weavers pass. However, with the availability of objects of labour locally and due to the greater demand of silk sarees vis-a-vis weaving, the domination and exploitation of weavers by others decreased and the process of developing weavers as independent weavers has become smoother. In fact the trend that is visible is more towards the growth of independent weavers. The various functional groups located in town and country of Dharmavaram region are at the same time independent and dependent on each other. Independent in the sense that, within each group every one owns hi* own means of production and product and dependent in the sense that everyone in each group is dependent on other groups in order to acquire hi* objects of labour and selling or supplying the product

TABLE:8.1

Ownership of Means of Production by Various Groups in Silk Industry of Dharmavaram

Group	Means of production		Product
	Objects of labour	Instruments of labour	
Mulberry farmers	silkworm eggs mulberry crop mulberry shed etc.	silkworm plates chandrikas	cocoons
Reeler	cocoons	spinning wheels cherkas	raw silk yarn
Twister	raw silk yarn	spindles	twisted silk yarn
Weaver	dyeid raw silk and zari	looms	silk sari

However, as given in the table 8.1 each group owns his means of production and works independently in his own working conditions. He can work according to his own convenient working hours. At his work he is the master of himself. But, at the same time his work is related and dependent on other functional groups. Thus, there is enough independence and at the same time interdependence on the other groups thereby mutual cooperation is essential for survival of all groups. Thereby the relations are not characterized by unequal exchange or dominance or surplus appropriation at the cost of others, but of mutual interdependence, equality and cooperation where everyone appropriates his own share of surplus

One important thing to be noticed is that, the product of each group is merely a step towards the final form, that is, silk sari, which is the combined product of their specialized labours. But, each groups respective product (like reeled yarn, twisted yarn, raw silk yarn, etc) is a commodity having a market, and a saleable value

MARKAPUR:

The activities in the Markapur region can be divided into two broad categories. They are:

1. Slate Mining
2. Slate manufacturing.

Mining activities are completely undertaken in the hinterland of Markapur and industrial production occurs within the premises of Markapur town.

Distribution of Productive Forces and Surplus Appropriation in Slate Mines

The lease rights of entire slate mines are in the hands of a few individuals, more particularly in the hands of eight persons. However, there is sub-leasing of mines to numerous people who in turn lease the small areas of mines to numerous persons who are locally called as pit owners, as they have lease rights over small pits. Thousands of workers work under the control of these pit owners and have no formal relations with the sub-lease holders and to the actual lease holder. However. there are two large mine owners who directly maintains their mines and workers work directly under their control and supervision.

TABLE:8.1

Ownership of Means of production in Slate Mines of Markapur

Group	Means of product ion		Product
	Objects of Labour	Instrument of Production	
Mine owners Mine workers	Slate stone	Cranes, Motor engines Iron bars. Plates etc	Raw slate stones

The mine workers own nothing other than their labour. They have no control on the raw material that is extracted and own no instruments of production. That is, the workers have no hold on the means of production and own only their labour-power. However, one has to study whether they really own their labour-power? How far do they have control over it? Answers to these questions are crucial in order to understand the entire gamut of relationships between mine owners, pit owners and workers.

Non-commodif i cat ion of Labour-power in Slate **Mines**:

The conditions in the slate mines of **Markapur** and the reasons for the **non-commodification** of labour-power are as follows.

Though apparently it appears as if mine owners/pit owners and workers are entering into the market for the exchange of labour-power and capital on equal basis, in actuality there are many unequal conditions behind this interaction. Here, Marx rightly says

> "With the **existence** of capital (in few hands), **the** intercourse (relations people enter into in production process) itself becomes fortuitous for the few. With the holding of capital all intercourse becomes intercourse of individuals particular conditions but not of intercourse of individuals as individuals.

Thus, the conditions of equality between capitalists and workers **in** the labour market are crucial for the **commodification** of **labour**-power

In slate mines the workers do not own **the** means **of** production **They** have no hold on their means of production nor **on the product they are** producing. Further, the massive **unemployment, underemployment and** landlessness forces them to the slate work as it is the **only means** of

subsistence, thereby they are more compelled to work in the mines and are therefore dependent on mine owners for their sustenance. Under these conditions of non-ownership of means of production, poverty and concomitant dependency, the question of equality between the workers and mine owners does not arise and thereby the value of labour-power of mine workers is drastically reduced much below their actual value. The workers have little scope to bargain on their wages and are unable to enter into the labour market on equal grounds with mine owners. Further, the presence of reserve army of unemployed decreases the strategic position of mine workers and their dominance on labour market. Marx here says that

> "the presence of massive unemployment and underemployment decreases the value of labour-power".

Thus, in Markapur region under the objective conditions of non ownership of means of production, extreme unemployment and ungainful agriculture, mine workers have no freedom to sell their labour according to their will and are compelled to work for the wages and conditions prescribed by the mine owners. Under these conditions the mine owners exploit the workers by paying them extreme low wages besides making them work for longer hours. The workers have no minimum facilities in their work place and have no hold over their working conditions Their employment itself depends on the whims and fancies of their employers and workers are denied their basic rights The conditions of low wages make them debt ridden under their employers which further empowers the employers to dominate them. The workers lose even their minimum and basic freedom of leaving their jobs as they have to repay huge debts to their employers and therefore are forced to work as bonded labours

The situation is the same even with respect to the relations between the mine owners/pit owners and raw slate cutters.

As Marx says, the rate of surplus-value depends on the exploitation of labour-power and the mass of the surplus-value produced is determined by the number of workers simultaneously exploited. According in Markapur the mine owners and pit owners accumulated huge sums of surplus by exploiting thousands of slate workers.

Distribution of Productive Forces and Non-Commodif i cat ion of Labour-power in Slate Industry of Markapur:

Before 1980s the entire production of slates in Markapur was based on the raw material supplied from the hinterland. That is, all the factories were producing stone based slates. Here workers neither owned objects of labour (slate stone) nor means *of* labour (large scale *machinery* in the factories nor small tools in the companies). That is, workers have no hold on means of production.

TABLE:8.3

Ownership of Means of Production in Slate Industry of Markapur

Group	Means of Production		Product
	Objects of Labour	Instruments of Production	
Factory owner	Raw slate stone	machinery (electricity based)	Slates
Household unit owner	Raw slate stone (may or may not)	machinery (Non-electricity based)	Slates (may or may not)
Factory worker	—	—	—

They own nothing but their labour-power. Due to the presence of massive unemployment and underemployment and in the absence of gainful agriculture there was abundant supply of cheap labour force both in town and countryside of Markapur thereby decreasing the value of labour-power of workers. Under these conditions, the functioning of slate industry is characterized by numerous dependency relations and exploitative processes as described in the following pages.

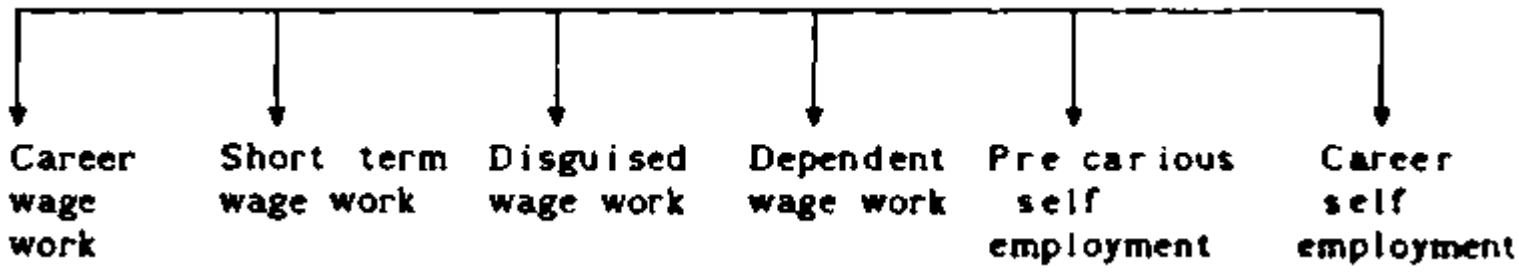
The "Subcontracting System" between Factories and Companies in Slate Industry of Markapur:

The "subcontracting"[13] system is widely present in slate industry of Markapur. Before 1980s when natural slate industries were healthy and booming, the large-scale units, that is, factories used to sub-contract certain phases of slate manufacturing to small scale units, that is. slate companies. Slate companies in Markapur are dominated by casual labour They in fact are sweat shops where cheap labour in the form of women and children is engaged without provision of any welfare benefits These slate companies under the subcontract system perform specific stages of slate manufacturing and supply slates back to large scale units Slate companies get a fixed price for each finished structure that it produces Thus, here, workers of small firms, that is, companies are converted into disguised wage workers of the larger firm

The main point to be noted is that the large firms are able tc decrease their fixed capital costs, and to remove as many workers as possible from their pay roll. Thereby decreasing the cost of production, evading factory legislations and minimum wages Thus, *the* subcontracting system is exploitative to the wages labourers Interestingly in Markapur,

there is also the reverse way of sub contracting, where, the small-scale units buy the raw material directly, gets done some stages of production through large-scale units, gives the finishing touches to them and directly sell the products themselves. This is possible in the recent years because of the existing multiple sub-leasing system in factories.

These subcontracting relationships between large and small enterprises and vice-versa are paralleled by the various intermediate employment relationships between the two polar extremes of "Career wage work" and "Career self-employment". These intermediate relationships can be collectively described as "casual work" and they are characterized by the lack of even a moderate degree of stability and security of income and work opportunities .



The above typology of social relations of production and appropriation of casual labour is not only useful in examining the employment of individual workers but also in examining the structuring of firms and relationships between smaller and larger enterprises and the various working groups located in these units.

This two way subcontracting system between large and small units is leading to dominance over casual labour This sub-contracting system is thus a deliberate means by which the owners of capital can increase the diversity and profitability of production without substantially increasing

their own long-term commitments like provision of minimum wages, Employment Security Insurance, Provident Fund and other social and monetary benefits to workers.

The mutual understanding and sharing of the manufacturing process of slates between slate industries and companies is one way of evading the provision of numerous benefits and facilities to be given for a factory worker. Further, the concentration of workers in companies gives factory owners a relief from trade union problems which would be more in slate factories than in companies. Thus, the subcontracting between factories and companies facilitates continuous production of slates and at the same time avoiding the provision of any benefits to workers.

"Multiple Leasing System" in Natural Slate Factories:

In recent years, there is increasing trend of "multiple leasing" of natural stone factories in Markapur. Here, different stages or sections of slate manufacturing within a single unit are leased to different people Normally each factory is leased to four to five people Here, there will be no relation between workers of different sections Workers of each section are related to their own contractor or sub-leaser and in no way related to actual factory owner. This splitting up of factory into various sections protect lease holders from the problems of worker*' unions and exercise greater control over labour while reducing the labour costs directly by avoiding the provisions of factory legislations

J. Harris (1985) study of functioning of small enterprises in the engineering industry of Coimbatore. South India, also makes the same point

However, there, the units are multiple owned rather than leased.

Thus, in most of the slate factories of Markapur, employees receive neither provident Fund nor Employees Security Insurance. Further, as the workers are not enrolled in factory registers, there is no security for their jobs as they can be removed easily. Thereby, most of the factory workers are daily wage workers where majority of them get wages below the minimum wages act.

Increasing trend of "Non-Specific" labour:

Another significant practice followed in Markapur stone slate factories is the employment of few "specific labourers" who are considered as permanent registered employees and large section of "non-specific" casual labour who are devoid of any special benefits. Most of these "non-specific" labour employment is unstable and are easily replaceable According to Bienefeld and Schmitz, this has been the predominant trend in many capitalist enterprises in the periphery. This use of large number of non-specific labour is an important means of controlling and co-opting labour while continuing to extract surplus value

Piece-rate System:

Another characteristic of working conditions prevailing in slate industry of Markapur is the presence of piece-wage system Though apparent ly piece-wage system sounds attractive with the notion that the more the workers produce, the more the wages, in reality, it incorporates a very comprehensive exploitation process Marx commenting on the piece-wages says that the quantity of labour under piece-rate system is

controlled by the work itself, which must be of good average quality if the piece-rate prices are to be paid in full. Since the quality and intensity of work are here controlled by the very form of wage, superintendence of labour becomes to a great extent superfluous, thereby piece-wages is a organized system of exploitation and oppression. Further, piece-rate system makes the worker strain his labour-power as intensely as possible thereby capitalists can increase the yield of the working day by intensifying labour.[18] Besides this, because of piece-wages, in the slate industry workers have no paid holidays. Even when work is stooped due to no fault of workers like, lack of power, irregular supply of raw material. workers are made to undergo loss of their wages, thereby the average working days in slate industry of Markapur is around 20 to *22* days in a month. Further, in the lean season, that is, from June to December the working days will become much less due to lack of demand for the product

Another significant feature of wage system in Markapur is that wages are paid at the end of each week. Thus, the worker advances the use-value of his labour-power to the capitalist He lets the capitalist consume it before he receives payment of the price Everywhere the worker allows credit to the capitalist. This credit sometimes leads to loss of wages of the workers. This is, because, when the wages are paid at the end of the week, the workers are forced to buy their means of subsistence on credit thereby paying higher prices and are tied to the shop which gives him goods on credit.

In these conditions of non-ownership of objects of labour, means of labour and under the conditions of unemployment and absence of [illegible]

agriculture the workers are unable to endow their labour as an independent existence as they are dependent excessively on their employers and thereby are unable to sell their labour-power as a commodity.

Labour Saving Technology:

From early 1980s the development of enamel and plastic industries utilising labour-saving technology put further pressure on wage earners in slate factories. If we observe the conversion of erstwhile slate (stone based) factories to enamel and plastic units it is quite clear that due to increasing demand and profit rate of enamel slate, they opted for these units. Thus, here we may quote from Marx,

> "Labour-saving mechanisms are the main weapon producing and reproducing the industrial 'reserve army of labour', through which wages are kept fluctuating around the value of commodity labour-power, and through which the appropriation of surplus is normally guaranteed to the capitalists"

We know that the presence of massive unemployment and underemployment decreases the value of labour-power. This is true in Markapur region. especially in its hinterland And the same conditions are being achieved in the town with the development of labour-saving industries in the form *ot* enamel, plastic and cardboard industries and with the decline *ot* labour oriented stone based slate industries

Consequently, the erstwhile slate workers are moving to other fields particularly to agriculture work not *only* in Markapur region but also V-outside regions. This is reflected in the form *at* heavy streams *ot* seasonal migration visible in the Markapur region Agricultural laborers in

the hinterland of Markapur migrate to coastal areas of Andhra and participate in sowing and harvesting of paddy, cotton, tobacco, plucking and transporting of mangoes etc.

Discussions with ex slate workers and agricultural workers in many villages brought to light the above facts. To mention, discussions with the people of Gajjalakonda and padamatapalli villages of Donakonda mandal reveal that though five to six years back they worked both in slate factories and mines, now most of them go for tobacco and cotton work in the surrounding villages. Further, in the paddy sowing and harvesting season they move to Narasarao pet and Guntur regions besides going to Vijayawada during summer season to undertake mango plucking and transporting activities.

The role of Mark a pur slate industry is declining in terms of providing employment not only in town but also in its hinterland Particularly in the hinterland region, this is more visible if we observe the declining number of villages from which workers are coming to slate factories Extensive discussions with workers and trade union members revealed that, before mid 1980s, workers from almost all the villages of Markapur mandal and from majority villages of Tarlupadu mandal, used to work in slate factories. However, in the recent years workers only from few villages which are very near to town *viz* Vemulakota, Sreerampuram, Nitarampalli, are coming. This clearly shows the declining role of slate industry in the development of Markapur's hinterland

NOTES:

[1] Alison MacEwen Scott, in Ray Brombley & Chris Gerry (Edt) 1979, p 108.

[2] Capital, vol. I, 1976, 57.

[3] Ibid, 270.

[4] Ibid, 271.

[5] Ibid, 272.

[6] Ibid, 68.

Though the production of raw silk in the hinterland of Dharmavaram constitutes only 25 percent of total raw silk consumed, this necessitated the growth of reeling and twisting units and raw silk distribution centres. This led to initiation of raw silk selling as a separate activity in silk industry thereby people besides buying from local reelers also got product from Bangalore and Mysore and started establishing number of raw silk shops. This removed the weavers from dependency on erstwhile master weavers or silk merchants for their raw material and began buying product locally.

[8] Max weber in his analysis of economic change in his book "General Economic History ",1961,99-101, talks about two extreme kinds of craft workers They are:

Price worker and
Wage worker

Price Worker: He produces freely for the market, stocks, and sells his products and has command over raw material and tools.

Wage worker: He is in the service as a wage worker, not in possession of raw materials and tools but only bringing to market his labour

Between these two extremes is the one who produces to order, and sells to a merchant or to an entrepreneur who possesses the monopoly of hi* labour power. Here the craftsman owns his tools but what he lacks is capital and an independent access to the market This, Weber calls price worker. (extracted from the article "Weavers, Merchants & Company The Hand loom Industry in South-Eastern India, 1750-1790, S Arasaratnam, The Indian Economic and social History Review. Vol 17, July-Sept, 1980. pp 257-282.

[9] German Ideology. Marx & Engels, 1984. p 94

[10] Capital, vol.1, 1976, p 69.

[11] Ibid, 747.

[12] Ibid, 757.

Note: By "Subcontracting" we refer to those arrangements whereby: The party offering the subcontract (parent firm, enterprise or company) requests another independent enterprise...to undertake the whole or part of an order it has received instead of doing the work itself, while assuming full responsibility for the work vis-a-vis the customer. Subcontracting differs from the mere purchase of ready-made parts and components in that there is an actual contract between the two parties setting out the specifications by the order. (Wantanabe, 1971, 54.). For details see Wantanabe, S. 1971 "Subcontracting, Industrialization and employment creation", International Labour Review, Vol.104, pp 51-76.

14 John Harris defines "Multiple Ownership" as "the ownership of several units by the same individual(s). This is a general feature of the ownership of small scale industries in Coimbatore. He further says that the multiple ownership reflects various forms of "splitting", where a single workshop is registered as two or more separate companies so as to avoid payment of higher levels of sales tax or control tax. These various reasons for multiple ownership are interwoven with consideration of labour cost and control. It is also to protect against the effects of unionization and excursive greater control over labour, while also reducing labour costs directly by avoiding the provision of the factories legislation, 1984, pp 144-149.

Bienefeld Manfred & Schmitz, Hubert, 1976, "capital Accumulation and Employment in the Periphery: A programme of research", IDS Discussion paper No 98, University of Sussex, Brighton.

16 Capital, vol.1. 1976, p 695.

17 Ibid.

18 Ibid, p 699.

19 Ibid, p 35.

CHAPTER IX

CONCLUSION

Town-country networks and urban development: Summary presentation.
Concluding propositions

This chapter tries to answer the basic objectives of the study through summarising and analysing the final conclusions drawn from both the case study regions.

The conclusions that can be drawn from the details provided in chapter III to chapter VIII is that Dharmavaram is experiencing better growth rate than Markapur. More importantly it is functioning as a generative town providing employment and development in the hinterland leading to the conditions of total urbanization. In contrast Markapur is experiencing *enclave urbanization* due to the attenuation of its erstwhile linkages with its hinterland and the gradual decline of the slate industry

The reasons for the different growth models being experienced by these two towns lie not only in the differences in the hinterland economy but also in the changes that have occurred in the town-country networks of both the regions and their influence on the urban development

From table 9.1 we can observe that, though Dharmavaram region is more drought prone and has less irrigation facilities than Markapur. there are significant differences in the land use patterns and cropping patterns in the two regions, resulting in better level of surplus generation tfi Dharmavaram. While the gross cropped area is high (45%) in Dharmavaram. it is low (22%) in Markapur region Further. the cropping patterns of Dharmavaram region are dominated more by commercial crops (88%) than food crops (11%). Whereas in Markapur region. food crops still play an important role occupying 48% of the gross cultivated area

TABLE: 9.1

Differences Between Dharmavaram and Markapur Hinterlands
(Percentage)

S.No.	Variables	Dharmavram Hinterland	Markapur Hinterlan
1.	Area under forests	10.5	47
2.	Area under barren & uncultivable land	14.5	07
3.	Current and other fallows	19.5	10.5
4.	Gross area sown	43	20
5.	Area under irrigation to net sown area	12	18 5
6.	Area under food crops	1 1	45
7.	Area under commercial crops	88	52
8.	Average size of land holding(in acres)	6.1	5 3
9.	Population supported by agriculture	38	36
10.	Proportion of cultivators to total agricultural population	52	35
11.	Proportion of agricultural labours to agricultural population	48	65
12.	Number of groundnut mi 1 ls	22	05
13.	Number rice mills	20	14
14.	Literacy	31	26
15.	S.C. Population	14	20
16.	Average monthly income of silk weavers in Dmm.and slate workers in Mrkp regions. (in Rs.)	3420	8 15

Source: Item 16 is from Household data of this thesis. Item 1 to 7 and 9 to 13 are from Handbooks of Statistics of Anantapur and Prakasam districts, 1992-93, item 14 and 15 are from the 1991 census. Item 8 is from Agricultural Census. 1990

The above table shows that Dharmavaram region has better land use and cropping patterns. Growth of commercial crops. viz., groundnuts, mulberry

are facilitating agro-processing and marketing leading to the development of agro-based industries in Dharmavaram town and its hinterland. On the other hand, Markapur region is dominated by subsistence food crops having little potential for marketing, processing and generating agro-processing industries.

Pattern of Town-Country Networks in Dharmavaram and Markapur: Summary Presentation.

A careful analysis of the functioning of the town-country networks of Dharmavaram and Markapur regions during the past three decades leads to the following conclusions.

DHARMAVARAM:

Before 1970:

Master weavers had total monopoly over silk industry To * large extent they were the owners of means of production Few weavers though owned instruments of production were dependent on master weavers for their employment and supply of raw material. Master weavers owned various production agencies and thereby maintained complete dominance on various sections of silk industry. Labour was completely subordinated to the capital and the conditions were suitable for formal subsumption of labour to capital. Explaining the same conditions Chevalier quoting from liar* says

> "The formal subsumption of labour under capital involves exclusive ownership of means of production and the concomitant appropriation of (absolute) surplus value".

1970 to 1980:

From early 1970s, the nationalisation of banks and the provision of loans to weavers brought some significant changes in silk industry. People from various castes started entering silk industry and wearing began to spread more rapidly both in town and hinterland across all castes.

1980 to 1993:

Production of cocoons in the hinterland of Dharmavaram triggered the establishment of silk reeling and twisting units which again led to easy availability of raw material locally thereby further decentralising the distribution of means of production of silk industry. The establishment of a separate sericulture department in 1980 and its various schemes gave impetus to the development of production of cocoons, weaving and smoothened the relations between various agencies of silk industry The silk industry became a major source of gainful employment intertwining the development of both town and its hinterland.

As the ownership of the means of production underwent changes the erstwhile monopolistic dominance of master weavers declined and relations became more mutually interdependent where various sections began to enter into market field with equal bargaining powers This led to the commodification of the labour-power of the labour weavers and increased their scope to become self-employed independent weavers This was facilitated by the decentralisation of various productive agencies of silk industry thereby the surplus began to flow to various sections leading to the alround development

Thus, formation of town-country linkages and changes in the relations of production led to the commodification of labour- power and triggered

wide-spread development. It is pertinent to recall the statement of Manfred Bienefeld where he says, the transformation of labour power into a 'commodity 'to be sold in a market eventually changes the relationship of products and removes the fetters for the system's potential for expansion. Once wages and prices were free to respond to 'market signals', extensive opportunities for the generation of investible surplus appears.

Thus, the intensification of town-country networks both at the intersectoral level and at the inter-group level in a generative and mutual beneficial manner changed the pattern of development in the region from "enclave urbanization" to "total urbanization" leading to overall development of the region.

MARKAPUR:

1970s:

1. During 1970s Markapur has fairly good growth due to the full swing of its location based industry, that is. production of stone slates. Thougt. this did not improve the economic conditions of the mine workers due to the exploitative relations in mines. It brought few benefits to factory workers as they were paid minimum wages. However, there was poverty in this employment. But. this is much better when compared to the conditions of absolute poverty in hinterland. Thus. factory employment became a major pulling source for migration during 1970s

1980s

2. From 1980s the location based economy of Markapur began declining with the advent of enamel, plastic and cardboard slate industry, where raw

materials were brought from parts of Maharashtra and Karnataka, thereby the town's Linkages with its hinterland particularly from the point of view of slate industry began declining. Thus there was weakening of the total urbanization process of 1970s and a process of enclave urbanization began in 1980s.

3. Besides weakening of linkages, the exploitative relationships in terms of concentration of means of production, the non-commodification of labour-power, the subcontracting system, multiple leasing system, piece-wage system, decreasing employment opportunities due to labour saving mechanisms, further affected the growth of the town.

It is pertinent here to recall the differentiation that Karl Marx had proposed between the "Division of labour in society" and "Division of labour in manufacture". The division of labour within society presuppose • dispersal of those means among many independent producers of commodities. the division of labour within manufacture presuppose • concentration of the means of production in the hands of one capitalist The contrary networks functioning among different groups in Dharmavaram and Markapur could be analysed by describing these two processes functioning in Dharmavaram and Markapur respectively In Dharmavaram the functioning of SUM industry resembles Marx's concept of "division of labour in society" while in Markapur the functioning of Slate industry resembles the Marx's concept of "division of labour in manufacture*

Marx describing the division of labour in manufacture says

> "The connection between various partial operations in a workshop is mediated through the sale of labour-power of several workers to one capitalist, who applies it as combined labour-power, thereby concentration of the means of production in the fa*r»is of one capitalist."

Marx further says the division of labour within a workshop implies the undisputed authority of the capitalist over men, who are merely the members of a total mechanism which belongs to him. Whereas, the diTision of labour within society brings into contact independent producers of commodities who acknowledge no authority other than that of competition of the coercion exerted by the pressure of their reciprocal interests. Discussing on the division of labour in manufacture Marx further says that

> "In the division of labour in manufacture there is generation of capital or surplus value at the expense of the worker. It increases the socially productivity power of labour for the benefit of the capitalist instead of the worker. It produces new conditions for the domination of capital over labour. Thus, it is a more refined and civilized means of exploitation".

Thus, we can understand that in Dharmavaram there is predominance of "division of labour in society" (though there is presence of "division of labour in manufacture" in large scale reeling and twisting unit* which are few in number). Every one here is a small independent producer, who with the help of his family members (some times employing one or two outsiders) produce their commodities.

The hold of the capitalist (merchant in Dharmavaram) on the independent producer is less The capitalist has direct contact only with his immediate predecessor in the production process of silk sari Relationships and transactions between all the functional groups are governed by mutual dependence and equal say on the flaw and distribution of surplus value leading to high generation of Actual Economic fr-jrt>im* facilitating generative urban and regional development

In Markapur, there is monopoly in ownership of means of production leading to non-commodification of labour power Further, the presence of

surplus labour market led to the development of various exploitative processes and dependency relationships between various groups involved in the production process spread over in town and country of Markapur region. This resulted in appropriation of huge amounts of surplus by few sections and proletarianization of large majority of sections leading to conditions where there is generation of Potentially Investible Economic Surplus.

According to Paul Baran potentially investible economic surplus is one which is not available to society because its monopoly production prevents its production, or if it is produced, is wasted through luxury consumption. He further says that the income differentiated between high and low income recipients and much of the failure of the former to channel their income into productive investment may also be due to monopoly. Thus the non-realization and non availability for investment of 'potential' economic surplus is entially due to the monopoly structure of capitalism

The generation of capital in Markapur is due to exploitation of thousands of landless labourers and small and marginal farmers who are engaged in slate mining and industrial activities both in town and hinterland by a few mine and factory owners Thus, the capital is concentrated in few hands thereby there is high 'potential economic surplus' in Markapur. This matches the oft repeated comment in Markapur, that, there are lakhs of rupees with industrial and nun* owners of Markapur locked in their houses

Whereas in Dharmavaram, since there is dispersal of profit among various sections, there is domination of 'actual economic surplus' with a lot of scope for investment of this surplusfce*»i ng to the conditions of total urbanization

It is evident from the earlier discussions that in Dharmavaram region the productive relations are generative and productive to all groups where the element of "exchange" is fair and there is flow of surplus" to all sections involved in the town-country linkages. This may be mainly because of "commodification of labour power" in Dharmavaram region due to conditions of distribution of ownership of means of production among all sections involved in the production process. However, this may be also due to the formation and intensification of town-country linkages and to the various welfare policies of the government.

In Markapur region, in spite of intensive backward linkages, Markapur never attained generative urban development due to the dominative and exploitative relations between the various productive groups involved in the linkage process. Consequently, the surplus concentration is in few hands at the cost of proletarianization of vast majority of the propJe There is, therefore, underdevelopment of the hinterland and subsistence urban development in Markapur

The tables 9.2 and 9 3 presented below clearly reflect the above arguments. The differences between the economy of the Dharmavaram and Markapur towns is brought out through selective indicators in Table 9 2 which are self-explanatory Further, Table 9 3 presents in summary form the main arguments showing the differences in the growth models of the two towns.

TABLE:9.2
Differences Between Dharmavaram and Markapur Towns

S.No	Variables	Dharmavaram Town	Markapur Town
1.	Monthly income of silk weavers in Dharmavaram and slate workers in Markapur respecti•ely(in Rs)	2619	1010
2.	The growth rate of Dharmavaram and Markapur during 1951-1991 (percentage)	437	286
3.	Argo-servicing and salesunits	23	12
4.	Fertilizer units	15	06
5.	Cloth stores	100	62
6.	Garment shops	10	03
7.	Electronic goods shops	10	02
8.	Financial corporations	300	28
9.	Liquor shops	28	06
10.	Restaurants	20	12
11.	Lodges	10	04
12.	Theatres	09	04
13.	Groundnut mills	28	05
14.	Rice mills	08	05

Source: Item 1 is from the household data of this thesis Item 2 is from Census of India Item 3 to 14 are from municipal data and field interviews.

Table 9 3.

Comparison *of* **Dharmavaram** and Markapur

DHARMAVARAM	
1 The Employment potential is increasing. This is reflected in terms of increasing number of agro - based industries, silk industrial units, general trade and commerce	1 The employment potential has come down significantly. This is due to the decreasing household units traditional stone - based slate industries and labour saving mechanisms in modern slate industries

2. Since the monthly incomes of the silk weavers and workers of silk industry are high (Rs.2619) the buying, consuming capacity in Dharmavaram is high.	2. Since the monthly incomes of slate workers is low (Rs.1010) they are debt ridden, hence their buying and consuming capacity is low.
3. Due to better buying and consuming capacity, there is rapid development of general trade and commerce and thereby the consumer industry is strong.	3. Due to low buying and consuming capacity, the general trade and commerce is of subsistent type dominated with informal bazaar economy.
4. There is dispersal of surplus among all groups in Dharmavaram town. Accordingly, the scope for capital investment is high.	4. There is concentration of surplus among few groups Accordingly, the investment avenues in town are less. Conseqsently much of the capital is either locked or invested in other areas
5. There is rapid spread of built area. Trends of increasing investment in real estate and land speculation are visible. Hence there is great demand for construction industry.	5. There is little spread of built area in the town The only extension colonies are slate workers colony and ekalavya colony which have slum conditions without any proper housing and drainage facilities
6. It provides ready markt for agricultural goods produced n the hinterland. Consequently, tere is rapid spread of cultivation of of mulberry and grondnut. Accordingly, the town functins as a strong & effective market centre and agro-processing centre.	6. Markapur is a weak market centre and agro-processing centre Most of the product of commercial crops like cotton, tobacco, is marketed in major towns like Guntur, Vijayawada, Nagpur rather than Markapur
7. The town's role on hinterland is increasing Dharmavaram provides employment to hinterland people There is spillover of town's activities to hinterland and weaving has become a great source of non-farm employment in the hinterland Further, the workers of silk dyeing units, groundnut mills are mostly from sourrounding villages	7. The town's role on hinterland is decreasing With the declining trend of slate industry the employment levels of hinterland people working in town has gone down significantly Previously people from 25 to 30 villages used to work in slate industry Presently people from only 5 villages travel to Markapur to work in slate industry The extent of slate mine workers has also gone down significantly Consequently there is seasonal migration of hinterland people to the other areas

Concluding Propositions:

The intentions in explaining the various exploitative and generative processes in Markapur and Dharmavaram respectively, like subcontracting or putting out system, multiple leasing system, expansion of non-specific labour, piece-rate system, non-commodification of labour power fin Markapur) and commodification of labour power, distribution of means of production, formation of generative and productive relations (in Dharmavaram) is not to describe merely the production relations between various sections of people involved in regional economy. but more specifically to explain through these processes, the sphere of exploitation and non-exploitative relations of production and impact of these relations on the local economy and on the development of the town and region

The subordination of labour to capital, and the generation and appropriation of the surplus functions through these various complex relations of production In Markapur region through careful observation of the above described exploitative processes, we can identify a whole networks of intermediaries and parasites involved in the production process. We can observe the exploitation of slate workers by slate factory and company owners who are in turn exploited by slate market agents thereby we can visualize the impact of all these activities on slate industry and on regional underdevelopment

The various processes described in Markapur explain the structural dependency and internal *fexniraxioc* which are very important to understand fully the impediments to economic development at the regional and local level.

This shows that, though linkages build interrelationship between urban-rural economy of a region, it is the nature of relationships between various production groups involved in the linkages which actually determine the different kinds of surplus generation vis-a-vis urban and regional development.

The spatial and inter-sectoral relations (linkages) and social relations (which together constitute town-country networks) are mutual IT influential as they have origin basically in the mode of production (of a region). The dialectics of town-country networks are products of the mode of production of a given economy. The changes in the ownership of means of production, the extent to which commodification and non-commodification of labour power occurs at regional level influence the dialectics of town-country networks leading to either regional development or underdevelopment.

The spatial forms of development and under development are not only reflections of resources available in the region but more particularly town-country networks occurring at a regional level Any attempt to develop regional urban development necessitate changes in the town-country networks wherein attempts should be made to remove the dominative and exploitative forces in mode of production in the region and generation of mutually additive and non-exploitative production relations Any interventions bypassing these aspects like provision of services infrastructure, and communications have a limited role in generating regional urban development Indeed they might even result in increasing the exploitative processes leading tc underdevelopment of the region

NOTES:

James.M. Chevalier, p 164.

[2]Manfred Bienefeld, "Urban Employment: A Historical Perspective", in Ray Brombley & Chris Gerry(edt.), 1979, p.32.

[3]Marx Karl., "Capital", Vol.1, 1976, p 476.

[4]Ibid, p 476.

[5]Ibid, p 477.

[6]Ibid, p 486.

David Booth in Ivax Oxaal (edt), 1975. p 67

APPENDICES

Appendix-I

The following schemes are introduced for the development of silk weavers co-operative societies during recent years.

Share Capital Assistance:

The silk weavers co-operative societies were provided with silk share capital assistance to rise the working capital facility from various financing agencies like NABARD, District Co-operative Central Bank. Anantapur. Between the years 1985-86 to 1991-92 a total amount of Rs. 16,45,000 were spent under this scheme for 60 weavers societies

Modernisation of Looms:

Under this scheme, the change of Jacquard and other spare parts of the looms will be done. It accelerates the production and also improves the quality of silk cloth The financial assistance under this scheme includes both grant and loan This scheme indirectly increases the income of members of the society by accelerating the production of the silk cloth Between 1985 and 1988 a total amount of Rs 2,81,600 were spent under this scheme benefitting 243 weavers in 21 cooperative societies

Rebate/Market Development Assistance Schemes

This scheme is introduced to facilitate especially the consumer % to purchase the silk cloth at twenty percent rebate price during festival times. This discount amount will be reimbursed by the State and Central Governments, 10 percent each to the society

The amount sanctioned under this scheme between 1985-86 is around Rs.26,30,073 towards 43 societies.

Thrift fund cum Savings and Security Scheme:

This scheme is started in 1986-87. It is intended to promote the saving habit of the members of the society. The matching thrift amount will be sanctioned by both central and state governments equally Under this, six percent will be collected from members wages and six percent will be sanctioned by both State and Central government three percent each Between 1986-87 and 1990-91, State government has sanctioned around Rs.71,678 towards 47 societies.

The members of the society can take advances from the above amount for 5 years from the date of entry into the scheme It can be utilized to meet the medical expenses, marriages or to purchase the houvr site by the subscriber.

According to Co-operative Societies Registrar. Dharmavaram. upto 199.' NABARD has spent Rs. 1,50.00.000 in Dharmavaram region

Sericulture Department with the help of Central Sericulture Board National Sericulture Pest Corporation and NABARD is constructing housing complexes for weavers Even separate housing complexes were constructed for weavers from SC and ST sections To mention in Basetha village Chennekothapalli mandal at a distance of 12 kms from Dharmavaram a housing complex exclusively for SCs in constructed in which around 45 weavers

families are staying. Each weaver is sanctioned an amount of Rs.25,000 through NABARD towards working capital, loom cost etc. The raw material is supplied by the government agency, i.e. SeriFed. The money is to be repaid in installment basis.

Similar housing complexes for weavers of all castes are constructed at Ramapuram village, Bathalapalli Mandalam and in Narsimpalli in Tadimarri Mandalam, and Akuthotapalli in Anantapur Mandal and in many other places

Thus, the sericulture department undertakes the following activities in the development of the silk weavers co-operative societies

1. Registration and organisation of silk weavers co-operative societies, silk reeler, twisters co-operative societies and sericulturists co-operative societies.
2. Act as recommending agency for share capital contribution from the government and working capital loan from the District co operative central bank/NABARD/NCDC etc
3. Creating Marketing facility for disposal *of* silk yarn produced by reelers co-operative societies
4. Arranging 20Z rebate/MDA facility to the consumers through retail sales of silk cloth during festival seasons

Appendix-II

SOCIO-CULTURAL IMPORTANCE OF SILK IN INDIAN **SOCIETY: ITS** IMPACT ON SILK MARKET

The rapid increase in the production of silk sarees and the concurrent growth of silk industry in Dharmavaram is not only due to the changes in the means of distribution and availability of raw materials, institutional and non-institutional financial agencies but also due to upbeat market trends of Dharmavaram silk sarees. The demand for Dharmavaram silk sarees is not only because of its fine quality, designing styles but also due to the traditional role and cultural silgnificance of silk sarees in Indian society.

Silk clothes occupy a predominant place in Indian culture In India, during all important ceremonies, rituals and cultural occassions silk clothes are preferred and infact are a must Further, silk product* are not easily perishable goods and have tremendous durability Besides this, they occupy a significant place in Indian culture more particularly among females. Possession of a silk saree is a lifetime dream/achievement even for a poor woman. Though demand for silk products is more in urban upper and middle classes, silk market has its own hold in the Indian rural market among all classes. Possessing silk sarees is not only necessary for Indian cultural events like marriages, festivals but is also a status symbol particularly among Indian woman who would like to display their clothings among their peers

Thus, silk products are a cultural compulsion, ritual necessity status symbol. S R Charley says, "India fc-<ti a culture in which silk occupies an assured place Silk as a leading symbol of purity luxury and prestige is the fabric for ceremony & ritual It is not simply a high-cost

material prestigious to wear, nor one simply well-suited to the climate, it is the material which is required wearing for sections of the population on a range of social, ceremonial and ritual occasion".[3] He further says women of middle class also aspires to treasure their silk urn | Silk ~ hieves widest use in weddings and the marriage season has considerable influence on activity in silk trade. It is difficult to say whether mar iage symbolises wearing of silk clothes or silk clothes symbolises marriage occassion. Not only brides, even invitees expect to be given and to wear silk sarees. Even women attending others wedding nave similar aspirations. Grooms like wise wear silk clothes.

y.N.Srinivas discussing the importance of red silk on ritual occassions connected with marriage among Coorgs writes that "The ritual preference of silk to cotton it widespread all over peninsular India among Brahmins. This is true not only among Brahmins but across all castes both in rural and urban areas.

Priests may alto wear milk in religious contexts, and its use to decorate temple cars at their festivals *which* give them a special brilliance. This ritual significance isnot new. Abbe Dubois, remarking on it in the early nineteenth century, noted in particular that a Brahmin doctor would take the pulse of a Sudra patient through a tilt cloth in which he would wrap the wrist so as not *to* be defiled by touching the impure skin.[6]

Because of this deep rooted cultural and ritual significance of silk in Indian society, the demand for all silk products is high. In 1976, the

chairman of the Central Silk Board found it necessary to argue for ' cut in the domestic consumption of silk:"Heavens will not cave in .... For rituals and social consumption of silk, the quantity we export now would be enough".

Discussions with various sections in silk industry of Dharmavaram revealed the same sentiments of greater demand and ever green market for their product.

Discussions with leading silk merchants like Sreenivasulu. Kaningi Govindu, Bandi Hanumanthu and others revealed that, inspite of rapid increase the production of sarees in Dharmavaram. the market and demand for the product is high. They expressed that the Dharmavaram sarees has greater demand among Tamilnadu, Andhra Pradesh and Karnataka particularly during festivals like Deepavali and Dussahera besides local market during marriage season.

When they were asked for the reasons for not bringing new designs and styles and production of new materials from Dharmavaram silk. all the silk merchants expressed uniform opinion that, since the demand for the present type of product is high, where is the need for making new designs and new type of clothes. The discussion with the director of SeriFed, a State Government Organization, who belongs to Dharmavaram, brought to light further and interesting details on market and demand of Dharmavaram product. In 1992 SeriFed conducted silk exhibitions in all major cities like Bombay, Delhi, calcutta, where, the demand for Dharmavaram silk sarees was high and theywere completely sold out. Further, SeriFed is entering

into export dealings with Isreal and other European countries for the supply of raw silk yarn.

Thus, the market trends of the silk sarees of Dharmavaram is a crucial factor for rapid deTelopment of silk industry. However, changes in the production relations among various sections of silk industry have been

beneficial both for the silk industry and for the development of the region as a whole.

Appendix-Ill

Zari plays a crucial role is silk industry because, the cost and marketing of the silk saree predominantly depends on the quality/purity of the zari used and the designs formulated with zari. In Dharmavaram there are fifteen to twenty main zari dealers who bring zari from Swat. Besides these main dealers there are around eighty to hundred sub dealers who buy zari from the main dealers and sell to thousands of weavers. Zari is considered to be pure if it has 52 percent of gold content. But. In the recent years adulterated zari which contains 32 percent of gold is extensively used in Dharmavaram. This led to numerous complaints from buyers of Dharmavaram sarees and the market during the Deevali period of 1992 which normally would be peak got effected significantly This affected the future of various sections of silk industry Detailed interviews with various sections of silk industry brought to light the causes of the present problem and the solution to it

As already mentioned with the advent of institution of independent weavers the institution of master weavers got eroded These silk merchants (ex master weavers) have less scope for dominance or command on weavers In the course of time weavers began weaving sarees on their own with out any interference of silk merchants and started selling sarees to silk merchants. Obviously while selling, weavers calculated their wages and five to ten percent profit ratio. Weavers, because of their total independence in using raw materials for weaving began using substandard zari whose gold content is around thirty two percent, far below the standard zari whose gold content is fifty two percent. The main intention

behind the use of this zari is to save input costs and thereby raising the profit margin. The silk merchants faj spite of knowing the use of bad zari continued to buy the sarees from weavers and began acquiring their range of profits. Ultimately the loosers were customers. Slowly this trend acquired pr edominance. However when buyers from the various parts of the country began receiving complaints from customers which finally led to decline in the marketing of the Dharmavaram sarees and during the Deevali season (of 1992) which normally would be the peak season for the marketing of the Dharmavaram sarees, the sales fell down dramatically and the various sections in the silk industry began to feel the pinch of this and realized the gravity of the problem and its effect on the various groups When there is decline in the market, automatically there is decrease in demand for the product and thereby affects the production This again affects every group in the industry because with the decline in the demand the production decreases whereby weavers get no work which leads to decline in the sales of all raw materials which automatically affects the units producing raw materials like reeling, twisting and dyeing units and this again effects the production of cocoons dor to decline in the demand of cocoons

Due to this chain of reactions, every section got affected The silk merchants and weavers began to accuse and blame each other for the present problem Detailed discussions with various sections of silk industry revealed the actual causes for the present problem.

The general secretary of silk manufacturers association Pothula Srinivasulu views the present problem in the increasing profit motive of

the weavers and silk merchants. - He further says that due to the tremendous raise in the production of silk sarees the number of silk merchants increased rapidly along with weavers and the unity between weavers and merchants and within weavers and merchants erosed. Both weavers and merchants to acquire higher profits regularised the use of the substandard zari. However various individual merchants accuse weavers for the present problem. They say that, since they hold no control over the weavers, in spite of repeated warnings weavers continue to use substandard zari. However, the president and the general secretary of the weavers association views that the fault lies with both the weavers and silk merchants They further say that the activities of merchants also to some extent encouraged weavers in indulging the use of substandard zari Discussions with weavers revealed that there are numerous merchants who insisted weavers deliberately to use adulterated zari to attain more profits

By December. 1992 this problem began to affect the entire silk industry Serious deliberations underwent between various associations *of* various groups where it was finally decided sot to allow the sate of substandard zari in Dharmavaram Strict orders were given to zari agents not to sell substandard zari This see** to be successful toc«*t. In February. 1993. when it was found that substandard zari was brought and to lying in parcel office of Dharmavaram's railway station the members of various association of silk industry seized and destroyed it Further, it was decided to get the zari certified by the newly established zari testing unit. Orders were given to use certified zari only

This, incident clearly shows how the relationships between various groups located in town and country are crucial and where the exploitation of one group over the other disturbs the entire silk industry and on the contrary, the co-operation of one group to other leads to the healthy development of all groups and entire silk industry leading to the conditions of 'total urbanization'.

Notes:

[1]Ibid.

[2]Ibid.

[3]Charsley.S.R., 1982, P.72.

[4]Ibid . 79.

[5]Srinivas M N., 19S2. pp 85-86

[6]Dubios A . 1899,pp184

Regd. No. HYK/49.

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NOTIFICATIONS BY GOVERNMENT

LABOUR, EMPLOYMENT AND TECHNICAL EDUCATION DEPARTMENT

(Labour II)

FIXATION OF MINIMUM RATES OF WAGES IN THE EMPLOYMENT IN STATE FACTORIES UNDER THE MINIMUM WAGES ACT, 1948

[G.O. Ms. No. 360, Labour, Employment and Technical Education (Labour II), 17th October, 1977.]

In exercise of the powers conferred by sub-section (1) [illegible] and sub-section (3) of section 5 of the Minimum Wages Act, 1948 (Central Act XI of 1948) [illegible] the Government of Andhra Pradesh hereby [illegible] the minimum rates of wages as specified in the Schedule [illegible] to the employment in State Factories specified in the said Schedule [illegible] sub-section (3) of section 5 of the said Act.

2. The minimum rates of wages so fixed shall come into force with effect from the date of publication in the Andhra Pradesh Gazette.

THE SCHEDULE

S. No.	Category of employees	Minimum rates of wages
(1)	(2)	(3)
		Monthly Wages
		Rs. Ps.
1	Skilled Categories	[illegible]
2	Foremen	550.00
3	Machine Operators	[illegible]
4	General	500.00
5	Part-time Non-Technical Diploma Holders	500.00
6	Degree	500.00
II	General categories	
7	Clerk Cashier/Typist/Accountant/Stock Keeper	500.00
III	Semi-Skilled categories	
8	[illegible]	[illegible]
9	Painter	[illegible]
10	Basic Workers	[illegible]
11	Mazdoor/Helper/Packing Mazdoor	450.00
12	Unskilled categories	
13	General Labour/Mazdoor/Sweeper/Scavenger/Cook/Loader/Unloader/Boy/Watchman/Watchwoman	400.00

S. No.	Name of the Industry (Item Multiple)	Piece rate wages per unit where work by the month	Time wages based on 26 days a month
(1)	(2)	(3)	(4)
		Rs. Ps.	Rs. Ps.
1	Mat Pressing	0.60	15.60
2	Rice Pressing	1.00	26.00
3	Fruits Cutter	0.50	13.00

(1)		(2)	(3)
6. Frame fitting/Clutch fitting.		0.40	17.30
7. Frame Polishing	..	0.80	17.30
8. Round Polishing	..	0.30	17.30
9. Hand Polishing	..	0.30	17.30
10. Coloaring of frames	..	0.30	17.30
11. Half tin iron joints	..	0.80	17.30
12. Packer	..	0.50	17.30

Note: 1. Where daily rates have to be converted it shall be arrived at by dividing the monthly rate by 26 and to derive at monthly wages, the daily wages shall be multiplied by 26, which shall include rest day wages also.

2. Any employee whose occupational designation differs from the categories specified in the above, shall be paid wages fixed for the category of employee doing corresponding nature of work.

3. Where any category of employee is being paid higher wages than those specified above the wages actually paid shall be treated as minimum wages in respect of that category of employee in that employment.

4. Wages for children where statutorily employed should be 60% of those fixed for men and women workers according to the nature of work.

5. Where piece rate workers are employed the remuneration paid to each of them for a normal working day shall not be less than minimum wages fixed for a general worker in the respective category of employment doing similar work and shall not be less than the time rate wages calculated at 8 hours per day.

The principal employer is directly responsible for payment of wages to employees irrespective of employment through contractors or otherwise and shall maintain records thereto.

7. There should be no discrimination in the payment of wages between men and women workers in any category of employment.

8. (A)UN-SKILLED: Unskilled work is one which involves simple operations (work) of little or no skill or experience on the job.

(B) SEMI-SKILLED: Semi-skilled work is one which involves some degree of skill or training and experience through experience and the job and which is capable of being performed after a short period of guidance of a skilled employee and which is routine repetitive work.

(C) SKILLED: Skilled work is one which involves skill or competence acquired through training or an apprentice of a technical or vocational institute and the performance of which calls for initiation and judgement.

SUSHIL KUMAR,
Principal Secretary to Government.

1948, [illegible] ... [illegible] ...

[G.O. Ms. No. 200, Labour, dated 17-10-1987.]

(illegible)

1948, [illegible] ... [illegible] ...

(illegible)

[illegible]	[illegible]	[illegible]
1. [illegible]		
2. [illegible]		
3. [illegible]		
4. [illegible]		
5. [illegible]		
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6. [illegible]		
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9. [illegible]		
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