

- * All goods, commodities and services required for ordinary life are being made locally and available in the local market. The producers of such goods and commodities are mostly self-employed.
- * When you buy such goods you support their lives and livelihoods. That is the “dharma” of Lokavidya Bazar. Adopt this “dharma” and practise it.
- * The path to a dignified life is one which is paved with the support of the local community of producers and consumers. Let us build, nurture and sustain such paths.
- * If we do this, our children need not beg for employment or welfare.
- * No government can or will provide gainful employment to all.
- * Demand that ALL working people receive a regular minimum wage equal to that determined and implemented for government employees.

All issues pertaining to the *Lokavidya Bazar* need to be discussed locally and the methods and stages of implementation charted out before it is launched as a small part of the existing local Bazar. Through practice, further clarity on the concepts outlined herein will be obtained. On achieving a modicum of success in the implementation of *Lokavidya Bazar*, the experiment may be initiated at other locations and a *Lokavidya Bazar* movement launched at an appropriate time in the future.

The following are the other publications of Lokavidya Jan Andolan,

1. LOKAVIDYA PRAPANCHAM, Monthly Telugu /Urdu Magazine Bilingual
2. LOKAVIDYA SWARAJYAM, (English, Telugu & Hindi)
3. LOCAL MARKETS IS AN ANSWER TO GLOBALISATION, (Telugu)
4. EVERYBODY SHOULD BE PROVIDED WITH GUARANTEED EMPLOYMENT WITH SALARIES EQUAL TO THE GOVERNMENT SERVANTS (Telugu & Urdu)
5. PATH FOR LIBERATION OF ENSLAVED SOCIETIES ACROSS THE WORLD INCLUDING THE INDEPENDENT INDIA (Telugu)
6. LOKAVIDYA BAZAAR (Telugu & English)

The above books can be had from following address

LOKAVIDYA PRAPANCHAM

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Today's Bazar (Local Market)

Almost every person goes to the Bazar (local market) or has someone go the Bazar on his /her behalf. In the Bazar, goods are bought and sold. Some services are also available at the Bazar, such as those of the snack-vendor, teashop, barber, locksmith, cobbler, blacksmith, tailor etc; which serve the needs of the people who visit the Bazar. Most of the people visiting the Bazar are both producers and buyers of goods/commodities of use in daily ordinary life. Most of the goods bought and sold are produced in the local area and market-goers are familiar with these goods and can judge their content and quality. For example, women market goers are very selective in their purchases and strike a good balance between need, price, quality and quantity when they buy grains, vegetables, spices etc. – all from the knowledge they have garnered from their elders and by experience through repeated trips to the Bazar!

In most places, this Bazar activity is conducted on some pre-decided day and at some designated location within a certain geographical area, generally covering a number of villages and small towns. The buying-selling process is largely centered on ordinary life needs of the local population and thus there is a strong element of fulfilling human- needs in local market activity. So, the Bazar becomes a place where, about once a week, people from across the region get to meet each other and spend some time socializing while picking up their needs(goods, commodities, services) for the following days. Another important feature of the Bazar is that most of the transactions are done in cash, though credit, based on mutual trust, is not an uncommon feature of local market transactions. So cash rotation takes place largely in the local region and thus local livelihoods and lives can be sustained.

Apart from this buying-selling interaction, the visitors to the Bazar also exchange news, ideas, solicit advice from each other on various issues of life and even discuss family and community matters. In other words, the Bazar is a public place, a melting pot of ideas and opinions, where relationships are built through constant interaction between people belonging to the local geographical region. This process engenders strong local relationships largely based on human considerations rather than merely profit and loss considerations.

In contrast to this Bazar, the Markets (urban shops, Malls etc) in the bigger cities and Metros are dominated by purely commercial considerations

underlying buying and selling. In fact, these days the thrust of these markets is to create a need for commodities or services through advertisement, so that people are encouraged to buy such goods or avail such services even if there is no need of these goods or services for ordinary life purposes. Most of the goods sold in such Markets are produced in far off places, in industries and work places where workers (producers) need not know about the requirements of the ordinary people. In other words, there is no human element in the transactions of these Markets. The sole motive behind this exercise is profit making, and is the basis for what is called “consumerist culture”.

Inequality of exchange

One striking contrasting feature between the Bazar and Market (urban shops, Malls etc) is that, in the Bazar there is always scope (and in fact a habit!) for bargaining on price whereas in The Market there is absolutely no scope for bargaining on price. The bargaining mechanism is part of the process of building human relationships between buyer and seller whereas the process in Markets is totally impersonal. What does this process of bargaining indicate in economic terms? It means that the price of a commodity/goods/service is notionally fixed by the seller (based on cost of production, labour content, availability, demand etc) but is open to alteration. Every Bazar goer indulges (and expects to be permitted to indulge) in this bargaining activity, mostly without any specific profit-loss motive. So the price of a commodity/goods/service is largely locally determined in a Bazar, whereas in the Markets it is always “fixed” in places quite remote from the ordinary buyer/consumer and, normally, has no reference to the potential buyer/consumer. This is quite apparent when one notices the large rise in prices of food items and other ordinary consumables after globalization of the Market post 1991.

In general, we notice that goods/commodities/services available/provided in the cities are always expensive when compared to similar items available in the local Bazar. Some items which are produced in factories such as plastic pots, buckets, mugs, slippers, chairs etc are cheaper than those made of clay, metal, wood or leather which may be available in the Bazars. The production of clay pots, vessels and cups and leather slippers has almost ceased in the local areas because the potters, blacksmiths and cobblers are not able to sell these items at prices that compete with similar items produced in factories. If one wishes to buy an earthen pot these days, it may cost as much as a similar plastic or aluminum pot and its longevity is also much less. So people tend to buy these “cheap” factory produced goods rather than relatively “costly”

locally-produced ones. But then this attitude, of buy cheap sell costly, is the rule of the Market and is the basis of profit-making. This attitude has pervaded the local Bazar to a very great extent.

What has such an attitude led to? The productive activity of the small farmer, artisan and small trader has become un-remunerative and he has been slowly but surely forced out of his livelihood activity. The availability of locally produced goods/commodities and services has decreased. The local Bazar is becoming a branch market of the urban Market and small traders/shopkeepers are finding it very hard to sustain their businesses.

Who are the buyers and sellers in the Bazar (Local Market)?

The Bazar caters to the local area, comprising of about 10-12 villages located within 5 Kms of the location of the Bazar. All these people are both buyers and sellers. They are

1. small farmers who grow grains, millets, pulses, vegetables, etc
2. artisans of all types such as those who produce goods and commodities of daily use or of ordinary life requirements such as weavers, potters, tailors etc
3. skilled persons or those who provide services for ordinary life such as dhobi, barber, carpenter, tea-seller, snack-maker, blacksmith, locksmith, cart-man, coolies etc.
4. small shopkeepers/traders who deal in small quantities of goods and commodities such as household articles, plastic ware, pesticides, herbs, local medicines, spices, utensils etc

A large proportion of all such people are women who, in addition to being one of the above, are also home-makers and home-managers.

Most of these people are illiterate or semi-literate, that is, they may have not gone to school at all or they may have just completed middle or high school and are just about able to read and write. The work they do is NOT based on what they have learnt in school. The skills they possess have not been acquired in school. It is very interesting to note that the “mathematical ability” of the women sellers is most remarkable. And this ability is NOT the result of attending school!

So what is the common feature of all these people? They are able to carry out all these activities on the basis of the knowledge and skills they have acquired while living and growing up in their homes, households, villages and

communities. Their teachers have been their parents and elders and most importantly, they have learnt all that they know and all the skills they possess through daily-life observation and practice. So the process of active living and growing up represents a learning process in which knowledge and skills, useful for ordinary life activities, is efficiently transferred from one generation to the next. This locally-distributed storehouse of knowledge is called Lokavidya—the knowledge in society, the knowledge with the people. This knowledge is constantly enriched through interaction with new and fresh ideas and skills that are brought into society by “learned” people and through interaction with people from different regions, towns and cities. For example, even the most “illiterate” person knows how to use a mobile phone these days and is able to key in a phone number even though he/she may never have learnt numbers (Arabic/ Devanagri/ Roman etc)

This is the over-arching identity of all these people. They constitute what is known as **Lokavidya Samaj**; the Samaj that is comprised of people who live by **Lokavidya** and whose livelihoods are based in Lokavidya.

Why is the Bazar (Local Market) important to the people?

The first thing about the Bazar is that all people of the region covered by the Bazar know that they would be able to get all their daily life needs at the Bazar and, if they happen to be producers of some of those commodities that are traded in the Bazar, they also know that they would be able to sell those commodities to people, who like them, have similar needs and requirements. In other words, the Bazar revolves around the ordinary life of local people and carries the flavour of that life. The ‘terms of trade’ are also set, more often tacitly, by the participants in the Bazar. It is like an extended family gathering grounded firmly in the values of ordinary life of the region.

People in the region normally practice various livelihoods based on their family and/or community backgrounds. They familiarize themselves with the livelihood activity and its nuances as they grow up and all the while they gather knowledge about their livelihoods which serves them in good stead when they set up families of their own. The Bazar helps sustain their livelihoods and provides them an assurance that they, their families and children will be able to live an ordinary dignified life without too much hardship or hassle. It is the forum where a shared human identity is reinforced.

How are the prices fixed in the Market (urban shops, malls etc) and the Bazar?

Every commodity or service that is made available at the Bazar or Market has a price, stated or marked on it, that has to be paid by the buyer. How is this price determined and who fixes it?

Now we know that, in general, the price of goods and commodities made in industries and normally sold in Markets, have a price greater than similar goods/commodities sold at the Bazar. The difference in price is normally understood in terms of the difference in cost of production, cost of transportation, cost to be paid to the trader (who sells the item at the Market), cost of advertising the commodity/goods, taxes etc. The difference in cost of transportation from factory to Market is fairly clearly understood. So also is the cost of advertising, which is nil for items sold in the Bazar. So the real difference seems to be in the cost of production of the goods/commodities and services.

What are the main factors that determine the cost of production? The main ones are cost of input materials, cost of energy (electricity in the case of factory production) required for production and the cost of labour (wages and management) required for production.

Most of the goods and commodities produced and brought to the Bazar are produced from raw materials (such as seeds, fertilizer, water, cotton, wool, wood, iron, clay, leather etc) available in the local area. The cost of such raw materials is based on the price of such materials in the Bazar. The same raw materials are also sold to the factories/industries that produce goods and commodities for the Market and, most often, at prices slightly lower than those prevailing in the Bazar. The price paid, in the Bazar, to the producer of these raw material has to be such that it covers at least the cost of food required for the producer to continue to labour and produce these raw materials. So the price **fixed in the Bazar** for raw materials takes into account the socially accepted minimum requirement to keep together the body and soul of the producer of such raw materials! We see that the price of food (mainly food grains- cereals and pulses, and some oil and vegetables etc) gets included in the price fixation. And all the while this price fixation takes care of the socially accepted minimum required for everyone involved to sustain a life of minimal dignity. The producer and his family cannot be allowed to starve or become incapable of continuing to work (his production /service activity).

This brings us to the second input cost, that is, the cost of energy. Factory production takes place with the help of electrical energy. If there is no supply of electricity, factory production will stop and no goods/commodities can be produced. So the main energy input in factory production is electricity. Whereas the main energy input for producing goods and commodities by Lokavidya Samaj comes from the labour of the people involved in the production/service process. In the case of food production by the farmer, the main source of energy is the Sun and water coupled with the labour of the farmer and his oxen. Now the energy of the Sun is freely available and water supply to the fields, men and animals has to be ensured by the local community to sustain the farmers' activity. The main cost of energy input then is:

- 1) the cost of electrical energy for the factory and cost of food for the workers
- 2) for the farmer, weaver, artisan etc and their animals who assist in their production, the cost of food required to sustain their labour

While fixing the price of goods produced in factories, the cost of electricity, a minimum wage for the worker etc are all factored in and the government and workers unions are in constant dialogue to ensure that there is no stoppage or loss of production on these counts.

In the case of the members of Lokavidya Samaj, we see that, by and large, the price of food (grains and associated commodities) is nowadays never fixed. Everything is undetermined and is floating. The small farmer or artisan never knows what price he will receive for his produce and whether that price will be sufficient to cover the cost of basic needs for him and his family. At some time in the past, the local community/Bazar probably notionally fixed a minimum price for each commodity and service; a price that ensured the sustenance of that livelihood practice and the people involved in it. We can say this because we hear that many of the jatis that comprise Lokavidya Samaj carried out their 'traditional occupations' from generation to generation, until probably the advent of British rule some 150 years ago. The process of people "abandoning" their traditional livelihood calling and seeking employment in offices and factories or learning and acquiring other skills etc became a widespread phenomenon. Why would a person abandon his livelihood calling unless it became unsustainable and not capable of helping him live a life of minimal dignity?

Knowledge, skills and management

There is another important factor that goes into price fixation of commodity/goods. If you ask anybody why a spade made in a factory (say by TATA) is priced much higher than that made by the local blacksmith OR why a pair of chappals made in a factory (say by BATA) is priced much higher than that made by the local cobbler; the answer would be that the quality of the factory-made product is better because it is made by a machine. Even if we assume that the material cost of iron/leather is almost the same in both cases, the cost of making/buying the machine is very high and also the payments made to the skilled worker who operates that machine and the supervisor/manager who oversees the manufacturing process is much more than the price of the labour-content “paid” to the local blacksmith or cobbler. The reason for this is understood in terms of the price to be paid for knowledge and skills possessed by the worker and manager for producing the commodity. This knowledge/skill is acquired through their education in college. In fact, their employment in the factory is based on the fact that they have the requisite degrees/diplomas. Of course, the blacksmith and cobbler also possess knowledge and skills of working on iron or leather to make the product and they also manage the entire process themselves. However, this knowledge and skill (*Lokavidya*) has been acquired by them by observing and working with elders in their families and communities and NOT by attending any college. Everyone knows that the blacksmith /cobbler possess knowledge and skills but, as they do not possess any diploma or degree from a College or Institution, they cannot seek employment in factories. The price of their products thus includes only the wage for their labour and not the “price” for their knowledge and skills.

Factory made products also have a “standard” finish, every piece looks like the other; same size, shape, colour etc. because they are made by machine. The customer has to choose from what is available in the Market. The products of the local blacksmith or cobbler may not be exactly alike; every piece is different from the other. Moreover, goods can be made to suit the customer’s likings. This brings in the inherent creativity of the blacksmith/cobbler. They have the opportunity to exercise their creative skills and a “master” craftsman can come up with very good designs and products. However these days, everyone prefers factory-made goods and is willing to pay much more than similar locally-made goods. There is an unspoken devaluation of the knowledge and skills of the local craftsman.

With the passage of time, people have stopped buying locally-produced goods and, in effect, have added to the devaluation of local knowledge and skills (*Lokavidya*) and livelihoods based on *Lokavidya*. So it is not surprising that children from these producing and manufacturing communities have all but abandoned their links with *Lokavidya* and *Lokavidya Samaj* in their search for sustainable livelihoods.

What would happen if the local Bazar becomes A mere branch of the urban Big Market?

When you cannot compete with the ‘adversary’, join him! This has been a long standing mantra for survival. And so nowadays many people say that local producers (of *Lokavidya Samaj*) should seek out their place in the “all-pervading” Market. So, the local Bazar can become a branch of the big urban Market. Everyone then becomes a small trader of goods produced elsewhere. Local producers are marginalized and forced to enter the market as small traders and maybe “repairers” of goods produced elsewhere. All the cycle and motor mechanics belong to this category of *Lokavidya Samaj*. They are the ones who have acquired knowledge and skills by working with products of industry. The poultry industry is an example of how the entire chicken rearing practice has got transformed into the poultry industry. Cattle rearing are now mainly for milk production and this milk is supplied to the large diary industry for processing, packaging and delivery to the population.

Many members of the *Samaj* have all but abandoned their “traditional calling” and have become small traders of industry-produced goods of the Market. They have sustained their families in this way. Those who have stuck with their “traditional calling”, of farming, weaving, blacksmith, gold smith etc have all been impoverished due to adverse market conditions and many have been forced to commit suicide to ‘escape’ indebtedness and starvation. If the local Bazar is forced to become a branch market of the urban big market this will mean that Lokavdiya Samaj has been forced to abandon all HOPE for a dignified life.

What can be done about this very bad situation of Lokavidya Samaj?

It is obvious that the Government and all urban people are encouraging the growth and spread of the Market-based system. We can infer this because they believe that we should also be in tune with the global market system and conduct businesses according to the rules and “values” of the global market system (whose sole aim is to increase profits and wealth of the rich of the world).

If this situation goes on, then the Bazar and all members of Lokavidya Samaj are doomed to be displaced from their livelihoods and driven to a state of utter deprivation. Some of them will and try to 'adjust/cope with' the market system by becoming small trade partners with the big businesses and manufacturers. But a majority of the population that comprises Lokavidya Samaj will be pushed further and further into debt, deprivation and be forced to a life sans minimal dignity; which is the cause for the many suicides of farmers, weavers etc; that are taking place.

What can the Samaj do about halting this situation and bringing back human values into this process? Given that the only real "life-sustaining employment" available to the vast numbers of the Samaj are Lokavidya-based livelihoods, the only way out of this miserable situation is to continue with and build a life based on their knowledge and skills. However, we find that the situation in the Market is not at all going to help them in this task and, in fact, the negative influence of the Market-system on the Bazar is there for all to see.

Lokavidya Samaj should take steps to revive and re-instill those values that sustained the Bazar and Lokavidya -based livelihoods through many ages. This is possible only if the Samaj resolves on itself to "resurrect" *Lokavidya Bazar*.

What is Lokavidya Bazar?

The underlying motivation (*dharma*) of the *Lokavidya Bazar* is to:

1. *make available products and services, essential to ordinary life, by and to the local community of producers and consumers*
2. *facilitate exchange, of commodities and services, to help sustain life and livelihood*
3. *ensuring, thereby, a dignified-life of members of the community*
4. *promoting fraternal inter-dependence based on equal recognition and respect for different knowledge-streams and skills that are represented through this activity*

Following are the cardinal differences between the all-pervading urban Market System and *Lokavidya Bazar*.

The inequality of the exchange-activity, in a finance-capital dominated Market system, leads to economic and social inequality and exploitation. In sharp contrast, *Lokavidya Bazar*, will be characterized as a humane exchange-activity process that is dominated by a constant zeal to promote welfare, dignity

and equality of the members of the community it serves. There are no over-riding motives save that of upholding and promoting this *dharma*.

Lokavidya Bazar is therefore a collective activity and effort at sustaining equality and fraternity among the various participant communities. Its *dharma*, through practice, seeks to pervade the philosophical, social and economic space of *Lokavidya*; each enriching the other across space and time.

The *Lokavidya Bazar* (conceptually) will dominate all productive and distributive activities of the *Samaj*. The physical location of the *Bazar* will be in the locality (village, panchayat area, and cluster) that the *Bazar* serves. This will be similar to the weekly markets (*shanties*) that are still prevalent in most parts of the country. Many services may be available (marketed) at doorsteps such as milk delivery, dhobi services, etc. There will also be scope for online marketing with door-delivery facility for many products and services. This activity would be supported by communication systems such as roadways, railways, waterways and airways as physical aids to transportation and market activity. Non local-market activity will be facilitated by mobile/non-static marketing using ICT (the current trends in e-commerce will expand and become all pervasive and redefine the role and necessity of small marketers).

How may we re-establish Lokavidya Bazar?

The 'experiment' to implement a Lokavidya Bazar may be initiated within the local Bazar. The idea first of all, needs to be discussed in a Gyan Panchayat located at the local Bazar and comprised of participant representatives of the local Bazar. This may be initiated through a campaign around, for example, the following slogans:

ESTABLISH LOKAVIDYA BAZAR!

- * Buy locally produced goods and commodities.
- * Avail of locally available services provided by local artisans, skilled workers, and service providers.
- * When you buy goods and commodities produced locally or avail of local services and skills, you are, in fact, providing gainful "employment" to and supporting the lives and livelihoods of your brothers and sisters.
- * Notice the large price difference between goods and commodities produced outside the local area or by industrial establishments and similar items produced locally. Why do you want to pay so much?