

Women fish traders

Tussle in Tranquebar

The problem of access to credit has divided the women fish traders of three villages in Tamil Nadu, India

Women in India's artisanal fishing communities do not usually catch fish, but they do just about everything else related to fishing—net-making, processing, gutting, drying, smoking and marketing. Many of them also work as petty fish traders.

A major problem such traders face is their inability to save. Savings would not only form a cheap source of credit but also allow these women to tide over lean periods. Now, during crises, they have to depend on informal sources of credit for loans at fairly high rates of interest, from middlemen and moneylenders, for example. While formal sources of credit, such as banks, would charge lower interest, their procedures are difficult to understand. In addition, the petty fish traders are largely regarded as bad risks.

This problem of access to credit has led to an interesting power struggle among the petty fish traders in three Tamil Nadu villages— Pudukottai, Kuttiyandiyur and Vellakovil, located close to Tranquebar town in Nagai Quad-E-Millet district.

To facilitate access to credit, the Rural Organisation for Social Action (ROSA), an NGO formed seven years ago near Nagapattinam, organized groups of petty fish traders and encouraged them to save part of their income. The money thus saved was then re-loaned at rates of interest below those charged by the local moneylender. The whole operation was managed by the petty fish traders through a management committee.

Petty fish traders are often seen as a homogenous group with similar characteristics and needs. This has meant that development programmes end up

actually helping only a small proportion of the population. In reality, there are considerable variations in the socioeconomic status of the petty fish traders, due to differential access to local resources.

Over the years, recognizing these differences, ROSA has classified the petty fish traders into three categories on the basis of the value of their transactions, the markets accessed, type of assets possessed and their status within the household and the community.

The first category comprises the vast majority. These women usually belong to nuclear households. They are the have-nots of the community, with few material possessions, a low social status and little decision-making power within the household.

They usually buy low-value fish, like sardines and mackerels, from catamarans which land fish between 7a.m. and 8a.m, and engage in door-to-door sale till 10a.m. Their turnover is typically between Rs 100 to Rs 750. They carry fish on their heads to households located in the surrounding agricultural villages within a 25 km radius. The physical work is heavy, competition is high and profit margins are low.

The fish is usually procured on credit, either from the auctioneer or from friends and relatives. The auctioneer is repaid at the end of the day—no interest is charged. Friends or relatives can be repaid over two or three days; but the interest is as high as 120 per cent.

Woman's earnings

The women have to care for their small children, with little help from the family. Most often, husbands work as crew

members on fishing vessels, with low earnings. The women's earnings are thus needed to keep the kitchen fires burning. Some husbands have no income and are alcoholics living off their wives.

Within their households, these traders do not enjoy any decision-making power. The inability to save reduces the capacity of the household to meet the periodic crises that are common to fishing activities. The formation of the thrift group has provided the petty fish traders from this category an opportunity to save a part of their income, most often without the knowledge of their husbands.

Nagavalli of Vellakovil, who entered into fish trade recently, says, "The credit group has enabled me to set apart some of the money which would otherwise have gone into alcohol or gambling. I now have a larger circle of friends whom I can turn to when I need money."

The second category of petty fish traders usually deals with high-value species, such as prawns and seer fish. They also procure sardines, mackerels and clupeids, when in season, but handle much larger quantities. Their turnover is usually between Rs 1,000 to Rs 10,000 per day.

These women get fish from both traditional craft and from trawlers which land their catch at the Nagapattinam

fisheries harbour. They procure their fish around 5a.m and leave for the market by 6 am. Most often, to ensure a regular supply of fish, they advance credit to the auctioneers located both in their fishing villages and at Nagapattinam.

The capital they use is either their own or borrowed. The latter is most likely to be from a friend or relative, who would typically charge an interest of around 60 per cent per annum. Traders belonging to this category are usually considered creditworthy. Hence, they are better placed to bargain for lower interest rates, unlike the women in the first category.

These better-off traders access distant markets, such as Mayiladuthurai and Sankaranpanthal located 60km from their fishing villages. Their clients are usually men, often of rich households, that have a family member working in Singapore or the Middle East countries. The prices they charge are fairly high as their customers demand a regular supply of good quality fish. As transactions are usually based on the weight of fish, it is easy for the traders to cheat on the quantity sold. Consequently, traders from this category have fairly large margins.

Greater powers

These women enjoy relatively greater decision-making powers within their households. They also save fairly well. Due to this high rate of savings, these

women are the major contributors to the business transacted by the savings and credit group to which they belong. They express keen interest in the working of the group and most often play a major role in the management of the group's resources.

The biggest problem faced by these traders is getting their fish to the markets on time. They can only use public transport buses to reach Mayiladuthurai and Sankaranpanthal, since fish baskets are not allowed inside private buses. It costs approximately Rs 35 to transport two baskets. Apart from the ticket fare of Rs 11, the cost includes a bribe for permitting fish on board.

A woman needs to sell at least two baskets to make a decent profit. The women use ice to preserve the fish. Water from the melting ice seeps from their baskets, much to the irritation of fellow commuters. During peak hours, these women are not allowed to board. As a result, some of the fish gets spoilt.

When there are more than five women going to the market, they get together and hire a van, paying around Rs 50 per head for a one-way trip. On their return from the market, they usually buy groceries or essentials for their households.

As the timing of their return varies, some of them take buses to come home. "I have a difficult time when I return from the market. The conductors object to my entering the bus on the ground that the basket stinks. They want me to pay the bribe I would otherwise have paid on my onward journey," says Idumbayi of Kuttiyandiur.

Most of the traders in this category come from households that possess at least one traditional fishing craft. They usually have grown-up children who manage the household while they are away selling fish. Large sums of money have to be raised to acquire a craft for a grown-up son or to marry off a daughter, after paying a big dowry. Sometimes both these obligations have to be met.

The money needed for a fishing craft is usually around Rs 150,000. The amount given as dowry varies. A dowry usually

consists of a range of assets, such as craft and gear, cash and jewellery. The groom's family status in the village hierarchy often determines the amount of cash and jewellery.

A recent development has been the construction of brick and concrete houses or 'cement *veedus*'. A State government loan of Rs 25,000 for such construction is supplemented with loans from the local prawn trader. And instead of a two-room dwelling, a two-storied house is then built. Up to Rs 200,000 may be borrowed to construct the house. The rise in status, and the consequent access to government structures in the local area, drives such debt burdens.

Consequently, many traders in this category are either in the process of building houses or have completed construction. They are confident they will be able to repay the prawn traders. A big rental market for accommodation has opened up with the establishment of prawn farms in the local area. "I had to spend Rs 3,000 for bribing and entertaining the officials of the fisheries department," says Ariyamuthu of Kuttiyandiur. She clearly did not intend to repay the amount.

The third category of fish traders deals in dried fish—usually ribbon fish and flying fish as well as mackerels, when there are glut landings—and sell them in the interior. Besides this, when there are very large landings of sardines, they are dried for use as poultry feed. Women from both the second and third categories of traders help produce such poultry feed, following [the expansion of the poultry industry around Namakkal in Salem district.

Fish used for drying is usually bought from traditional fishing craft, usually when there is a glut in landings. The traders also use the catches from their own family's catamarans. The value of fish procured is between Rs 10,000 and Rs 15,000. With unit prices being the lowest, the quantity of fish procured is large.

Distant markets

These traders usually access distant markets, such as Kumbakonam and Thanjavnr located about 120 km from their villages. In most cases, the markets

are weekly fairs where all manner of agricultural, marine and artisanal products are sold. The low procurement cost, and the relatively long shelf-life of dried fish products, make the profit margins relatively high.

The scale of the operation allows the individual trader to hire transport on her own. Market timings are such that the women reach the market on the previous night to set up shop early the next morning. "I have often had to sleep in the open in order to ensure that I get a suitable place next day," says Madathachi of Kuttiyandiyur. The women usually sell fish on a retail basis but sometimes they get involved in wholesale trade.

The traders in this category are usually heads of joint families are over 60 years old and have few social commitments. Unlike young women, they can venture out far from the village.

The young women in the families manage the household and supervise the processing of fish. The older women belong to some of the most powerful families in the region and they are the ones who control the activities of the savings and credit groups.

The traders take part in these groups so that they can influence the other petty fish traders and the auctions on the beach. Many catamaran operators and

beach-level auctioneers, who owe them money, give the dry fish traders preferential access in return.

The other petty fish traders borrow money from the dry-fish traders. They curry favour with the latter traders for another reason as well—to buy fish on more favourable terms from the catamaran operators.

The typical thrift and credit group in these villages consists of 15 to 20 members. Each member pays Rs 20 per month. Every month the total amount collected is loaned out in multiples of Rs 200. The size of the loan and the repayment schedule are decided by members of the credit group. Decision-making power in the group is usually in the hands of the second and third categories of petty fish traders, although in all they constitute just 20 per cent of the members of the group.

The members are encouraged to open individual bank accounts. This enables access to concessional credit provided by the National Bank for Agriculture and Rural Development (NABARD), under its self-help group programme. Although this is a major achievement, the beneficiaries are the well-to-do fish traders.

Bank loans

To qualify for a NABARD loan, the individual trader must maintain a savings

account for a minimum of six months. During this period, she is not allowed to withdraw any money and should maintain a balance of Rs 250 at the end of the probation period. This stipulation effectively prevents traders from the first category accessing NABARD funding.

Worse, traders from the second and third categories often re-loan the money they get from NABARD to needy traders from the first category. Similarly, the lack of access to public transport is a major issue for the credit groups, though it affects only the few relatively well-off fish traders. The vast majority walk to the markets. For them, access to buses is merely an academic question.

The credit group spends a lot of time and effort in agitating for special public transport services from the town of Tranquebar to the large markets of Mayiladuthurai and Sankaranpanthal, though this will benefit only a few members.

Through its animators, ROSA has taken several steps to break the stranglehold of the well-to-do traders in the credit group, and also ensure that the group stays together. Recognizing the need for greater control over the allocation of financial resources within the household by petty fish traders of the first category, ROSA devised a series of training exercises

to improve the self-confidence of these traders. After 15 months of these exercises, 25 traders from the first category, from three villages, reported that they had more than doubled their savings. "for the past three months, I have been able to save Ks 30 per month, as I do not give any money to my husband. Instead, I demand that he contribute to the running of the household," says Selvi of Kuttiyandiur.

Two additional income-generating activities were initiated: production of fish pickles and high-quality rack-dried mackerels, both of which enjoy a good local market. Both these activities were taken up exclusively by women of the first category of traders.

While ROSA supplied the initial working capital and did the marketing, the traders provided their labour and skills to get raw materials at the cheapest prices- Profits generated from the activities were reinvested. After three production cycles, the volumes were large enough to ensure that each individual had a bank balance of Rs 250 at the end of a six-month period. Although only five benefited from this activity, it did open NABARD's doors to the traders.

Strenuous work

Transporting fish from the landing centre to the market is the most strenuous part for petty fish traders belonging to the first category. I am so tired by the time I reach

the nearby villages, I have little energy left to market the fish," says Deviga of Kuttiyandiyur. To reduce the strain, an appropriate means of transportation—a motorized tricycle that could carry eight persons and their baskets—was introduced in the villages.

It turned out that the tricycle benefited others as well. The second category of traders used them to travel from fish landing centres to the bus-stand. Besides, fishermen started using the tricycles to visit cinema theatres or tea shops at Tranquebar.

Local merchants used them to transport commodities from large towns such as Mayiladuthurai and Karaikal. The income generated from such operations was reinvested in a capital fund meant to be used to buy a new tricycle when the present one becomes unusable.

Breaking the stranglehold of the second and third category of fish traders is not easy. They resist any overt attempt to organize and strengthen the first category of traders. Since these women lack the entrepreneurial skills needed to run small units, the second and third category of traders manage to control these units too—by taking on administrative tasks such as procuring raw materials and maintaining the accounts.

Lately, though, the first-category traders have managed to muster enough confidence to take over the maintenance of accounts in two credit groups. In a few other cases, the group had to restructure itself to allow the first-category traders to form a group of their own.

However, it remains to be seen whether such a group can maintain its cohesion. Earlier, credit groups formed in this way tended to break up within a few months, as their management committee often lacked the ability to enforce decisions. ❧

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