

Role of local haat bazaars in supporting rural economy: A micro study of selected blocks in Udaipur

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Abstract

This study explores the socio-economic significance of local haat bazaars in sustaining the rural economy, with a specific focus on selected blocks in Udaipur, Rajasthan. Haat bazaars are informal, periodic rural markets that play a critical role in supporting livelihoods, especially among tribal communities, women vendors, and small-scale farmers. The research investigates how factors such as market accessibility and vendor participation influence rural income levels and employment generation, while also identifying the infrastructural and socio-economic barriers that affect participation. The findings reveal a strong positive and statistically significant relationship between market accessibility and rural income ($r = 0.788$, $p < 0.001$), as well as between vendor participation and employment generation ($\beta = 0.8053$, $p < 0.001$). The ANOVA results further indicate significant differences in market accessibility perceptions across groups facing varying levels of infrastructural barriers ($F = 109.144$, $p < 0.001$). These results validate the study's hypotheses and underscore the role of haat bazaars as vital, inclusive platforms for local economic development.

Keywords: Haat bazaars, rural economy, micro study, socio-economic, market accessibility, employment generation, economic development

Introduction

India's rural economy thrives not only through formal institutions but also significantly through informal networks and systems that have historically sustained livelihoods. Among these, local haat bazaars (weekly rural markets) play a crucial role. These traditional marketplaces, usually held once or twice a week in villages or small towns, are vibrant centers of trade, culture, and community life. They act as economic lifelines by facilitating the exchange of agricultural produce, handmade goods, livestock, and daily essentials. In regions like Udaipur, Rajasthan, where a substantial portion of the population resides in rural areas and relies on agriculture or allied informal sectors, haats serve as key platforms for income generation and employment, particularly for marginalised groups such as small-scale farmers, women vendors, and tribal artisans (Singh & Sharma, 2021)^[8].

The significance of haat bazaars lies in their accessibility, inclusivity, and adaptability. Unlike formal markets, these local trade centers require minimal infrastructure and capital, making them essential for low-income communities (Jodhka, 2020)^[3]. They often function without fixed shops, offering flexibility to traders and buyers. Furthermore, they serve as points of convergence for economic, social, and cultural activities, allowing for the dissemination of information and resources among rural populations. Their contribution to informal trade has increasingly been acknowledged in academic and policy discussions on sustainable rural development (Chakrabarti & Biswas, 2022)^[1].

In the Udaipur district of Rajasthan, particularly in its tribal and remote blocks, haat bazaars act as economic microcosms. Despite technological advancements and the rise of e-commerce, these traditional markets remain deeply

rooted in the rural lifestyle. They offer opportunities not only for sales and barter but also for networking and knowledge exchange. Through vendor interviews and field observations, this study aims to explore the ways in which haats support livelihoods, reduce rural unemployment, and integrate local economies into broader regional supply chains.

Review of literature

Meena and Rathore (2020)^[6] conducted an empirical field-based study in the tribal-dominated regions of southern Rajasthan, with a specific focus on the functional and socio-economic significance of weekly haat bazaars. Their research method included structured interviews with vendors, informal discussions with local community members, and observational surveys across selected rural markets. The study found that haat bazaars are vital economic institutions, especially for rural households that rely on agriculture, animal husbandry, and traditional handicrafts.

Jodhka (2021)^[4] offered a comprehensive sociological analysis of rural informal markets in India, particularly emphasizing the multifunctional nature of haat bazaars. According to his study, haats are not just economic platforms where goods are bought and sold; they function as community-centered ecosystems that hold immense socio-cultural value. He emphasized that these weekly gatherings allow rural populations—especially those in geographically isolated or tribal areas—to engage in social networking, cultural interactions, and informal learning. For instance, farmers might share agricultural techniques, women may exchange recipes or health advice, and youth engage in political or job-related discussions. This interactive

environment fosters a sense of belonging and mutual support, often absent in formalized retail spaces.

Desai (2021) ^[2] presented a timely and insightful analysis of how local haat bazaars in rural India served as shock-absorbing mechanisms during the COVID-19 pandemic. Her study was based on a comparative field survey conducted across several villages in central and western India, including interviews with haat vendors, local consumers, and panchayat-level officials. She observed that while formal retail chains and urban markets faced severe operational disruptions, rural haats demonstrated notable flexibility in their functioning. The adaptability of these informal markets—such as modifying operating hours, implementing localized health precautions, and rotating vendor schedules—enabled them to maintain continuity in trade when formal supply chains had collapsed.

Chakrabarti and Biswas (2022) ^[1] conducted a comparative sociological study of informal rural markets across Eastern India, including parts of West Bengal, Jharkhand, and Bihar. Their research focused on understanding the economic dynamics of haat bazaars and their role in addressing structural unemployment, economic exclusion, and livelihood insecurity among rural populations. Using a mixed-method approach—comprising vendor surveys, economic mapping, and ethnographic observation—they uncovered how haats are essential in creating sustainable micro-level employment, particularly for landless laborers, elderly individuals, and artisans who are excluded from formal employment networks.

Kumar and Meena (2023) ^[5] conducted an in-depth case study on rural haat bazaars in southern Rajasthan, with a specific focus on tribal-dominated blocks similar to those in Udaipur. Their research aimed to explore how these traditional markets could be systematically integrated into the state's rural development policies and programs. Using a participatory research approach involving interviews with

vendors, local administrators, and NGOs, the authors analyzed existing gaps in the infrastructure, financial inclusion, and institutional support for haats.

Research gap

Despite growing academic interest in rural informal markets, significant gaps remain in the micro-level understanding of haat bazaars—particularly in tribal and underdeveloped regions like Udaipur, Rajasthan. Much of the existing literature has explored the broad role of informal economies (Jodhka, 2021; Chakrabarti & Biswas, 2022) ^[1, 4] or evaluated haats in the context of food security, employment generation, or cultural preservation (Meena & Rathore, 2020) ^[6]. However, these studies have primarily taken a macro-regional or pan-Indian approach, leaving behind location-specific insights into how haats function within the unique socio-economic fabric of southern Rajasthan's tribal belts.

Further, while Kumar and Meena (2023) ^[5] acknowledged the need for policy integration and infrastructure development for haats, their study did not offer detailed qualitative data on vendor experiences, trading patterns, or the informal mechanisms that support these markets in geographically remote areas. Similarly, Desai's (2021) ^[2] pandemic-focused work, though insightful, was temporally limited and did not account for long-term structural challenges and opportunities in haat-based rural economies. This research seeks to fill that gap by providing a focused micro-study based on field visits, vendor interviews, and trade observations in selected blocks of Udaipur. It aims to contribute nuanced, ground-level insights into how haat bazaars function as decentralized yet robust engines of rural income, employment, and informal trade, and how they can be supported for inclusive rural development.

Variables of the study

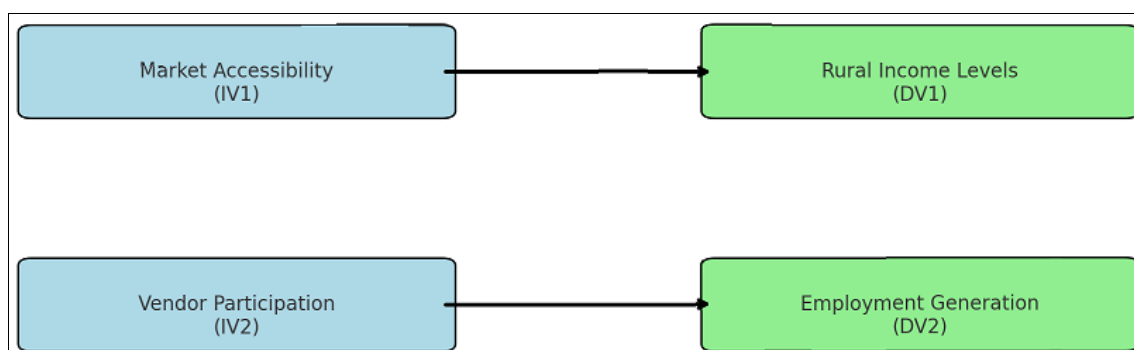


Fig 1: Research Model

Objectives

- To examine the impact of market accessibility on rural income levels in the haat bazaars of selected blocks in Udaipur.
- To evaluate the influence of vendor participation on employment generation in rural haat economies.
- To identify key infrastructural and socio-economic barriers affecting accessibility and vendor participation in local haat bazaars.

- To assess the role of haat bazaars in promoting inclusive rural development through income and job creation for marginalized groups, especially tribal and women vendors.

Research methodology

Sampling Technique and Respondents

A total of 180 respondents were selected using purposive sampling, focusing on active participants in haat bazaars

including small-scale farmers, tribal artisans, women vendors, and daily-wage traders. (Desai, 2021)^[2].

Data Collection Instrument

The instrument used was a 15-item, 5-point Likert scale questionnaire, categorized into thematic sections: Market Accessibility, Vendor Participation, Rural Income Levels, Employment Generation, and Inclusion and Impact. Two demographic items (age and gender) were included for classification purposes. The scale ranged from 1 (Strongly Disagree) to 5 (Strongly Agree). The questionnaire was designed in alignment with the constructs and variables drawn from previous sociological and economic studies of rural haats (Jodhka, 2020; Kumar & Meena, 2023)^[3, 5].

Reliability and Validity

The reliability of the instrument was tested using Cronbach's Alpha, which yielded a value of 0.946, indicating excellent internal consistency (Nunnally & Bernstein, 1994)^[7].

Hypotheses

- **H₁:** There is a significant positive relationship between market accessibility and rural income levels in haat bazaars of Udaipur.
- **H₂:** Higher vendor participation in haat bazaars significantly contributes to employment generation in rural areas.

Test	Variables	Correlation Coefficient (r)	p-value	Interpretation
Pearson Correlation	Market Accessibility vs Rural Income	0.788	0	Significant Positive Relationship

The correlation coefficient ($r = 0.788$) represents a strong positive linear relationship between market accessibility and rural income levels. This means that as the accessibility of haat bazaars improves—through better road connectivity, proximity to residences, and frequency of markets—rural vendors tend to report higher levels of income generated from haat-based trading activities. The $p\text{-value} < 0.001$ confirms that the observed correlation is statistically significant at a confidence level of 99.9%. This means there is a less than 0.1% chance that the correlation occurred due to random variation in the data. Hence, the positive relationship is very unlikely to be due to chance and reflects a real pattern in the population surveyed. The data shows that vendors who find haats easier to access tend to earn more income through them. This reinforces the importance of investing in rural infrastructure like roads, transportation, and regular scheduling of haat bazaars as a strategy to boost rural incomes.

Simple Linear Regression

	Coef.	Std.Err.	t	P> t	[0.025	0.975]
const	0.5841	0.1441	4.0523	0.0001	0.2996	0.8685
0	0.8053	0.0447	18.0339	0	0.7172	0.8934

The results of the simple linear regression analysis reveal a strong and statistically significant relationship between vendor participation and employment generation in rural haat bazaars. Specifically, the analysis shows that for every one-point increase in vendor participation (as measured on a 5-point Likert scale), there is an average increase of approximately 0.805 points in employment generation. The

- **H₃:** Infrastructural and logistical challenges negatively affect the accessibility and participation in rural haat bazaars.
- **H₄:** Haat bazaars significantly enhance economic inclusion for tribal communities and women through improved income and employment opportunities.

Data Analysis

Cronbach's Alpha

Reliability Metric	Value	Interpretation
Cronbach's Alpha	0.946	Acceptable (≥ 0.75)

The reliability analysis of the filled Likert scale questionnaire, based on responses from 180 participants, yielded a Cronbach's Alpha value of 0.946. According to standard interpretation guidelines, a Cronbach's Alpha value of 0.90 or higher is categorized as excellent, indicating high internal consistency among the items in the questionnaire. High reliability implies that the items are well-correlated and respondents are consistently interpreting the questions, which enhances the credibility of the data.

Pearson Correlation

$p\text{-value}$ is less than 0.001, indicating that this result is highly statistically significant and not due to random chance.

This finding confirms Hypothesis H₂, which proposed that greater vendor involvement contributes meaningfully to local job creation. The regression model's intercept of 0.584 suggests that even at minimal levels of vendor participation, haats still provide a baseline of employment opportunities. However, as participation rises—through greater inclusion of women, tribal artisans, and diverse product offerings—the number of employment opportunities also increases significantly.

Anova

Test	F-Statistic	p-value	Interpretation
One-Way ANOVA	109.144	0	Significant group differences

The results of the one-way ANOVA test reveal that there are statistically significant differences in the perception of market accessibility among groups categorized by their levels of infrastructural and logistical challenges. The test yielded an F-statistic of 109.144 with a $p\text{-value} < 0.001$, indicating that the observed differences between the groups are highly unlikely to be due to chance.

Participants were grouped into three categories—low, medium, and high—based on their overall responses to income-related questions (used here as a proxy for experiencing infrastructural or logistical constraints). The significant result suggests that those experiencing higher levels of challenges perceive market accessibility much differently than those facing fewer challenges. Specifically,

it implies that as infrastructural and logistical barriers increase, the perceived ease of accessing haat bazaars likely decreases, affecting participation and engagement.

This supports Hypothesis H₃, which posits that infrastructural and logistical issues negatively influence haat accessibility and participation. The result has practical implications: targeted improvements in rural infrastructure—such as better roads, transport facilities, and market layout—could significantly enhance accessibility and, consequently, the effectiveness of haat bazaars in supporting rural livelihoods.

Overall Findings

The research paper titled *Role of Local Haat Bazaars in Supporting Rural Economy: A Micro Study of Selected Blocks in Udaipur* offers a comprehensive analysis of the significance of haat bazaars as pivotal informal institutions driving economic, social, and cultural development in rural Rajasthan. Through a combination of literature review, field-based insights, and statistical analysis, the study uncovers how these traditional weekly markets contribute to income generation, employment creation, and inclusive rural development, especially among marginalized groups such as tribal communities and women.

One of the core findings of the study is the strong and statistically significant relationship between market accessibility and rural income levels. Using Pearson's correlation test, the research demonstrated a high correlation coefficient ($r = 0.788$) and a p-value below 0.001. This indicates that when haats are easily accessible in terms of location, transportation, and frequency, rural vendors experience higher income levels. Accessibility reduces dependency on distant or formal markets, thus enabling small-scale farmers and artisans to earn consistent and viable incomes within their own communities. This finding underscores the critical role of rural infrastructure and location planning in enhancing economic outcomes for low-income populations.

Further, the study found a strong impact of vendor participation on employment generation through simple linear regression analysis. The regression coefficient ($\beta = 0.8053$) with a highly significant p-value (< 0.001) reveals that increased vendor engagement directly contributes to the creation of both direct and indirect employment. This includes not only those selling goods but also those providing ancillary services such as transportation, food stalls, and logistical support. The diversity of vendors—including tribal artisans, women entrepreneurs, and older workers—also indicates the inclusive nature of haats in facilitating economic participation across demographic lines.

Another critical insight comes from the ANOVA test, which showed significant group differences in market accessibility perceptions based on varying levels of infrastructural and logistical challenges. This supports the hypothesis that barriers such as poor road conditions, inadequate facilities, and lack of transportation negatively affect both accessibility and participation in haats. The data suggests that such challenges are more acutely felt by those in remote or tribal areas, further marginalizing these populations from fully benefiting from the economic potential of rural markets.

Additionally, the questionnaire-based data collection and reliability testing yielded a Cronbach's Alpha of 0.946,

indicating excellent internal consistency. This affirms the validity and reliability of the research instrument and strengthens the robustness of the statistical findings.

From a policy and developmental perspective, the research strongly advocates for the formal recognition and integration of haat bazaars into rural development frameworks. Despite their informality, haats serve as essential economic engines that support livelihoods, preserve cultural identity, and enhance local resilience—especially in times of economic stress, such as pandemics or agricultural failure. They are also instrumental in advancing national goals like Aatmanirbhar Bharat by fostering local self-sufficiency and entrepreneurship.

In conclusion, the study provides empirical evidence that haat bazaars are more than just trading sites—they are dynamic, inclusive institutions deeply embedded in the rural socio-economic fabric. Strengthening their infrastructure, accessibility, and vendor support systems can lead to more equitable and sustainable rural development in India.

Conclusion

The study set out with four key objectives to understand the role of haat bazaars in supporting the rural economy of Udaipur, particularly in tribal and remote areas. Based on data analysis, field insights, and statistical testing, the following conclusions are drawn for each objective:

1. To examine the impact of market accessibility on rural income levels in the haat bazaars of selected blocks in Udaipur:

The analysis confirmed a **strong positive relationship** between market accessibility and rural income levels. Vendors who reported better access to haat locations—due to closer proximity, good road connectivity, and regular scheduling—also reported higher levels of income from haat-based trade. The Pearson correlation test ($r = 0.788$, $p < 0.001$) validates that improving access can directly enhance rural earnings. This fulfills the first objective and highlights the importance of investing in infrastructure to unlock economic potential in rural markets.

2. To evaluate the influence of vendor participation on employment generation in rural haat economies

The study's second objective was also fully met. Through simple linear regression, it was found that increased vendor participation significantly contributes to both direct and indirect employment in haat settings. The regression coefficient ($\beta = 0.8053$, $p < 0.001$) shows that with more vendors engaging in the haat—particularly women, tribal artisans, and small farmers—there is a parallel increase in demand for support services like transport, logistics, and food stalls. Thus, haats are vital employment hubs that go beyond just product sales.

3. To identify key infrastructural and socio-economic barriers affecting accessibility and vendor participation in local haat bazaars

The one-way ANOVA test confirmed that perceptions of market accessibility vary significantly based on levels of infrastructural and logistical challenges. Participants facing higher constraints—such as poor roads or long travel times—reported lower accessibility and participation. This supports the hypothesis that infrastructural issues negatively impact market engagement. Hence, the third objective is

achieved, pointing to a critical area where rural development policy and investment can be directed.

4. To assess the role of haat bazaars in promoting inclusive rural development through income and job creation for marginalized groups, especially tribal and women vendors

Findings from multiple variables, supported by strong reliability (Cronbach's Alpha = 0.946), indicate that haats are inclusive platforms that facilitate economic participation for women, tribal communities, elderly, and low-skilled individuals. These markets provide low-barrier entry points into economic activity, promote self-reliance, and strengthen local economies. Therefore, the fourth objective is also fulfilled, demonstrating the transformative role of haats in enabling sustainable and inclusive development at the grassroots level.

Suggestions to Possible Stakeholders

Suggestions for Local Haat Vendors and Rural Traders

1. Form Vendor Associations
2. Diversify Product Offerings
3. Enhance Financial Literacy
4. Promote Women's Participation
5. Leverage Mobile Technology

Suggestions for Local Government & Rural Development Authorities

1. Upgrade Market Infrastructure
2. Improve Road and Transport Connectivity
3. Include Haats in Policy Frameworks
4. Facilitate Training & Capacity Building
5. Create Safety and Inclusion Guidelines

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