Can Traditional Markets be improved through transportation service: (The case of Asesewa and Agormanya Traditional Markets, Ghana)

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Abstract

Traditional markets have played significant function as the main source of livelihood and development of rural space. The attractions of population and economic activities to markets centres have enhanced the growth of localities into high order functions. Traditional markets focus mainly on agriculture produce. In spite of the considerable effort of traditional market towards rural development, it's faced with numerous challenges.

The study examined the nexus existing between road transportation and traditional markets. The study focused on two traditional markets the Agormanya and Asesewa markets in Ghana. The study adopted the case study approach and using data from one hundred and seventy-eight (178) respondents it was observed that the two markets exhibited characteristics of traditional markets for the reason that they trade mainly in agriculture produce. It is also conspicuous from the study that there is a strong linkage between road transportation and traditional markets but has not been managed effectively for the past decades for the realisation of optimal benefit for rural welfare. It was found out that due to the poor nature of roads in the study area, travel time is very long as a result traders pay high prices for the transportation of goods from the production centres to the markets.

Although these two markets have existed and contributed to rural development for decades, lip-service has been paid to physical infrastructure improvement and maintenance. In Agormanya, the market is deficient of a proper drainage system, a school, potable water, storage facilities, and electricity service for evening transactions and poor linkages for transport service to and from the market. The situation in Asesewa market is not far from Agormanya market.

The study recommends among others the constructions of roads from highly dominant agriculture production centres to traditional markets and the maintenance of major roads linking communities and traditional markets. Traditional markets infrastructure must be given a facelift to enable traditional markets to provide the necessary catalyst for improved rural livelihood and improved agriculture activities to ensure the sustainability of traditional markets.

Introduction

One of the principal objectives of all the Millennium Development Goals is to eradicate extreme poverty and hunger. The majority of the poor people in Africa are concentrated in rural areas (Baba-Moussa *et al.,* 2005) of which agriculture is their mainstay. Thus in order to help reduce poverty among these rural people agriculture sector needs to be improved. Equally important is available market inputs and sale of agriculture produce. These potentials require rural transport infrastructure and service adequately maintained to permit farmers to move their agriculture produce to traditional markets.

Spatial, economic and social wellbeing of rural people depends largely on the performance of transportation system. Not only does the transportation system provide opportunities for the mobility of people and goods, also over long period, it influences patterns of growth and the level of economic activity through the accessibility it provides (Meyer and Miller, 2001).

For a long time, traditional markets have played important role for local inhabitants for the purchase of their foods and other daily goods. The existence of the traditional markets as a formal transaction place with their own unique characteristics, a wide range of merchandises especially for agricultural products, and a face-to-face transaction, has direct relationship culture and social interaction of the settlements in which these markets existed. The markets are also mostly located at the center of the communities of traditional market (Ameyaw, 1990). This strategic location serves as the nexus of growth for the communities. Traditional markets are inseparable with growth and development, and for the survival of the rural people. Certainly, they have an impact on agricultural production and other daily products for local inhabitants. This is endorsed by Nezic and Kerr (1996), increased market activity can contribute to local prosperity and increase tax revenues for community development.

In spite of these however, the major challenge threatening the functionality and sustainability of these markets is poor accessibility especially from agricultural production centres to the markets. A preliminary survey undertaken showed that, the main roads linking agricultural producing centres to markets are not accessible. From Will (1962), agricultural produce highly dictate rural markets. This establishes the fact that there is a relationship between agricultural production centers and traditional markets.

Most traditional markets have not been able to perform to expectation because of poor accessibility and under developed infrastructure resulting into poor human and commodity flow to and from traditional market places .As a result, the sale prices of agriculture inputs and agriculture produce have increased. The problem of transportation has further affected the satisfactory function of traditional markets, which is evident in the decline of socio-economic development and poor interaction of activities in space, which has consequently affected the revenue mobilisation capacity of the market, sustainability of the markets and the general living conditions of the rural people.

In recent years, many governments and development actors have treated changes to transportation systems as a means of meeting variety of national and community objectives. This has prompted the search for the relevance of transport service to traditional markets. The goal of the study is to assess the link between traditional markets and transportation service; specifically the objectives of the study are;

1. To assess the current state of traditional markets
2. To examine whether and how transport influences traditional markets.
3. To examine the contribution of the traditional markets to development.

Study Area and Traditional Markets

The study was conducted in Upper Manya Krobo District and Lower Manya Krobo District in the Eastern Region of Ghana. The economy of both Districts are dominated by agriculture with commerce and industrial sectors least developed. All the farmers in the two districts lack access to appropriate storage facilities and this leads to high post-harvest losses .The available modes of transportation in both study areas are water/river and roads, with roads constituting a majority of about 92%.

Available market infrastructure in the two districts consist of the physical place where periodic buying and selling takes place and sheds constructed from wood, roofed with roofing sheets. Most of the remote markets in the two districts lack permanent stalls and stores and periodic markets are held under trees. There are only trees and some cases market sheds erected by the traders themselves. All the markets in the two districts can readily be classified as traditional markets as agricultural produce constitute about 65% of the goods traded in the markets. Fig 1 and Fig 2 below shows the distribution of traditional markets in the study areas.

Fig 1-Distribution of Traditional Markets in Study Area in LMKD
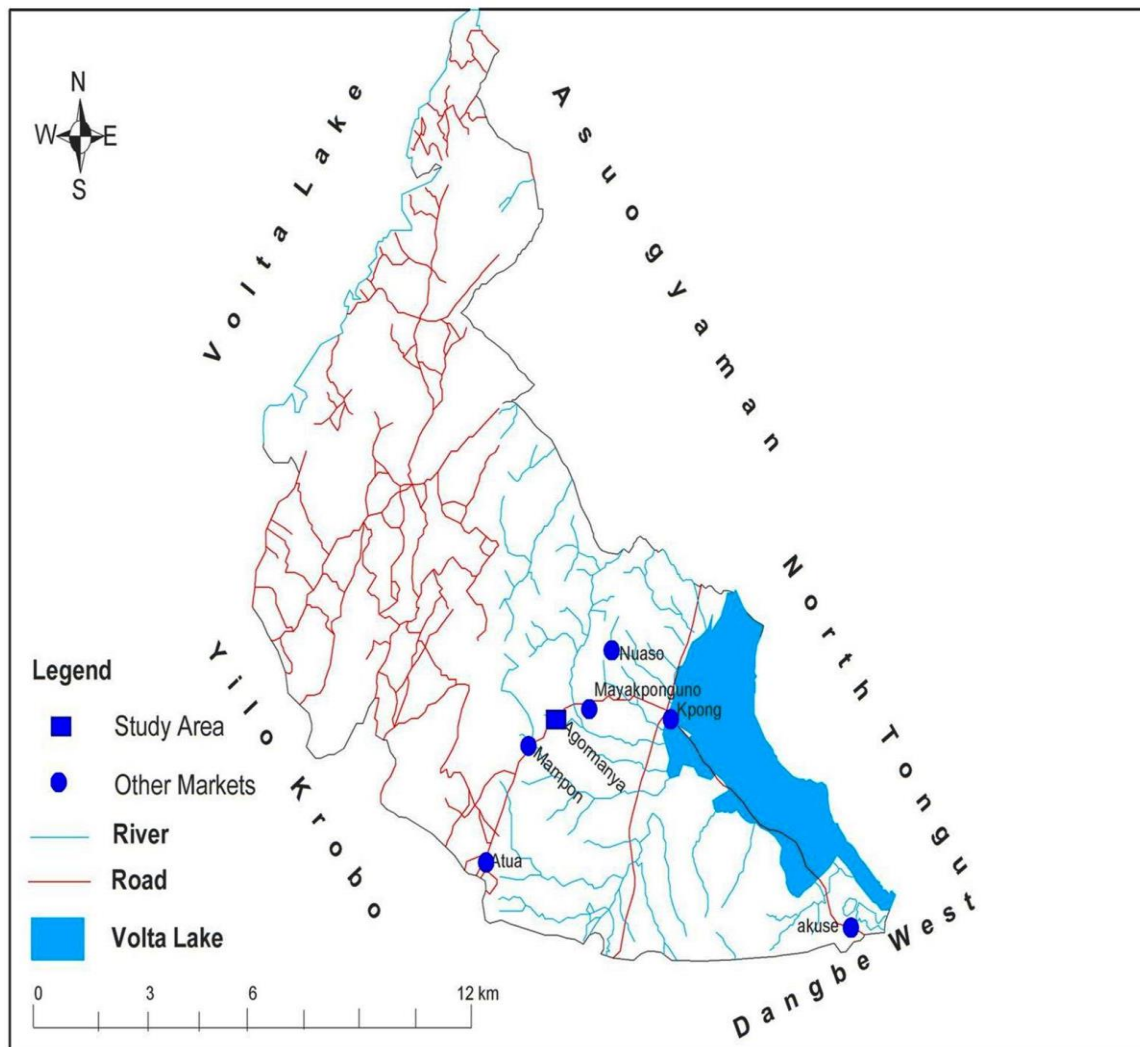
Source: Town and Country Planning Department, LMKD, 2011

Fig 2-Distribution of Traditional Markets in UMKD
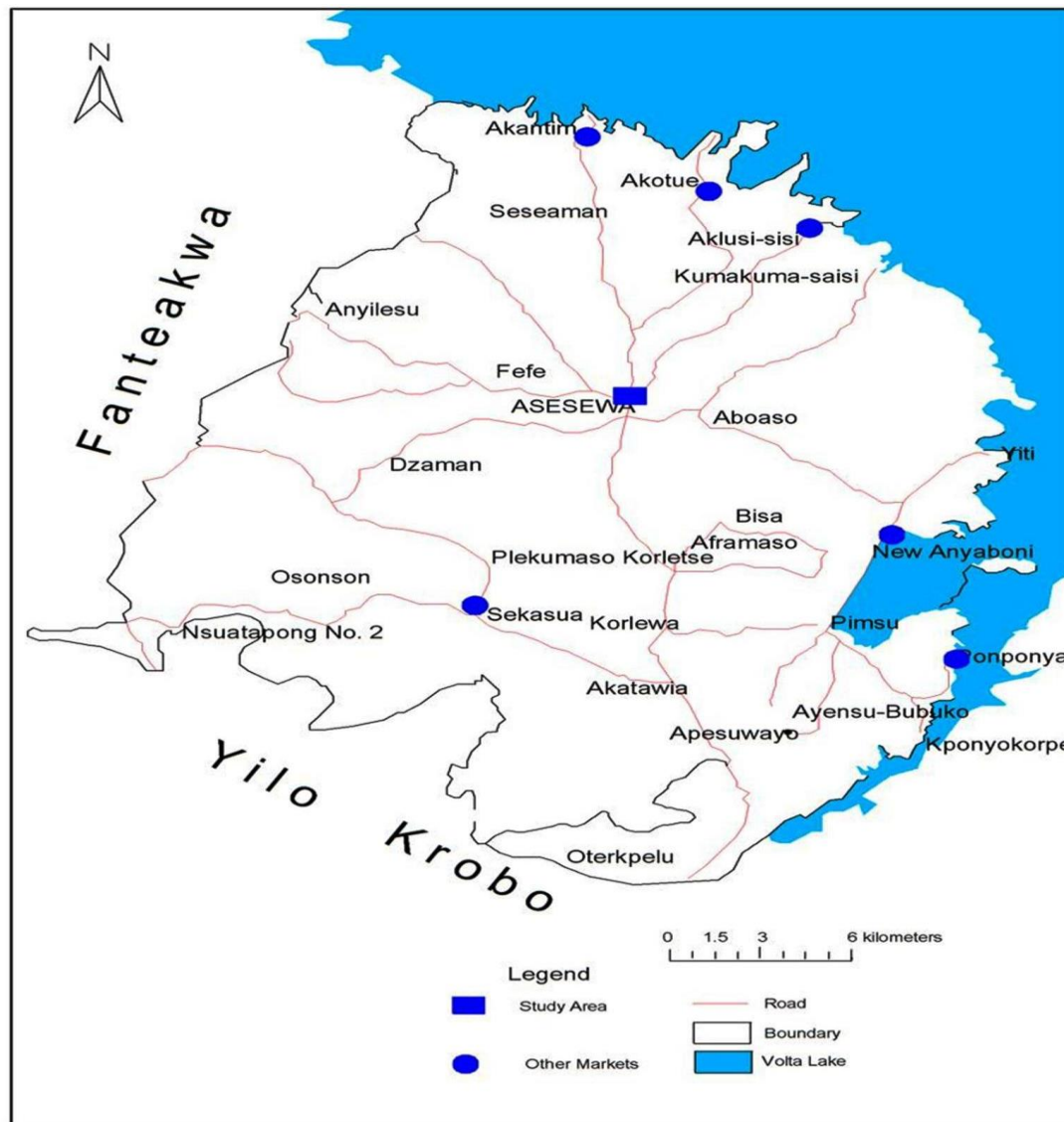
Source: Town and Country Planning Department, UMKD, 2011

Traditional markets have been given various descriptions by different authorities. Although rural markets have some similarities in characteristics they differ a little based on their spatial location and cultures. According to Will (1962) traditional markets are rural markets where agricultural produce dominates manufactured items among commodities put up for sale. From Will (1962) it implies that agricultural produce highly dictate rural markets. This establishes the fact that there is a link between agricultural production centers and traditional markets.

According to Tumbua *et al*. (2006) traditional market is city square where traders set up stall and buyers browse the merchandise. Markets are often temporal with stalls only present for two days a week; however some are open every day of the week. In terms of operations,

traditional markets do function on some specific days of the week at a specific location with set up stalls to facilitate sells and better display of goods for buyers.

Traditional markets have numerous characteristics which span from spatial, commodities, operational days and female dominance. In the perspective of commodities, traditional markets assemblies have a wide range of commodities which are exchanged in monetary terms. In Ghana the most important of commodities traded in are yams, plantains, corn, second-hand clothes, dried fish, groundnuts, cassava and so on. According to Ameyaw (1990), in Techiman (Ghana), traders work from stalls and tables with roofing including some sellers of groundnut paste, dried fish, plantains, yams and clothes.

Traditional markets have played dominance role in the growth process of spatial locations. Traditional markets have influenced the urbanization process of many market communities. The best documented example of a market settlement which emerged as a town in 1928 by virtue of concentration of numerous services and official government recognition was Bisa. Available market infrastructure in the two districts consist of the physical place where periodic buying and selling takes place and sheds constructed from wood, roofed with roofing sheets. The types of markets available in the two districts are weekly and daily markets. It is only the Agormanya Market, among others market in LMKD that has permanent market stores and stalls and as such serves as the commercial hub of the district.

Apart from the Agormanya Market all the other markets function as daily markets and they are located at Atua, Tsonya, Akuse, Mampong Akwenor, Kpongunor, Kpong, Laasi and Asitey all in the LMKD. Most of the remote markets in the two districts lack permanent stalls and stores and periodic markets are held under trees. The problem of inadequate market infrastructure in the districts is further compounded by the inaccessibility to most of the market centres especially during rainy seasons. Most of the feeder roads linking farming communities to the market centres become impassable in the rainy seasons and this phenomenon hinders trading activities in communities markets.

Methodology and Data Processing

The research design adopted was the case study approach. Relevant information for this study was obtained from both primary and secondary sources of data. A combination of questionnaires and interview guide were used to solicit for the primary data with the aid of accidental and purposive sampling. Questionnaires were however, the major data collection tool with face to face interviews used to solicit for explanations and additional information. To really get the physical characteristics of the study area, observations was used so as to get better understanding of current state and its effects. This was guided by a well prepared observational chart. Using purposive sampling technique, the following institutions were chosen and interviewed:

- Town and Country Planning Department;
- The Budget and Finance Department; and

- The Market Traders Association.

The data were analyzed both quantitatively. Quantitatively, the data was collated and analyzed using the Statistical Package for Social Sciences (SPSS). Tables are used for data presentation.

Findings and Discussions

Goods Traded At The Markets

Table 1- Goods traded in the Market

Goods traded in the Market				
Goods	**Asesewa**		**Agormanya**	
	Frequency	(%)	Frequency	(%)
Non-Food Products	2	2.6	2	2.0
Food Crops	53	67.9	41	41.0
Meat	8	10.3	1	1.0
Processed food	2	2.6	2	2.0
Vegetables	11	14.1	26	26.0
Fish	1	1.3	3	3.0
Fruits	1	1.3	9	9.0
Total	**78**	**100**	**16**	**16.0**

Source: Field survey, 2011

The survey showed that there are six categories of goods traded in the markets. These categories are food crops, meat, processed food, non-food products, processed food, fish and fruits. Agricultural produce comprising of food crops, vegetables and food stand as the most predominant categories of goods traded in both. These types of goods altogether constitute 83.3 percent and 76.0 percent of the goods sold by the traders in the Asesewa and Agormanya markets correspondingly. This is a clear indication of the two markets status as traditional markets. The agro products include vegetables like tomatoes, pepper, okra, garden eggs, onion; maize, plantains and tubers such as cassava and cocoyam. This implies that the markets provide important avenues for the marketing of the goods that are produced in both districts as their economies are dominated by the agrarian sector. Table 5.6 shows the proportions of the various categories traded in the markets.

The markets are multi-purpose but the dominance of goods traded in the markets is agricultural goods typical of a traditional market. It can also be deduced that agricultural activities plays an important role in the business of the markets as the main supplier of goods to the markets.

Percentage of Transported Goods that Arrive Safely in the Market

The study also measured percentage of transported goods that arrive safely in these markets. Although this variable does not have a direct bearing on the development of the markets, it affects market traders as it influences the quantity of goods that are available for sale in the markets, which invariably also affects the revenue generated from the sales of the goods.

From the outcome of the survey, it was realized that about 70% and 80% of agriculture goods from production centers arrive safely at Asesewa and Agormanya traditional markets respectively. This indicates that about 30% and 20% of agriculture goods perished before they arrive at the market centers. The perished goods are basically vegetables whiles the broken goods are normally associated with crops such as cassava and yam. This situation affects the quantity of agriculture goods that arrives at the market, which consequently affects the income level of market traders, and revenue mobilization from the markets for development projects.

Market Facilities

The effective functioning of a market is usually dependant on the availability of certain ancillary facilities to support it. According to the Planning Standards of Ghana (2008) a market of the status of Asesewa and Agormanya Markets must be supported by facilities and services such as parking space, water, electricity, public toilet, refuse disposal point, fire fighting facilities and access roads. Contrary to this, the survey of the two markets revealed that most of these facilities are absent while the ones available are inadequate or not in good conditions. The survey show that both markets are not serviced with electricity and water while fire fighting equipment's are woefully lacking. These inadequacies have affected the function of the markets. The facilities available and their state in the Agormanya and Asesewa Markets are presented in Tables 2 and 3 respectively.

Table 2- Facilities in Agormanya Market

Facilities/Services	Conditions and Remarks
Toilet and Urinal	Poorly kept
Open drain	Filled with rubbish
Access roads (in and out)	Occupied by traders
Lorry park (no. of cars)	Inadequate
School	Missing

Source: Field survey, 2011

Table 3- Facilities in Asesewa Market

Facilities/Services	Conditions and Remarks
Toilet and Urinal	Well managed
Access roads (in and out)	Easy movement of pedestrians but difficult for vehicles
Lorry park (no. of cars)	Inadequate
School	Missing

Source: Field survey, 2011

Transport Cost

It is generally recognized that transport operating costs, are higher on rough roads than on good quality bitumen roads and generally reflects in passenger fares and freight tariffs paid by commuters. Although, other factors such as the distance to cover and the nature of goods (in terms of their weight) to be transported affect the transport cost, a major factor is the conditions of the road. On an average, the cost of transporting goods from the production centers to the markets stand at GH₵ 11 per trip (a single trip made using a KIA truck) over a distance of 1 km. However, this cost varies as per the conditions of the road. The study revealed that, for a good road, traders in both markets are charged GH₵ 10 per trip per km. on the other hand; traders who use poor roads pay an average amount of GH₵ 14 per trip per km as transportation cost.

Table 4 - Road Conditions and Transport Cost

Road Conditions	Transport Cost (per km/trip)	
	Asesewa (GH₵)	Agormanya (GH₵)
Good	10	9
Fair	12	10
Poor	14	12

Source: Traders at Asesewa and Agormanya Markets, 2011

The findings presented in Table 4 were confirmed by the Transport Operators in both study areas when asked about the factors that influence the fixing of transport charges. It was found out that, most transport operators did not want to go to areas where the roads were seriously deteriorated because of the risks involved especially in the area of maintenance. In instances where they decided to go, they charged high freight charges to cater for the cost of fuel and maintenance resulting from the frequent breakdown of vehicles in using such roads. Thus, the extent to which the road is deteriorated has a high influence on transport cost. It can be

inferred from the above that, the profit margin of traders whose goods are transported on poor roads is reduced which has partly become a disincentive for their continual trading in the market.

Travel Time

The survey unraveled that the conditions of a road stand out as an important determinant of travel time aside distance. According to the transport operators (KIA tipper truck drivers), it takes them an average one hour to travel over a distance of one kilometer. As expected, the study discovered that drivers who ply roads which are in good conditions use shorter time to cover the same distance as their counterparts who ply roads which are in poor conditions. The drivers indicated that they use an average of 10km/h and 5km/h on roads which are in good and poor conditions respectively.

Table 5- Road Conditions and Travel Time

Road Conditions	Travel Time (km per hour)	
	Asesewa	Agormanya
Good	10km/h	13km/h
Fair	8km/h	10km/h
Poor	5km/h	7km/h

Source: Transport Operators, Asesewa and Agormanya, 2011

The above revelation was confirmed by the traders in both markets as 48% and 39% in the Asesewa and Agormanya Markets respectively said that their goods are usually unduly delayed in transit. According to the traders, this affects their ability to engage in trading activities for longer hours which eventually reduces the quantity of goods they are able to sell.

Contribution of the Markets to Development

As was discovered in literature, the survey revealed that the traditional markets contribute immensely to the socio-economic development to rural welfare and the country as a whole. It was released from the survey that the two markets contribute in the area of revenue generation, employment creation and opening up of the areas in which they are located for socio-economic activities.

Contribution to Revenue Generation/IGF

The survey indicated that the Asesewa Market and Agormanya Market serve as a major source of internally generated revenue for the UMKD and LMKD respectively. This takes the form of the tolls which are collected from the sellers for the management and administration of the markets and other developmental projects.

Table 6- Total Revenue from Asesewa and Agormanya Markets (2008-2010)

Fiscal year	Total Revenue	
	Asesewa (GH¢)	Agormanya (GH¢)
2008	41,563.40	55,141.30
2009	53,736.90	59,145.44
2010	65,592.87	86,147.34

Source: Budget and Finance Department, UMKD, LMKD, 2011

Table 7- Contribution of Asesewa and Agormanya Markets to the District's IGF (2008-2010)

Fiscal Year	Contribution to IGF			
	Asesewa Market		Agormanya Market	
	Total IGF (GH¢)	% of IGF from Market revenue	Total IGF (GH¢)	% of IGF from Market revenue
2008	503,790.34	8.3	528,854.44	11.0
2009	690,095.31	7.8	795,124.78	8.0
2010	927,481.56	7.1	1,704,481	5.0

Source: Budget and Finance Department, UMKD, LMKD, 2011

Data gathered from the Budget Offices of both UMKD and LMKD indicated that the revenue contribution of Asesewa and Agormanya markets to IGF though not decreasing, have been increasing at a decreasing rate. This can be attributed to the poor conditions of the markets which have also affected their effective functioning. The patronage of the markets has decreased drastically, a bitter outcry from both queen mothers of the markets and the Budget and Finance Departments of both Districts. Table 5 and 6 elaborates the contribution of the two markets to the IGF of their respective districts. The revenue from the Districts Assemblies are used to undertake development projects such as building of schools, maintenance of infrastructure and sanitary of the markets.

Employment Creation

The survey showed that the markets provide employment opportunities for various categories of people directly and indirectly. These include the traders, waste management companies, transport operators and financial service providers among others. The study indicated that the traders in both markets have an average of three assistants who support them in their activities to receive meagre wages. Thus the markets help in reducing the unemployment problems in the districts and the nation at large to some extent. The survey made it known that the average

monthly income of the traders in the Asesewa and Agormanya markets is GH¢230 and this is relatively high compared to the national minimum wage of GH¢95.

Availability of Social Facilities

The markets have also contributed to the provision and development of social facilities and opening up of the towns where they are located. It was discovered from the survey that it was only after the establishment of the Asesewa Market that facilities such as five primary schools, and five middle schools, a palm oil mill, two UAC department retail shop, a bank, post office, health centre, and district agricultural station were provided in the town. The market also led to the provision of grade two magistrate courts, police station, five chapels and a mosque, a pipe water supply system and more than hundred small retail shop which traded in a wide range variety of goods in the Asesewa Township. It must be indicated that Asesewa owes a great deal of its reputation to the market in the town and that the market contributed in no small way to its present status as the capital of the UMKD.

The case of the Agormanya Market is not different from that of Asesewa. Although it is not the district capital, Agormanya stands out as the most important town in the LMKD with respect to commercial activities the survey indicated. This is mainly due to the presence of the market in the town and consequently attracted large population.

Conclusion and Policy Implication

The research found evidences of poor market facilities, and decline in the markets contribution toward socio-economic development of the Districts. The outcome of such development is as a result of inadequate reinvestment of market revenue into construction and improvement of market facilities. The total effects of these are poor market facilities thus unable to support market activities, inadequate revenue mobilisation due to low patronage of the markets leading to sluggish socio-economic contribution of the markets towards development.

The District Assembly should recognize the traders and the traditional rulers as foremost stakeholders; therefore market focused activities must be participatory and transparent to them. The District Assembly must also formalize the transfer of ownership of the market jurisdiction from the native owners to the District Assembly. This will prevent the barrier posed by the native owners towards the development of the market for a favorable environment and speedy facilities development in the market to propel the necessary improvement and changes.

A careful Institutional arrangement for the Management of Traditional Markets and a conscious effort of progress in market infrastructure provision will reduce the plight and create the enabling environment for market users. In total effect rural livelihood will be improved and reduction in income disparity gaps between rural and urban hence the achievement of the Millennium Development Goals.

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