

HOUSEHOLD BUDGETING AND SHOPPING PATTERNS

Having discussed the main features of income and expenditure the writer will attempt to analyse in this chapter the relationships between income and expenditure, the system of shopping and its economic significance.

A. Budgeting.

Since income is earned daily, it follows naturally that household budget is planned on a very short term basis, very often on a daily basis. Daily purchase of the household expenditure items is a common practice, but, however, important food items such as rice, wheat flour, sugar and coffee or tea are often bought to last for three or four days or even longer.

The planning of the household budget on a very short term of almost day to day basis has, to some extent, balanced the household budget. Because of the very close link between income and expenditure, there is less extravagant expenditure resulting from the expectation of better income in the future. If a fisherman is fortunate enough to have a good catch, then he will increase his daily expenditure by buying more of non-home-prepared food, such as snacks and sweets, or he will buy better bread

cigarettes. On such days he will reduce his daily expenditure by taking more home-prepared food, such as rice and cakes, and reducing his expenditure on snacks.

It is the opinion of the writer that it is not very true merely to say that income determines expenditure and not vice versa. From the analysis of the household structure, income and the number of working days it was noticed that income, is to some extent, determined by expenditure. If the need for the household income is more because the structure and size of the household is such, household income will also be high, either because the head of the household goes to fish more regularly or because other members of the household, example the wife or the grown-up sons go to fish to supplement the family income.

B. Shopping.

Among the fishermen shopping is done on a cash basis. This is because the fishermen's incomes are uncertain, giving them no financial security that will encourage the shopkeepers to allow them to buy on credit basis. However, the fishermen of the higher income group, such as the 'jeragan' and the hand-liners, with good financial standing are allowed to buy on credit basis. Cash basis may protect the fishermen from falling into debt since their purchases are to some extent limited by

the amount of money they have. On the other hand the availability of credit may encourage extravagance and unnecessary spending which may be made in anticipation of better income in the future.

However, it was learned that during the off-fishing season, the fishermen are allowed to buy their essential food items on credit from their regular shopkeepers.

Shopping is usually done by women and children in the many local sundry shops in the village.¹ In fact, there are so many sundry shops that no house is more than four hundred yards away from any one sundry shop.

Small food items used daily, such as chillies, onions and curry powder are purchased almost daily in small quantities. Such items may often be bought by asking the amount required in money quantity rather than by weight quantity, though they may be quoted as so many cents per unit of measurement. Onions, for example, may cost 35 cents per kati. But instead of buying an entire kati of onions for 35 cents, often only 20 cents or 10 cents worth are bought. Owing to the difficulty of weighing such purchases the shopkeepers do not weigh them but merely give

1. Refer Appendix IC on page 52 for the location of sundry shops in the village.

the buyers what they think 10 or 20 cents will give. But very often the shopkeepers will give very much less than what the fishermen's money would otherwise buy. Although this is an uneconomic way of shopping, it is popular due partly to ignorance of the economy of large scale buying and partly to the practice of buying in small quantities when income is low.

Rice, wheat flour and sugar are often bought in quantities that will last from three to four days or even more. Rice, for example, may be bought for a gantang and sugar for a kati. However, the amount bought per purchase is often influenced by the amount of money they have.

It is clear that there is much to gain from improvement in the system of shopping. A better system of shopping would give the fishermen better value for their money.