

Financial Awareness and Challenges in Enhancing Earnings Among Traditional Fishermen in Purackad Village of Alapuzha

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Abstract

Fishermen in the villages of Kerala are poorly educated and they are exposed to many struggles in earning their livelihoods, This paper explores the financial awareness of fishermen and the challenges faced by the fishermen in improving the earnings. Authors explore whether there is a relationship between the financial awareness and the value added processing activities done by the fishermen communities.

INTRODUCTION

The state of Kerala known across the globe as the god's own country is blessed abundantly with a 590 km coastline, 40000 sq.km continental shelf area, estuaries and the state is interconnected through various water bodies including backwaters, rivers, lakes, and canals. State of Kerala alone has 10.49 lakh population which depends on fish farming for their livelihood. People who are engaged in fishing and interconnected activities are commonly categorized as fishermen(Ambili C S,2008). We have 21 fishing harbours in the state where 3500 motorized boats operate and 2515 non motorized country craft operate from 222 marine villages.

Fishermen of Kerala are blessed with accumulated knowledge about the fishes, fish habits and ocean currents which has been passed on from generations.(John Kurien, 1981). Along with this, right from childhood, children are exposed to the culture and tradition of fishing and the lack of employment opportunities after gaining education are promoting children to engage more in fishing activities itself rather than the educational attainments(John Kurien, 1981). Lack of education has led to the deterioration of the living standards of the fishermen folk and majority of the fishermen folk are going through difficult times in their lives due to their low income levels. Many of the fishermen communities are looked down by the general population due to lack of literacy rates and are forced to face bigotry due to their low living conditions. (Celestine, & Xavier, S. (2023).

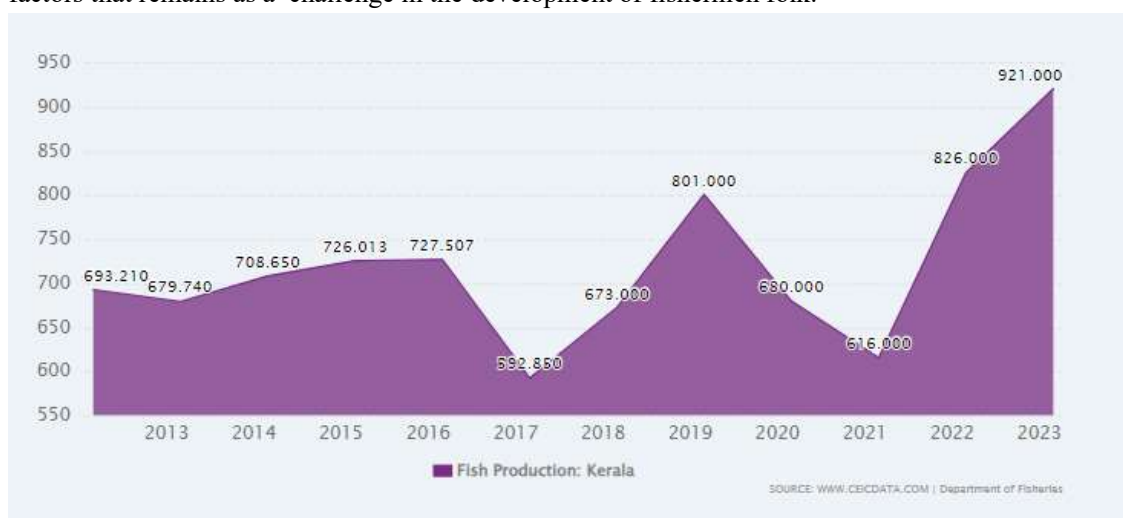
Chekutty, N.P(2010) is of the opinion that globalization and mechanisation in the fisheries sector has lead to the marginalization of fishermen who were resorting to traditional techniques of catching the fish and hence there is decline in the living conditions of traditional fishermen. Dube s et.al(2023) conducted a study among sixty four fishermen folk in the Gokwe South District, Zimbabwe to know about the factors affecting the adoption of modern technologies and found out that financial constraint is the biggest challenge faced by fishermen folk while lack of knowledge about the modern fish farming technology is also affecting the limited adoption of modern technology in fish farming. Study also reports that information about the modern fish farming technology is passed on the rural communities indulged in fishing by the NGO's and the government Gokwe South District, Zimbabwe.

Kerala Fisheries profile published by Fisheries Department of Kerala exposes that among the fishermen folk, only 240,867 active fishermen are registered with the Kerala Fishermen Welfare Fund Board (KFWFB) and

85,094 are allied workers.(The New Indian Express) (Fisheries Department Kerala) But unfortunately, though our fisherman population is 10.49 lakhs, only 309806 fishermen have been registered with Kerala Fishermen welfare fund board. Our Fishermen community doesn't know much about the benefits of being a member of the Kerala Fishermen Welfare Fund Board (Jyothy Mary, Mathew, Raji, Joseph. (2020).

Statement of the problem

Around 13 per cent of the national marine production is contributed by Kerala with a comparatively smaller coastline of 589.5 kilometres. Kerala alone exports about **5008.54** crores of fish and related products and has about six hundred crores of domestic sales annually which contributes roughly 3 per cent of the state revenue. We obtain fish from the fresh water as well as from the sea. According to the data published by the Department of Fisheries, Fish production in the state of kerala has increased tremendously from 693.210 in 2013 to 921 in 2023.² But the lives of fishermen folk has not changed according to the increased production. Eventhough they produce more quantities of fish, revenue generation for the fishermen has not increased. There might be plenty of reasons for this condition of the fishermen. This study is an attempt to investigate the factors that remains as a challenge in the development of fishermen folk.



Significance of the study

Review of literature

Objectives of the study

1. To identify if there is a relationship between the financial awareness of fishing vessel owners and value added processing of surplus fish.
2. To understand about the challenges faced in the development of fishermen communities.

Hypotheses of the study

There is no association between scores of financial knowledge and the value added processing of surplus fish

Research Methodology

This study aims to find out about the factors which are a challenge in the development of fishermen. Both Primary and Secondary data were analysed for the purpose of this study. Heads of the Fishermen families located in Purakkad villages of Kerala were selected for the purpose of the study. 60 members were selected at random for the study from the Purakkad village of alapuzha which is known for the phenomenon of Chakara. Primary data was collected through direct personal interview in order to understand the problems of fisherman in increasing their earnings.

¹ <https://fisheries.kerala.gov.in/index.php/en/marine-fisheries>

² <https://www.ceicdata.com/en/india/fish-production/fish-production-kerala#:~:text=Fish%20Production%3A%20Kerala%20data%20was,to%202023%2C%20with%2025%20observations.>

GAP analysis of financial literacy among Fishermen

Desai(2012) opines that literacy has the capacity to reduce the income disparity of Indian citizens. Literacy doesn't mean basic literacy in itself. UNESCO is of the opinion that literacy can lead to sustainable development, ensures greater participation in the labour space, reduce poverty and expand the opportunities in life. 250 million children across the globe has failed to acquire the basic literacy skills and this might result in poor living conditions for the children in future(UNESCO). Fishermen in developing countries do not earn sufficient income to meet their daily requirements. (Nelson, 2016) points out that pouncing modernisation and trade liberalisation measures are the reasons for the lack of income for the fishermen in Kerala. According to (Kurien, 1998) , a person who is educated will be able to read, understand , take decisions in an informed manner better than another person with the same level of income.

Results and Discussions

Demographic profile of the respondents

Table 1.1: Table showing the age of the respondents

Particulars	Frequency	Percentage
15-25	2	3
26-35	11	18
36-45	12	20
46-55	30	50
Above 56	5	8
Total	60	100

Source: Sample Survey

Out of the respondents surveyed, majority of the family heads belonged to the age group 46-55. And majority of the respondents were below 56 years of age. Only 3 per cent of the respondents were below 25 years.

Table no.3 shows the average monthly income of the fishermen families

Particulars	Frequency	Percentage	Cumulative percentage
Upto 8000	6	10	10
8000-10000	34	57	67
10000-12000	10	17	84
12000-14000	4	6	90
Above 14000	6	10	100
Total	60	100	

Due to the seasonal nature of their employment and the unexpected nature of their job, income levels of the respondents are not same always. According to the respondents, they will get up's and down's in their revenue. Table no 3 reveals that 77 per cent of the respondents didn't have an average income above 10000 per month.

Table no.4 shows the monthly savings of the fishermen families

Particulars	Frequency	Percentage
No savings	6	10
10000-20000	38	63
20,000 - 30000	7	12
30000-40000	5	8
Above 40000	4	7
Total	60	100

From the table, it can be concluded that majority of the fishermen population doesn't have enough savings. 10 per cent of the respondents didn't have any savings at all. Majority(73 per cent) of the respondents are having savings less than Rs.20000 annually. Only 7 per cent of the respondents are having savings above Rs.20000.

Researchers have put forward ample evidence to suggest that financial literacy has a positive influence in the financial behaviour of the public (Moore, 2003).

Table 1.2: Table showing the educational status of the respondents

Particulars	Frequency	Percentage
No Formal Education	4	7
Lower primary	40	67
Upper primary	8	13
SSLC 10th	6	10
Degree	2	3
Total	60	100

Source: Sample Survey

From the table, it can be concluded that majority of the fishermen population doesn't have good levels of education. 7 per cent of the respondents didn't get any formal education. Respondents who have attended lower primary classes are just able to just write their names and place signatures. Respondents who have attended upper primary classes are having the basic literacy skills only. 87 per cent of the respondents are having education up to upper primary classes.

Basic literacy skills refers to the ability to read and write in vernacular language. From the samples surveyed, it was clear that majority of the respondents are not properly educated. For an Informed decision making, higher levels of education has a big role. Even those who are having good education fail to take informed financial decisions.

(Lusardi A, 2009) is of the opinion that only financially literate people are able to judge their debt positions and to make necessary modifications. People who will fail to understand even the basic concepts of finance might depend more on debts and might take loans with higher interest rates and end up in having a borrowal higher than that of their earnings which will result in zero savings. (Reshma Rachel Kuruvilla, 2018).

Respondents were asked few questions to know about the financial awareness of the traditional fishermen folk to understand about the literacy gap, if there exist any.

Table 5. Item statistics (Mean and Standard Deviation).

Sl No.	Dimensions	Exp Mean Score	Experienced Mean Score	Literacy Gap	Std Deviation
1.	Familiarity with the dates of depositing and withdrawing of money in bank account	5.00	3.21	1.79	1.02
2.	Knowledge about time value of money	5.00	2.08	2.92	.543
3.	Knowledge about preparation of various types of budgets	5.00	2.73	2.27	1.15
4.	Knowledge about the formalities in accessing credit from various sources.	5.00	1.07	3.93	1.18
5.	Knowledge about various sources for investing the surplus funds	5.00	3.27	1.73	1.034

Source: Sample Survey

From the table given above, it can be understood that knowledge about the formalities in accessing credit from various sources is a major setback for the traditional fishermen folk. They consider easy availability as an important criterion while accessing credit from the pawnners and money lenders.

Table No.6 Reasons for borrowing from Money lenders

Particulars	Frequency	Percentage
Limited knowledge about other sources	4	8
Complex procedures involved	10	16
Easy availability of funds	46	76
Total	60	100

Source: Sample Survey

If the fishermen has considered easy availability of funds as the most important criterion in accessing funds, it is evident that they lack necessary education to understand about the harm caused by this practice. It was felt as a need to investigate whether proper financial knowledge is their among the traditional fishermen folk. Therefore a short test incorporating basic financial skills was conducted among the fishermen to know their levels of financial knowledge.

Table No. 7 Marks scored by the respondents based on their level of financial skills

Particulars	Frequency	Percentage
less than 50 marks	13	22
between 50 and 60 marks	41	68
Above 60 marks	6	10
Total	60	100

Source: Sample Survey

Table No.8 shows the correlation between Marks scored by the fishermen and the value added processing of fish

		Marks Scored	Value added processing of fish
Marks Scored	Pearson Correlation	1	.369
	Sig. (2-tailed)		0.001
	N	60	60
Value added processing of fish	Pearson Correlation	.369	1
	Sig. (2-tailed)	0.001	
	N	60	60

From the test result, it can be seen that p value is less than 0.05, we will reject the null hypothesis. Here null hypothesis states that there is no correlation between the variables under study. Hence, here we can conclude that there is a relationship between the scores obtained in the financial skill test and the value added processing of surplus quantity available..

Findings of the study

1. From the findings of the survey, it can be understood that there is a relationship between the scores obtained in the financial skill test and the value added processing of surplus fish.

2. Value added processing of fish can save fishermen from the exploitation of middlemen.

Conclusion

There might be several challenges faced by the fishermen folk in increasing the revenue generation from their work. Most of the hard work of the poor fishermen folk is taken away by the middlemen and the tharakan's who play an intermediary role due to the surplus quantity of homogenous nature of fish available in each harbour at a time(The New Indian Express). If the surplus available with the fishermen is processed and stored for future use, income can be ensured for the fishermen even during the off seasons.

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