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Adaptation to a Changing Salt Trade: The View from Humla[1]

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Throughout Nepal trans-Himalayan trade is a major economic strategy for many populations, particularly for those inhabiting the northern border areas.[2] Located in the Karnali Zone, the Humla District is situated along an historically important trade route which follows the watershed of the Karnali River and links the lower regions of Nepal and northern India with the plateau regions of western Tibet.

In upper Humla both Tibetan speaking Buddhist and high caste Thakuri and Chhetri Hindu populations have engaged in long-distance trade for several centuries.[3] The traditional rationale of this trade system in western Nepal is simply stated: in the high altitude regions of western Tibet there has been a demand for grains, particularly rice, in exchange for which Tibetan rock salt can be obtained and marketed in the grain rich areas to the south. The differential in exchange ratios of grain to salt between these two regions represents a substantial profit, one which has been realized by the development of an extended trade network and complex schedule of movement of men, animals and commodities.

In the last two decades a combination of political, economic and ecological events have resulted in a reorientation of this trading system. The purpose of this paper is to describe the changes which have occurred and the manner in which Humla traders have adapted to maintain long-distance trade as a viable strategy.

Rock salt, the principal commodity acquired in Tibet, has its source in alkaline lakes to the north of the trade entrepot of Purang. Several alternatives traditionally existed through which Nepali traders could obtain this salt, including the option of travelling directly to the source and mining it after paying a fee to local Tibetan officials. This alternative was most often employed by inhabitants of the Limi valley who had large numbers of yak as well as sheep with which to transport salt.

Generally salt was mined by Tibetan nomads who sold it to Tibetan farmers inhabiting the border area known as Purang. To acquire salt traders from villages along the Humla-Karnali River undertook one or more excursions to Purang (Tibet) between the harvesting of the winter and summer crops (June-October), which coincides with the period that

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the Narala Pass (16,500 feet) linking Humla and Purang is open and free of snow. Although the round-trip distance could be covered in as few as eight days, trips typically took between twelve and twenty days as they also served the purpose of providing summer grazing for the flocks of ovines along the route.

Another traditional source of salt was the trade fairs held in Humla in late October-November. At this time of year Humla traders were reluctant to travel over the Narala Pass as a sudden storm could severely decimate a flock of sheep and goats, but the Purangbas travelled with large numbers of yak capable of negotiating the pass even with a moderate snow cover. These fairs afforded the Purangbas and Limis the opportunity to market stores of salt they had not disposed of the previous summer season. This appears to have ended in 1973 when Purangbas were restricted from attending by the Chinese. Presently these marts are supplied only by the Limis.4

Generally these marts are attended by Humla families who are not long-distance traders but who want salt for home consumption. Occasionally a trader who has not acquired sufficient salt to ensure that all his animals will be carrying a full load when they depart for the middle hills will acquire salt at this time.

Regardless of the locus of these exchanges, prices, even within a single season, were by no means constant. Trade was conducted by barter and exchanges of salt and rice made by volume measure. Actual rates of exchange were subject to individual and seasonal variation in the supply and demand of the commodities involved. Often both Hindu and Buddhist Nepalis employed formal-ritualized ties of friendship with local Purangbas to ensure a dependable supply of salt from a reliable source. In return these trade partners were assured grain at minimum rates.

The marketing by Humlis of the salt obtained in Tibet took place, as it does today, during the winter season (October-May) and often involved two trips to areas south of Humla. The first was a limited excursion in terms of distance (12-18 days distance) and duration (4-6 weeks). Only a portion of available carrier animals (sheep and goats) were taken at this time. This occurs in late September or early October and coincides with the completion of the rice harvest in such lower-lying Nepalese Districts as Bajera and Bajung. The trip serves the purpose of both reducing the stores of salt to a level where what remains can be transported with available animals during the second trip, and of obtaining grain to add to the stores for household consumption during the ensuing winter.

The second excursion of the season is generally undertaken within two weeks of returning from the first. At this time all sheep and goats (including ewes and lambs) are taken south. While in Tibet a trader's demand for salt could often be met dealing with one or two Purangbas, consumers in the middle hills exchange only enough grain to acquire the quantity of salt necessary to meet their household requirements. Consequently, salt obtained with a minimum number of transactions required several months and several hundred transactions to dispose of. Thus, this trip takes roughly six to seven months, and its conclusion generally coincides with the commencement of spring planting and the harvesting of winter crops in upper Humla.

This journey takes Humla traders to several lower lying, grain growing districts including Bajhang, Bajura and Achham. The Thakuri traders travel to areas where they not only have established trade contacts, but also ties through marriage. In the past traders would occasionally travel to India via Nepal's western border, but until the 1950s the Nepali terai was a sparsely populated malarial jungle that traders seldom visited.

The schedule followed by traders from upper Humla (which results in the trader and his animals being absent from the village for as much as 8-9 months of every year) provides not only essential pasture for ovines which because of snow cover is not available in Humla, but results in a system of profitable salt-grain exchange.

One to two generations ago in Tibet, one unit of Nepali rice brought between six to ten units of rock salt. In the middle hills, however, one unit of salt could be exchanged for eight units of rice. This trade resulted in substantial profits as the following hypothetical case of a single household engaged in this trade will show.

The cycle begins with the trader taking five animal loads of rice to Purang where, at the minimum rate of six units of salt for one unit of rice, 30 animal loads of salt are obtained in exchange. Upon returning to the village five animal loads are left in the household for consumption the following winter. Three adult members of the household then depart for the middle hills for an extended season with all sheep and goats, 25 of which are carrying Tibetan salt. In the middle hills this salt could be exchanged for as much as eight times its volume in rice. In exchange only for rice, this would be the equivalent of 200 animal loads.

The subsistence requirements of the entire party had to be met from these stores during this period. Consuming only rice daily for a period of six months, a total of 75 animal loads would be removed from the amount received through exchange. This would leave a total of 125 loads of rice to be transported back to Humla at the end of the season. In addition to supporting three adults for a six-month period, this represents a net increase of 2400 percent over the initial amount of five animal loads of rice used to acquire Tibetan salt.

This illustrates the profitability of trans-Himalayan trade one or two generation ago. In the last 15 years the character of the system has changed substantially. Politically the most important event was the Chinese coming to complete political power in 1959 after the Dalai Lama fled to India. By the early 1960s the Chinese presence in Purang was family established and new policies were made regarding exchange of commodities between Nepal and Tibet.

The bilateral movement common to the traditional system no longer occurs and only Nepali citizens are allowed to cross the border. Upon arriving in Purang they are no longer allowed to trade with traditional partners or with any private individuals. Under the present system every trader arriving has to proceed to the government trade depot where all salt is stored in large warehouses. At this depot all commodities carried by Nepali traders are weighed (exchange by volume no longer occurs) and for each commodity an exact exchange rate has been established by the government. Traders no longer have an influence upon the exchange rate and the price and availability of salt is determined not so much by free supply and demand as fluctuation in official Chinese policy.[5] When grains have been weighed, a receipt is issued which can then be redeemed for commodities, including salt, of equivalent value. Over the past 15 years official exchange rates have been revalued downward several times which is attributed to a decreasing demand for imported grain as the result of increased productivity in the region. In the trading season of 1976-1977, the maximum rate of exchange in Purang was five units of salt for one unit of rice.

In Nepal, on the other hand, a major ecological development has been the effective eradication of malaria in the <u>terai</u>. As a result, a number of routes have developed via the <u>terai</u> with India over which a large variety of goods originating in India are now transported to markets in the middle hills.

One of these commodities is salt. It is available in almost unlimited quantities and is relatively inexpensive. This has led to a revaluation of the value of salt and the Humlis have had to accept lower rates of exchange in order to remain competitive. At present the two principal commodities have reached parity: today one unit of salt, either Tibetan or Indian, brings one unit of rice in the middle hills.

To illustrated briefly the effects of these changes on trans-Himalayan trade, I will return to an example for which data is available for a recent trading season. In late October this trader and his two adult sons departed Humla for the middle hills with 25 loads of salt obtained in Purang in exchange for five animals loads of rice. Grain was taken from household stores to meet daily requirements for 12-15 days which allowed them to reach the middle hills before exchanging salt for grains.

Previously 25 loads of Tibetan salt were sufficient to conduct an entire season of profitable trading. This is no longer possible. Currently, if only rice were acquired, it would be consumed within 60 days leaving nothing to support the traders for the remaining four months. Consequently, supplies of Tibetan salt are now exchanged not only for rice but also for other grains which are less highly valued, such as corn and millet. For example, one unit of salt will bring two units of corn or millet, and four units of salt will bring five units of wheat. It is these grains, supplemented by rice, that constitute the bulk of the diet of the trader in the middle hills.

But even if the entire supply of salt were traded for grains at the rate of 1:2, it would provide subsistence for only four months. For most Humla traders today the Tibetan salt they carry to the middle hills no longer brings them sufficient grain to support them through the winter. This is due not only to lower rates of exchange but also restrictions on the availability of this commodity at its source.

In order to remain viable and realize a profit the system has been reoriented. The Humla trader now makes several trips to bazaar towns near the north Indian border to acquire Indian salt.[6] There, a large bag of salt equivalent to 10 animal loads can be acquired for Rs. 50/- in cash. The money is generated by selling an older animal for slaughter in the bazaar.

Returning to our example, we can see how this new element increases the profitability of the system. The trader in question made two trips to a border town to purchase Indian salt. He sold one animal for Rs.260/- and with this cash bought a total of 50 loads of salt. Twenty loads were exchanged for grains which were consumed by the party during the remainder of the season and the remaining salt exchanged for rice. Indian salt is exchanged for rice late in the season as it is from this commodity that the greatest profit can ultimately be realized in Purang since in Humla rice is twice as valuable as other grains. Thus, in late April the trader returned to Humla with 30 loads of rice. This represents an increase of almost 500 percent excluding the sale of one animal, a significant reduction from the profit margin realized not long ago, but still a profitable enterprise.

Despite a substantially reduced profit margin over the last 15 years, long-distance trade continues a popular means of supplementing agricultural production in upper Humla. This is evinced not only by the number of households so engaged (45% of Thakuri households and 73% of Tibetan households in the two villages studied), but also by the fact virtually every household in each community expressed a desire to do so eventually.

The benefits of this activity extend to others in the population as well. In 1976-1977 adults from 12 households were able to find employment with the long-distance traders during the winter season. In return they received their daily food, a set of clothes and the equivalent of Rs. 300/-. This amount is often paid by allowing individuals to select animals from the flock as compensation. This strategy of seasonal employment is often the means by which a household will acquire the animals necessary to engage in trade independently.

For those who are able to engage in this trade the contribution to subsistance is twofold. First is its direct contribution to the amount of grain available in the villages for household consumption. From the 1976-1977 trading season, the Thakuris brought back from the middle hills a total of 780 <u>khal</u> of rice.[7] Of this amount, 219 <u>khal</u> (28 percent) was ultimately carried to Tibet the following season in exchange for salt. This left 559 <u>khal</u> of rice for home consumption within the community, an average of 9 <u>khal</u> per household.

Among the Tibetans during the same season a total of 890 khal of rice were brought back to the community. Of this amount, 133 khal (15 percent) were utilized for trade the following season, leaving a total of 757 khal for household consumption in the community, an average of 21 khal per household. When one considers that the reported production of Thakuri paddy fields during the same season was only 10 khal per household, or that the annual adult male requirement of grain is approximately 13.6 khal, the contribution of this form of production can be appreciated.

A second contribution to the overall welfare of the household is accomplished by removing a number of adult consumers for several months at a time. During the trading season a total of 33 Thakuris and 36 Tibetans were absent from their communities and all their subsistence requirements were met by trading salt for grains in the middle hills. This was in average of three adult Thakuri consumers per trading household, and 2.3 Tibetan consumer per trading household.

It can be seen that despite several political and ecological factors that have impacted on the economics of long-distance trade in the last 15 years, it continues as a viable strategy among the populations of upper Humla. The availability of cheap Indian salt has had an impact, but it has not come to dominate the market and displace Tibetan salt. The revaluation of Tibetan salt has kept it competitive with Indian salt, but as a result Tibetan salt alone may not be sufficient to conduct a profitable trading season.

By reorienting their system of trade to include Indian salt, Humlis have been able to continue to realize a substantial margin of success. This reorientation was reflected in the 1976-1977 season when traders from the two villages transported nearly equivalent amounts of Tibetan salt (2,100 loads) and Indian salt (1,850 loads) to the middle hills in exchange for grains. This successful adaptation to a changing trade system has been essential to the upper Humlis. Agriculture is the most highly valued means of production, but 87 percent of Thakuri households and 49 percent of Tibetan households believed that agricultural production alone was not sufficient to meet their yearly subsistence needs. Among trading household, however, 97 percent were able to meet their annual subsistence needs without pursuing other alternatives such as seasonal migration for wage employment. It is in this light that we can see the continued importance of trans-Himalayan trade as an adaptive strategy.

NOTES

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2. For an extensive overview of trans-Himalayan trade throughout the northern border areas see Fürer-Haimendorf, 1975.

3. For a general discussion of the populations of the Karnali Zone, including Humla, and long-distance trade in western Nepal, see Fürer-Haimendorf, 1975, p. 221-285.

4. In 1972 Fürer-Haimendorf observed Tibetans who had entered Nepal travelling to a trade fair in Humla (1975, p. 251). Since that time bilateral movement has ceased and only Nepali citizens are allowed to cross the border.

5. At the fall trade fair in November 1977 Limis had relatively little salt with which to trade. That summer they had been able to acquire little more than that needed for their own consumption. They were unable to identify a reason for this other than that it was Chinese policy.

6. Mahendranagar, Nepalgunj, Julgart and Surkhet are the towns most frequently visited for this purpose.

7. In western Nepal 1 khal is equal to 20, two mana pathis or 40 mana.

REFERENCE

Fürer-Haimendorf, C. Von, 1975. Himalayan Traders. London: John Murray.