

CHAPTER - VII

HANDLOOM AND HANDICRAFTS: DEVELOPMENT AND CONSTRAINTS

Orissa has one of the richest traditions of handloom and handicrafts in the country, which goes back to the time of antiquity. The ancient rock-cut caves and beautiful stone carvings engraved in the temples of medieval Orissa provide a glimpse of the rich tradition of crafts, art and sculpture in the ancient past. The traditional crafts like wood and stone carvings, tie and dye weaving textiles, folk and *patta* paintings, applique, filigree and jewellery work had flourished side by side with royal patronage and ritualistic needs of the temples in the state.

In a poor and industrially backward state like Orissa, these traditional industries like handloom and other popular handicrafts such as stone carving, wood carving, silver filigree, applique, *patta* painting, coir, *dhokra* casting, bell metal works, etc hold considerable promise for economic empowerment and provide gainful employment to the technically little qualified, less educated and emaciated poor in the rural non-farm sector. It is found that next to agriculture, handloom and handicrafts sector is the major provider of employment to the people in Orissa. Apart from that, handloom and handicrafts products of Orissa are appreciated all over the country and outside because of exquisite designs, natural motifs and superb colour combination. These traditional craft industries of Orissa have, however, historically passed through many stages of ups and downs. In post-independence India when the planners and policy makers took to the path of modern industrialisation to accelerate the pace of economic development in the country in a mixed economy frame of state centred planning, they could rightly realise the importance of traditional industry sector such as handloom and handicrafts. The Government paid equal attention to their development by setting up Khadi and Village Industries Commission, Handicrafts Board, Handloom Board, Coir Board, Central Silk Board, etc in the 1950s and 1960s with the main objective that they would serve as useful instruments of development and transformation of the rural economy. This chapter attempts an analysis of the status of handloom and handicrafts sector in Orissa, and in the context of the findings of many micro and macro studies and development related administrative and research

experiences of the authors, suggests appropriate policy measures for the strengthening of the craft sector in Orissa.

I

HANDLOOM INDUSTRY

PAST AND PRESENT STATUS

Since the day of advent of modern factory based production and industrialisation in Europe and the British colonial rule over India, the handloom industry of the country has passed through many tribulations. In post-independence India when the Government adopted the path of modern industrialisation through state centred planning to accelerate the pace of economic development in the country, it laid equal importance on the development of labour intensive traditional industry sector such as handloom and handicrafts. In order to solve the problem of open unemployment in a labour surplus economy, the Government had no other options. More so, the traditional craft goods and artistic handloom fabrics reflect the cultural heritage of the country and next to agriculture, this sector is the major provider of employment to people in the informal economic sector.

It is found that notwithstanding the popularity of tie and dye handloom fabrics all over the country and the promotional incentives provided by the government during different plan periods, the handloom industry of Orissa has passed through many ups and downs. This is because of wide difference in the skill level of weavers in Orissa and their fission into different weaving sub-castes according to their weaving knowledge and skill. There are several sub-castes of weavers in Orissa such as Bhulia, Kostha, Kuli, Dera, Saraka, Rangani, Gaudia Patara, Asani Patara, Bengali Tanti, Asani Tanti, Gaudia Tanti, Pana Tanti, Matia, Jhola etc. Besides this there are scheduled castes like Ganda and Pana and scheduled tribes like Bonda and Kutia Kandha, who also do weaving works. However, the tie and dye handloom fabrics for which Orissa is famous all over the country is mainly woven by the Bhulia weavers of Orissa in double ikat (warp & weft design) and the Gaudia Patara, Asani Patara, Kostha, Saraka and Dera in single ikat (weft design). The other weaving sub-castes mainly weave plain handloom clothes including checks and stripes designs. As a result, excluding the highly skilled tie and dye weavers constituting around 40 per cent of the weaving population in the state the fate of rest 60 per cent of the weaving population in Orissa has always hinged upon government

patronage and incentives provided to the handloom industry from time to time at the macro level.

It is found that the number of handlooms and the number of weavers doing weaving work in Orissa as well as in the country have shown wide fluctuations from time to time. Especially, soon after independence and till early 1990, when the state was playing an active role in economic planning and direction of growth and distribution of income across regions and different segments of population, the handloom sector has had a steady growth. During British rule the handloom industry of the country had registered a steady decline due to discriminatory trade policy of the colonial government and import of cheap mill made cloth from Europe. Also since early part of the twentieth century the country witnessed the growth of many cotton textile mills under the initiative of Indian capitalist class and the European capital. This further affected the survival of handloom industry in India and caused massive occupational displacement of the traditional weaving population. During that period the freedom movement and swadeshi movement under the leadership of Mahatma Gandhi was growing stronger day by day. So, with a view to pacifying the disgruntled elements, the colonial government started introducing some reform measures to protect the handloom industry from the competition of cheap mill made textile goods. In 1941 the colonial government appointed a Fact Finding Committee to study various aspects of handloom industry in the country. The Committee suggested the government to enact a host of policy measures for organisational and financial interventions and strengthening of co-operative forms of production as an ideal arrangement. Needless to say, since then all other Committees and Working Groups set up by the government in post independent era during various plan periods put emphasis on the strengthening of co-operative form of production to provide gainful employment and prevent economic exploitation of weavers in the hands of master weavers, middlemen and the merchant capitalists. During different plan periods the government took various steps to improve the socio-economic condition of weavers by providing them with various incentives and subsidies through the co-operatives. Necessary steps were taken to provide round the year employment to weavers. Under the poverty alleviation programmes, particularly since Sixth Five Year Plan the weavers were given financial assistance as well as subsidies to acquire technically upgraded looms and accessories to improve productivity. To improve the work environment the government gave financial assistances for the building of fireproof roofs, electrification of the work-sheds and the like. Weavers servicing centres were opened to impart

training to the lowly skilled weavers to improve their weaving skill, learn new designs and make use of improvised technology. Besides that in order to serve the weaving community outside the co-operative fold, government started many Intensive Handloom Development Projects (IHDP) and production centres in various states under the overall supervision of State Handloom Development Corporation.

However, it is now observed that the handloom industry of Orissa in particular and the country in general is passing through a very difficult time. The introduction of new economic policy (NEP) and adoption of SAP (structural adjustment programme) measures by the Government of India since 1990 have resulted in downfall and decelerating growth of the handloom sector in the absence of adequate state sector support and interventions. The primacy of the market economy and globalisation without adequate innovative measures and support for the handloom fabrics have slowly started affecting the growth of the industry and livelihood of the weavers all over the country. In this scenario, a least industrialised and poor state like Orissa has become the worst sufferer. Economic liberalisation measures during their last ten years of implementation have generated many negative and unintended effects on the traditional craft industries of the state, particularly the handloom and handicrafts. In the absence of the state patronisation and innovative measures to popularise the consumption of craft goods among the affluent and well-to-do sections of the community, the traditional craft industries of the state, particularly the handloom industry has been a major victim of market led growth deceleration and fall.

According to 1987-88 Handloom Census, the weaver population of Orissa was 4.15 lakh which constituted 1.31 per cent of the state population as per 1991 population census. The census reveals that in 1987-88 the state had all total 1.19 lakh looms including factory-based handlooms. However, out of that only 92 thousand or 0.92 lakh handlooms were reported to be active looms and the rest was non-functional. Among the weaver population of the state the SC and ST weaver population respectively constituted 29.75 per cent and 1.58 per cent of the total. When we look out at their work participation rate, it is found that 0.88 lakh or precisely 88,405 (21.29%) were engaged in fulltime weaving works and 28.429 (6.85%) in part time weaving activity. Besides that 76,534 persons (18.43%) were engaged in preparatory works on full-time basis and 50,360 (12.13%) on part-time basis. This means among the weaver population of Orissa 39.72 per cent were fulltime workers and 30.56 per cent were part-time

workers. Precisely, the industry as a whole was providing direct employment to as high as 2.44 lakh persons at the time of 1987-88 Handloom Census¹.

The latest Handloom Census conducted by the NCAER (National Council for Applied Economic Research) during 1995-96, however, shows that the number of commercial looms in Orissa was 76,645. In these looms 81,440 persons were working as full-time weavers and 23,236 were part-time weavers. Added to this, 45,210 persons were engaged in full-time preparatory works and 58,172 persons were employed on part-time basis. Thus, during 1995-96, the handloom industry of the state was providing direct employment to 2.08 lakh persons² as against 2.44 lakh persons during 1987-88. This shows that the handloom sector in Orissa has registered a marked decline in the post liberalisation years.

As discussed earlier the skill level of the weavers of Orissa widely varies across different weaving sub-castes, so also the types and quality of the fabrics woven by them. Handloom weavers of Orissa produce a wide variety of fabrics such as sarees (which constitute the major component), dress materials, scarfs, dhotis, towels, other fabrics of day to day use as well as the highly artistic calligraphy on fabrics (wall hangings), etc. So far as designing and techniques are concerned, it varies from double ikat (tie and dye) involving highly intricate designs woven by the Bhulia weavers of undivided Sambalpur, Bolangir, Kalahandi and Phulbani districts (such as Pasapalli, Bichitrapuri, etc) to single ikat woven in Maniabandha, Nuapatna area of Cuttack district (Khandua designs) to extra warp and weft designs like Bomkai, silk of Berhampur, cotton of Khurda district, vegetable dyed fabrics of Kotpad (Koraput district), fine count sarees of Jagatsinghpur and Tassar fabrics of Gopalpur, Fakirpur in Kendujhar district. The list is long and represents the richness and wide diversity of Orissa handloom, which is yet to be exploited to its full potential.

Although Orissa is a traditionally non-cotton growing state, it has a substantial and numerically larger size of weaving population depending on handloom industry for their livelihood. It is a traditionally castes based occupation and during monarchical rules the handloom industry and the different weaving sub-castes with their specialities in specific designs and fabrics flourished in different parts of Orissa with the local royal patronage. Since medieval days, it has gained the status of largest craft industry in Orissa and in the post independence era also its importance in the economic life of Orissa cannot be ignored altogether. However, it is alarming

to note that the industry is now in its declining stage due to lack of state support in the post liberalisation years. The various types of subsidies provided to the weavers through the co-operative societies in terms of inputs and marketing support is now no longer available from the state sector. The production of 'Janata' cloth such as plain sarees, dhotis, towels, napkins, etc. woven mostly by the lowly skilled scheduled caste weavers of Orissa in the co-operative sector was stopped all of a sudden, when the Government of India launched its NEP and SAP in early 1990s. This has resulted in occupational displacement of many lowly skilled weavers. This becomes evidently clearer when we compare and look at the figures of Handloom Census conducted by the Government of India in 1987-88 and by the NCAER in 1995-96. It is, further, observed that, of late, the demand for tie and dye fabrics have also been substantially falling down. This is not only causing the problem of underemployment and sub-minimal level of earning among the highly skilled weavers, but also many among the low and medium level skilled weavers are found to be giving up their traditional family occupation due to slump in demand of fabrics woven by them. Sometime during 1999, the leading Oriya daily, *The Samaja* reported that the closure of the Orissa Handloom Development Corporation (OHDC) has led to employment insecurity of around 20,000 weaver families in the state. Interestingly these weavers are relatively less skilled and many of them are of scheduled castes and scheduled tribes origin. According to the official data of the Directorate of Textiles, Government of Orissa, in 1987-88 the total quantity of handloom cloth produced in the state by the organised co-operative sector was 753.02 lakh sq. mts. and its total production value was Rs.567.0 million at current prices. However, this was reduced to 413.74 lakh sq. mts. and Rs.860.42 million in 1995-96 and further to 121.78 sq. lakh mts and Rs.537.0 million at current prices during 1999-2000.

PRODUCTION SYSTEM

Handloom is largely an unorganised sector industry and the weavers are the victims of pre-capitalist mode of production. Although, many Committees and Commissions in the past have recommended for progressive co-operative sector production to minimise the level of exploitation of weavers in the hands of middlemen and master weavers-cum-merchant capitalists, the co-operatives also in many cases have failed to fulfil their objectives because of the role played by the vested interest groups in the management of co-operative societies at the grassroots level. It is observed that the production of cloths in the handloom industry of the country in general and Orissa in particular is carried out under three different systems such as,

(i) independent weaver producer, (ii) co-operative form of production, (iii) attached weavers working under private master weavers-cum-merchant capitalists.

The independent weavers producing cloth in their own looms and buying the raw materials like yarn, dye, chemicals, etc. on their own and selling the finished goods in the local market directly to the consumers are almost very few in numbers. On the other hand, because of their petty producer status, they depend on the middlemen and the traders to a great extent for the final disposal of the fabrics woven by them. Due to poor economic status these weavers are often made compelled to sell their goods to the middlemen and merchant capitalists under the *dadni* system or indentured system at the pre-fixed prices. It is found that the independent weavers mostly borrow money or take cash advance from the middlemen and merchant capitalists to purchase raw materials and also to meet their consumption needs. Against such loan, the lenders make product tie-up with the weavers at the pre-fixed rate irrespective of the prevailing market price at the time of transaction of the goods. It is because of this system sometimes the economic status of the independent weavers is as bad as that of the attached weavers.

For handloom sector, the co-operative system of production is expected to be the best and least exploitative. According to the guidelines of the Co-operative Act, all weavers attached to a co-operative society are its owner members and they have legitimate rights over the management of the society and a share on the profits or loss made by the society. The weavers working under the co-operative system of production are supplied with the essential raw materials such as yarn, dyes, chemicals, etc by the primary weavers' co-operative society and get the reasonable wage or conversion charge for the amount of labour put in by them on weaving of certain clothing items such as saree, bed-sheet, towel, scarf, etc. Through the society the member weavers are provided with other social security benefits such as medical relief, group insurance facility, old age benefits and assistance for modernisation of loom and the workshed and the like. They also get dividend and a share of profits when the society earns net profits on the sale of their goods during a particular production year.

Under the third type of production system the private master weavers-cum-merchant capitalists supply the key inputs like yarn to the weavers and give them guidelines on patterns and designs of cloths to be woven. Taking into account the demand and supply of certain designs

of cloths in the market, the private capitalists fix up the sale price of cloth and accordingly fix up wages for the weavers working under them at a minimum level, so as to earn maximum profit. This type of production is found to be quite prevalent in the tie and dye weaving centres like Bargarh, Barpali, Sonapur etc. of western parts of Orissa and also in the Nuapatna area of Cuttack district and Berhampur area of Ganjam district. This is one type of putting out system of production quite prevalent during colonial rule by the merchant guilds in different parts of the country. In this system by having control over the supply of one key input like yarn, the private master weavers-cum-merchant capitalists dictate terms and conditions over the weavers without owning the means of production.

Of the three different modes of production, the co-operative system of production is undoubtedly beneficial for the weavers and also for the survival of this traditional industry in a poor state like Orissa. However, it is found that in majority of the cases the co-operatives have failed to serve the interest of poor and illiterate weavers. As vested interest non-weaving group runs the helm of affairs in the weaver's co-operative society at the primary society level, the society is often managed like a private master weaver's concern. The president and secretary of the primary society in collusion with a few other enlightened members usually operate their private business in the name of co-operative society. They make private profitable sale of the good quality tie and dye fabrics in the open market and show all rejected substandard items as their production stock for final marketing of such goods by the apex co-operative society (Meher 1992). It is because of this reason; the co-operative system of production in Orissa has failed to serve the interest of the weavers. Most of the co-operative societies are now sick. The private master weavers-cum-merchant capitalists in the tie and dye weaving centres of the state are found to be operating in a very capricious manner by dictating unfavourable terms and conditions to the poor weavers. Due to weakening of co-operative system of production the livelihood of lowly skilled and semi-skilled weavers is not only at stake, but also the highly skilled tie and dye weavers are now put into a very precarious condition.

Thus, taking into account the prevailing system of production and the present status of handloom industry in Orissa, an attempt is made to analyse the problems and prospects of this traditional industry in the state by using SWOT method.

Strength

Strength of the Orissan handloom industry lies in its tie and dye work, which is popular all over the country and also in the overseas markets. Its rural base, low capital investment and employment intensive nature of production not only help in providing livelihood to large number of people in the rural non-farm sector, but also strengthen its survival in the age of computerized weaving technology by minimizing the fixed cost of production and with flexibility in adoption of new designs and motifs at a very nominal cost. It is eco-friendly and prevents distress migration of rural artisans to the growing towns and cities of the country and proliferation of poverty induced informal economic activities in the slums and squatters by providing work in the village itself. On the social side, it provides productive employment to the women, old and destitute in their households (in the preparatory work) and thus serves an important social purpose, at virtually no cost to the government. The superb skill of weavers passes on from generation to generation without any formal training. With change in colour of thread, warp and weft, the weaver has the ability to produce fabrics, each piece of which is different from the other. These unique features of the Orissa Handloom Industry have enabled it to survive the stiff competition from the mechanized textile industry over decades.

These inherent strengths of handloom industry have, however, been often overlooked. The rapid pace and direction of economic modernisation in India has had the effect of characterising the handloom industry as traditional and doomed to decline, often disregarding studies that have been documenting its resilience (Seemanthini 2001) . Based on an assumption that the sector is weak and need protection, promotion of handloom has evolved around easy options of short term nature such as supply of raw material at a cheaper rate, subsidising the sale price (by giving rebate/concessions periodically during the festive seasons) etc. Rebate on sale of handloom, 'Janata' Cloth Scheme and supply of hank yarn at subsidised rate are typical examples. It has been proved beyond doubt that such measures have served limited purpose and instead led to mis-utilisation of resources, corruption, even deskilling the weavers, thereby affecting the core of the handloom industry.

Weakness

Weakness of the handloom lays in its rural base, unorganised nature and traditional technology causing drudgery and low productivity. Further, relatively higher wage component of handloom products as compared to the power loom products affects their commercial

viability. Keeping in view the low per capita income of the Orissa state in general and the rural areas in particular, marketing potential of handloom products in the area of production is limited to religious / social functions like festivals and wedding. On the other hand, urban areas and metropolis offer good avenues for sale of handloom products on account of the purchasing capacity and prevailing taste preferring handmade products to machine made products. Other weaknesses of the handloom industries relate to unorganised nature, low level of technology and poor capacity of the weavers to switch over to new products and designs according to consumers' tastes and preferences on the short notice. These affect in adhering to quality and delivery schedule, repeating orders etc. vis-a-vis power loom products.

Challenges before development of handloom industry lay in converting these weaknesses into strength. Recent developments in the communication in terms of telephone, fax, road, rail and air transport facilities have changed the concept of time and space as never before and bridged the gap between the rural areas, which represent the production centres and the urban areas, which are venues for the marketing of tie and dye handloom goods. The unorganised base and low level of technology can be tackled by encouraging local educated unemployed youths from the weavers' family, who are in search of white collar jobs. Such young people can be encouraged and assisted for setting up of private units for production of high value handloom cloth to meet the requirement of urban centres. Experience of contract farming in taking up high tech agriculture all by matching the entrepreneurship of the educated youths with the labour of the rural producers needs to be replicated in the case of handloom, which is the only way for its development on a sustainable basis. Such entrepreneurs, apart from running their own production units, can also take up production on job work basis by adopting weavers living nearby. This sort of strategy based on promoting private entrepreneurship will ensure quality; timely production rather than depending upon government run agencies, which have severe limitation in taking up production and marketing.

Opportunity

Sarees constitute the major component of the Orissa handloom products. Prevailing social customs, emotional attachment and unique features of the saree as a garment offer wide scope for marketing sarees inside the country provided the quality; good design and colour combination for meeting the customer's satisfaction are assured. Westernisation and modernisation have started making impact on the Indian clothing habits and a shift towards

westernised dresses. However, this is not likely to affect the demand for Orissa handloom products at least in the near future, provided the design is diversified, quality is assured and price is kept competitive.

Attempts made for exporting Orissa handloom cloth indicate that export potential of Orissa handloom products is limited to sarees for the Indians settled abroad. There are constraints in exporting handloom products as apparels for meeting requirement of general customers (Panda 1994). It is heartening to note that of late, the handloom products of Orissa have been diversified and production of running length have been taken up for use as dress material. Proper tie up with fashion garment makers is required to be evolved for conversion of these materials into readymade garments to increase the marketability of Orissan handloom fabrics all over the country and also in the foreign countries. Once the private entrepreneurs take up production of handloom fabrics in bulk, it would be possible to adhere to production and delivery schedules, which are the major constraints in export of handloom today. Such entrepreneurs will be able to have tie-ups with the fashion designers and garment makers in due course. Keeping in view the success of Indian beauties in the Miss Universe and Miss World contests and prevailing niche market for handmade goods, promotion of handloom cloth as a fashion garment can open a new horizon.

Threat

Threat to the handloom industry lies in the frustration of the weavers, who in spite of having excellent skills, are languishing in poverty and are not able to exploit the market in their favour. Handloom, being a traditional skill, once the elderly weavers give it up, the skill will be lost forever and it would be impossible to revive it. With appropriate direction and support for producing high value tie and dye cloth, handloom weavers can be encouraged to continue weaving and overcome the threat. So far as semi-skilled weavers are concerned, there is no alternative than to improve skill and produce high value clothes, which are superior to clothes woven by the power looms. In the interim period, semi-skilled weavers can produce only for meeting domestic requirements and for sale in local areas by having the cost advantage over power loom products on account of transport and handling at different levels. This will not require much support from Government. Government resources shall have to be earmarked exclusively for improving the skill of weavers and helping them for production of high value cloth with good design and quality. For the purpose, the Weavers Training Centres in the

handloom concentrated areas may be strengthened and revamped in order to make the semi-skilled and lowly skilled weavers well conversant with not only the tie and dye weaving work, but also with the new designs and motifs. They may also be taught to use advanced and higher productive technology of that type, which will help in reducing drudgery without causing any labour displacement problem.

STRATEGY FOR DEVELOPMENT OF HANDLOOM

In this background, survival of Orissa Handloom depends on producing fabrics with new design and colour, without any defect, which can establish its own identity in the open market. Consumers' satisfaction being the key for market survival, handloom has to shape its path based on its inherent strength of producing cloth of diverse design at ease. The State Textile Directorate as well as the Weaver Service Centre under the Development Commissioner (Handloom) located at Bhubaneswar is extending technical support to the weavers for design and product diversification. This arrangement is required to be geared up adequately for reaching the weavers at their doorstep and providing training in designing, weaving and dyeing in a decentralised manner.

In a free market economy, marketing of any products assumes critical importance, which applies to the handloom produce as well. It needs to be clearly understood that there will be few takers for handloom products merely because it is woven in handloom, unless it is superior to the power loom products on price, quality and design. On the other hand if the consumer is satisfied, there will be no need for any subsidy for marketing handloom products. Due to low per capita income and high incidence of poverty, there are limitations in selling the handloom products inside the state on a large scale. On the other hand, there is a wide gap between demand and supply for these products outside the state and this has been expanding rapidly. There is considerable scope for exploiting this potential for empowering the weavers.

INSTITUTIONAL ARRANGEMENTS FOR HANDLOOM DEVELOPMENT

As per the latest available reports, out of 81,440 full time weavers, 37,147 are covered under the cooperative fold and 9,041 are working with master weavers. There are practical difficulties in bringing all the weavers under the fold of cooperatives and retain their efficiencies at the same time, due to physical inaccessibility, illiteracy and ignorance of the weavers and the control over the management of primary societies by the vested groups such as master

weavers and merchant capitalists. Left to the market forces, however, the weavers will get exploited and marginalised. As such the cost effective solution to marketing Orissa handloom products outside the state lies in promoting private entrepreneurship on the one hand and strengthening the village level primary cooperative society on the other. Orissa had a network of Primary Co-operative Societies in the weavers concentrated areas even before independence. The apex level Orissa State Handloom Weavers' Cooperative Society was set up in 1956 for supporting these primary societies. The Orissa State Handloom Development Corporation was set up in 1977 for covering weavers, working outside the co-operative fold. Besides, the Sambalpuri Bastralay, a Primary Weavers Co-operative Society, set up under the pioneering efforts of freedom fighter Padmashree Krutartha Acharya was providing yeoman services to the weavers of western Orissa till 1980s. However, both the apex organisations and even Sambalpuri Bastralay have become victims of mismanagement; corruption and serious doubts are being raised about their viability and provision of service to the weavers on sustainable basis. Analysis of figures for the Sambalpuri Bastralay (given in Table- 7.1) indicate that this society was making profit of about Rs. 30 lakhs annually up to 94-95 and went red making a loss of Rs.2.13 crores during 95-96, Rs.4.57 crores during 96-97 and Rs.2 crores during 97-98. The position in respect of the Orissa State Handloom Development Corporation and the Orissa State Handloom Weavers' Co-operative Society is even more precarious. It is necessary to examine the relevance of apex level organisations in the changed scenario. Such organisations may be given autonomy with accountability for functioning on commercial lines, either to survive on their own strength or perish. Those organisations misusing interest of weavers as a shield for their mismanagement and inefficiency needs to be avoided at all costs.

The primary weaver co-operative society at the village level has served well in promoting Orissa handloom. If few of them are in losses, it is largely due to lack of transparency, mismanagement at the apex society level and local politics. Educating the weavers on the one hand and simplifying the procedure further for liberalising the primary societies can overcome this. It is worth mentioning that in 1991-92, certain major decisions were taken for strengthening the primary weaver societies by revising the pricing policy based on "low margin-high turn over" and pushing the primary societies to market their products directly instead of totally depending on the apex organisations (Panda 1994b). This was supported by infusion of fund under various schemes of the Government of India for introduction of new design, dyeing,

supply of loom and accessories, assistance for construction of workshed, visit of weavers to metropolis and organization of buyers-sellers meet and weavers seminar every year. These steps had boosted up the morals of the weavers and strengthened the primary societies, which made them run in spite of heavy odds. It is heartening that as a result of changes in the pricing policy of primary societies in 1991-92, some of the primary societies have been able to market as much as 70 per cent of their products directly. Details of production and sale of selected primary societies of the Baragarh district are given at Table 7.2. This is required to be further encouraged for building up strong and vibrant primary societies, so that they can act as a buffer stock and prevent exploitation by providing stability in wage particularly during the lean season. Instead of thrusting the co-operatives on the weavers as a Government managed institution, the weavers need to be made aware so that they own and take care of the primary societies as their own organisation, as has happened in case of the “Amul” dairy co-operatives in Gujarat.

The weavers of Orissa are included in the Central List of Backward Classes and are eligible for getting concessional loan (at the rate of 7% simple interest per annum) under the schemes of the National Backward Classes Finance and Development Corporation (NBCFDC). This Corporation was set up under the aegis of Ministry of Social Justice and Empowerment in 1992, with an authorised share capital of Rs.700 crores, against which a sum of Rs.390.40 crores has been paid. The Corporation is extending loan indirectly through the State Channelising Agencies and Non-Government Organisations. Since inception, this Corporation has assisted 3.47 lakh beneficiaries involving Rs.565.62 crores. This includes only 3,148 beneficiaries involving Rs.9.44 crores (that is less than Rs.1 crore per year) for all types of schemes in the case of Orissa. Activities of the state level channelising agencies of the Backward Classes Corporation in Orissa are required to be geared up for assisting the handloom weavers under schemes of the NBCFDC. Individual enterprising weavers can avail term loan up to Rs.5 lakhs under the scheme of this Corporation for setting up production centres having required marketing arrangements. Besides, the primary societies, which are essentially Non-Government organisations, can also avail of concessional loan under the micro finance scheme extended by this Corporation. Such approach will make necessary working capital available to the weaver entrepreneur to take up production and marketing of handloom products as commercial enterprises without depending on Government-run

agencies. It would enable the Government to come out of marketing and act as a facilitator for the private entrepreneur.

NEW INTERVENTIONS

“Deen Dayal Hathkargha Protsahan Yojana (DDHPY)” has been introduced in 2000-01 as an umbrella scheme for providing all types of help to the handloom weavers in an integrated manner. Rs.16.95 crores and Rs.23.65 crores have been sanctioned under this scheme during 2000-01 and 2001-02. However, Orissa is yet to get any assistance under this scheme. The viable primary weavers’ societies as well as weaver entrepreneurs may be supported under this scheme for modernisation of looms, accessories like doobby, jacquard, product diversification as well as marketing. Specific attention may be given for organising training in a decentralised manner. Dovetailing loan given by the NBCFDC with the grant under DDHPY can provide required assistance to the weavers in a composite manner from one window and will be of considerable help to the weavers in weaving new designs and quality products, which can survive competition in the open market.

IMPACT OF GLOBALISATION ON HANDLOOM INDUSTRY

Importance of handloom lies in its ability in generating non-agricultural employment in rural areas. Phasing out of the multi-fibre arrangement (MFA) and functioning of the World Trade Originations (WTO) are likely to pose new challenges for the handloom industry. Removal of controls required under MFA and WTO will increase competition between developing economies while permitting the developed economies to retain protection over their textile sector. Non-tariff measures like ban on child labour and use of certain dyes and chemicals etc will be posing serious obstacles to export, while opening the doors to import of textiles. However, it will also open up new avenues for Indian handloom. In the today’s world, changes relating to globalisation have become inevitable and irreversible. Handloom industry is required to be strengthened adequately for meeting these emerging challenges by exploiting its inherent strength.

II

HANDICRAFTS

Like the handloom, handicrafts of Orissa have a rich cultural heritage. Next to the handloom sector, they are the major providers of employment in the non-farm sector. Based on

assessment of the socio-economic status, employment and market position, the handicrafts of Orissa, which are 52 in number, may be broadly categorised under the following heads: (a) popular crafts are of 21 types such as brass and bell metal, silver filigree work, applique work, stone carving, stone wire, pattachitra, horn work, lacquer, golden grass, ivory wood work, artistic mat, wood carving, wooden painted toys, sea-shell work, palm leaf illumination, clay toys, solapith work, costume jewellery, dhokra casting, papier machie, cane and bamboo work and the like. These are called popular crafts because of their good market potential and they provide employment to a large number of artisans in the state; (b) Special crafts are 18 in number, which are typical to the state and localized in the specific regions. For example, the Jari work of Cuttack, Jaikhadi work of Parlakhemundi, cloth flower garlands of Tusra in Bolangir and Baleswar town, glass beads of Berhampur and theatrical dress making of Cuttack, Keora leaf work, artistic footwear and coir products of Puri may be brought under this category; (c) Rare crafts, 14 in number, are on the verge of extinction. There are very few artisans left now to run these crafts and keep them alive. These are paddy crafts found in the districts of Koraput, Kalahandi and Bolangir, musical instruments, art leather, lacquered toys, Bargarh ritual toys, incense and perfumery, durry and carpet work, painted wooden-ware, tussar scroll painting, flexible brass fish, banana fibre work, wooden inlay work and the like; (d) Languishing craft of six different varieties such as clay terracotta, lacquered terracotta, tin toys, unbreakable toys, tribal jewellery, betelnut work of Aska and the like. Like the rare crafts these too are in a decaying state as the craftsmen practicing such crafts are not in a position to earn their subsistence due to poor market of the items produced in a very highly unorganised and isolated environment; and (e) The rest other types of crafts such as silver jewellery, golden-grass work, embroidery and art textiles and the like are brought under the miscellaneous category.

It is found that Orissa houses about 1.04 lakh artisans as per the survey conducted by the Directorate of Handicrafts and Cottage Industries (Orissa) during 1992-93. Interestingly, they constituted 22.78 per cent of the total manufacturing, processing, servicing and repair sector workforce of the state according to 1991 census. During the survey year the total amount of production generated by the handicraft sector was Rs.7,281.51 lakh. The export value of handicraft goods exported to foreign countries amounted to Rs.20 lakh. The export oriented crafts of the state mostly consist of dhokra casting including brass and wares, stone carving, coir products, silver filigree, terracotta, plastic toys, and the horn crafts. However, given the

rich tradition of handicrafts in the state, the export value of craft goods is very nominal. It may be noted that in 1992-93, the export value of Orissa handicraft work was only 0.27 per cent of its total production value, whereas this was 18.94 per cent of the total export value at the all India level during 1990-91 and 20.24 per cent during 1994-95.

STRUCTURE OF THE CRAFT SECTOR

It is observed that the production matrix of the handicrafts in Orissa is structured in such a manner that the artisan workers notwithstanding their superb skill and artisanship always remain at the receiving end. In contrast, the trader entrepreneurs/merchant capitalists and the middleman by virtue of their control over the marketing of the craft goods occupy the top position of the production ladder. While the artisan entrepreneurs, who themselves are the master craftsmen occupy the middle position as they cannot afford to take care of marketing of the craft goods on their own. Nor can they viably manage a craft unit independently without taking work order or job works from the trader entrepreneurs. Of course, to protect the interest of the artisan workers and to popularize and enhance the marketability of the craft goods, the government has taken steps for the promotion of both primary craft co-operatives and apex marketing society. But due to ignorance and low level education of the artisan workers, the primary craft co-operatives at the grassroots level virtually function like a trader entrepreneur units of the chief functionaries.

Unlike other informal sectors, the production and organisational structure of the craft economy is more fluid and diluted at the level of artisan workers. With years of work experience the artisan worker learns and acquires the craft skill. However, as the survival of the craft production depends on the marketability of craft goods and this in turn depends on the working capital to run the production cycle, the trader entrepreneurs irrespective of their knowledge and skill continue to occupy the prime position, while the artisan workers are always placed at the bottom.

WORKING AND LIVING CONDITIONS

Barring the case of a few artisan workers in the selected handicrafts like stone carving, wood carving, patta painting, etc. having high potential export value, the working and living conditions of craftsmen in other handicrafts of the state are found to be very poor and

miserable. Even the silver filigree artisans of Cuttack are now found to be living a very distressful life and the craft has now lost its popularity because of the dominance of middlemen and trader entrepreneurs. Many among the craftsmen fail to get craft based employment round the year and the wage/conversion charge earned by them from handicrafts work is so low that almost 60 per cent of them live below the poverty line. The organization of production is carried out in a very decentralised, disperse and informal set up. The artisan workers neither enjoy the benefits and social protection made available to the organised sector workers nor the benefits of work freedom due to commercial nature of production in some of the so-called popular handicrafts of Orissa. The workers are given no other benefits like paid holidays, sick leave, maternity leave, CPF, bonus, gratuity etc. except their monthly wages, although many of them are found to be working with their present employer continuously for a period of more than two years at a stretch. Very few workers are found covered under the Group Insurance Scheme.

INTERVENTION MEASURES

There are various welfare measures devised by the Development Commissioner, Handicrafts for the welfare of handicraft artisans such as training of craft persons, introduction of new designs, and techniques to improve marketability and productivity of craft goods, organisation of marketing programmes, and exhibition-cum-sale of craft goods, opening up of sales emporium for the craft goods, construction of workshed and workshed-cum-houses and group insurance as well as health insurance. However, such schemes seem to be implemented only half-heartedly by the State Government.

CONCLUSION

Orissa, otherwise known for its natural beauty and rich culture, has unfortunately acquired the ill reputation of being one of the poorest states in the country with acute poverty, hunger and malnutrition. Handloom and handicrafts have the potential to provide gainful employment to the weavers and the craft workers with very little financial investment mainly by exploiting their inherent strength. It is necessary to appreciate these emerging challenges and gear up the handloom and handicrafts industry of Orissa in the interest of rapid economic development and eradication of poverty.

Table - 7.1**Production and Sale by Selected Primary Weavers' Co-operative Societies of Bargarh District, Orissa during 1995-2001**

(amount in lakh Rs.)

Sl. No.	Name of the WCS	Production	Total sale	Own sale	Percentage of own sale
1	Attabira WCS	323.94	178.87	302.4	59.15013
2	Maheswari WCS	283.43	286.39	250.37	87.42275
3	Jalpali WCS	205.99	202.9	154.84	76.31345
4	NAC Barpali WCS	203.01	209.08	167.12	79.93113
5	Chichinda 'B' WCS	88.91	92.5	46.3	50.05405
6	Sarkanda WCS	141.7	135	92.58	68.57778
7	Debangan WCS	228.81	229.09	188.76	82.39557
8	Laumunda WCS	83.93	81.79	78.18	95.58626
9	Jampali WCS	52.22	45.22	40.07	88.61123
10	Gangadhar Meher WCS	219.49	222.26	108.54	48.8347
11	Para WCS	52.95	54.08	54.08	100
12	Sambalpuri Bastralaya WCS	8118.62	8295.43	7704.38	92.87499

Table – 7.2

**Details of Production and Sale of Handloom Clothes by the Sambalpuri Bastralaya
Primary Weavers' Co-operative Society during 1989-97**

Sl. No.	Items	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
1. Production (quantity in lakh mts.)										
1.1	High Value	4.38	5.72	5.39	4.8	6.31	9.42	12.2	12.28	12.32
1.2	Low Value	17.51	17.14	16.18	14.37	14.72	14.13	18.3	12.28	8.2
1.3	Total	21.89	22.86	21.57	19.17	21.03	23.55	30.5	24.56	20.54
2. Production (Value in lakh rupees)										
2.1	High Value	130.73	207.77	176.2	280.16	369.94	609.5	518.23	723.07	743.8
2.2	Low Value	522.92	623.34	528.61	840.48	863.2	914.26	777.34	732.07	495.87
2.3	Total	653.65	831.11	704.81	1120.6	1233.14	1523.76	1295.57	1464.14	1239.67
3. Sale (quantity in lakh mts.)										
3.1	High Value	3.96	5.01	4.52	4.7	6.05	10.32	10.52	11.45	11.22
3.2	Low Value	15.83	15.04	13.61	14.25	14.1	15.45	15.82	11.44	7.46
3.3	Total	19.79	20.05	18.13	18.95	20.15	25.77	26.34	22.89	18.68
4. Sale (Value in lakh rupees)										
4.1	High Value	110.26	182.58	207.56	265.94	332.92	498.33	548.74	662.74	765.77
4.2	Low Value	441.08	547.75	622.69	797.82	876.81	747.49	823.12	662.74	510.51
4.3	Total	551.34	730.33	830.25	1063.8	1109.73	1245.82	1371.86	1325.48	1276.28
4.4	Sale in Show rooms	422.53	684.51	769.3	1014.4	1058.68	1127.64	1256.51	1240.25	1151.12
4.5	Sale in Exhibitions	13.17	10.18	36.59	21.35	45.79	62.59	75.67	84.93	45.05
4.6	Sale in APEX	115.64	35.64	24.36	27.98	5.26	55.59	39.68	0.3	80.11
4.7	Rebate Paid	86.1	146.07	166.05	212.75	221.95	243.06	279.16	263.28	255.26
5. Finances (value in lakh rupees)										
5.1	Net Profit/Loss	14.44	26.49	27.46	28.27	30.87	31.45	-213.53	-457.9	-200
5.2	Exp on Salary	26.99	45.26	53.74	67.03	80.54	110.74	126.55	131.52	139.02
5.3	Exp on Wages	214.8	273.72	367.4	365.87	421.11	520.3	439.64	502.49	379.61
5.4	Exp on Sale Promotion	---	0.71	0.04	2.02	0.23	0.94	8.63	4.75	0.8
5.5	Working Capital	923.12	1107.34	1550.3	1827.3	2085.1	2357.71	2427.29	2472.36	2475.93
5.6	Interest Paid	17.7	33.63	56.98	84.79	95.26	112.74	171.54	155	164.16
6. General										
6.1	Weavers Covered	9022	18542	18830	18990	18480	19733	19937	19251	19033
6.2	Employees (Regular)	309	306	305	310	372	391	400	389	459
6.3	Sale Branches	56	57	63	67	72	71	78	89	88
6.4	Weaving Branches	35	35	44	46	48	50	54	54	54
6.5	No. of Exhibitions Participated	1	5	16	13	27	38	40	35	35

NOTES AND REFERENCES

NOTES

1. Handloom Census of Orissa, 1987-88, Directorate of Textiles, Bhubaneswar.
2. Handloom Census 1995-96, National Council for Applied Economic Research (NCAER), New Delhi.
3. Annual Report of the Ministry of Social Justice and Empowerment, 2000-01.

REFERENCES

- Meher, R.K (1992). ***Problems and Prospects of Handloom Industry in Orissa***, Nabakrushna Choudhury Centre for Development Studies, Bhubaneswar. (Mimeo)
- Panda, S.K. (1994a). 'Export of Handloom Products from Orissa – Problems and Prospects', ***The Indian Textile Journal***, August, PP. 92-95.
- _____, (1994b). 'An Alternative Model for Handloom Development', ***Yojana***, April 15, PP-21-23.
- Seemanthini, N. (2001) 'Appraising the Indian Handloom Industry', ***Economic and Political Weekly***, November 10, pp.4248-50.