



RESEARCH ARTICLE

SURVIVAL CHALLENGES OF SILK WEAVING INDUSTRY IN INDIA

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ABSTRACT

The largest employment provider of the country, the handlooms, has been witnessing threats and multiple layered crises since long. Despite the crisis, as per the 2001 Ministry of Textiles report, the sector provides employment to 124 lakhs of people. Besides the sector is also an important source of cloth production and it contributes 18.75% of total cloth production (Niranjana, 2001). However there is a declining percentage in the work force at the national level. According to the handloom census, the workforce dropped by -2.81% between 1987-88 and 1995-96 at the national level, and by -19.96% in the state of Tamil Nadu. The non-availability of adequate quantity of good yarn, lack of direct market access to the weaver, lack of credit availability and illegal production of reserved handloom designs, and the consequences of power looms are the common reasons for the problems experienced by the handlooms sector. This crisis has strong implications for the livelihoods of handloom weavers (L.C. Jain, 1983; Sinha, 1988; Srinivasulu, 1985, 1997; Bharathan, 1988; Noorbasha Abdul, 1996; Charsley, 1992; Mukund, 1992). This article explores the survival challenges of silk weaving industry in India with the background of exiting research studies.

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INTRODUCTION

The largest employment provider of the country, the handlooms, has been witnessing threats and multiple layered crises since long. Despite the crisis, as per the 2001 Ministry of Textiles report, the sector provides employment to 124 lakhs of people. Besides the sector is also an important source of cloth production and it contributes 18.75% of total cloth production (Niranjana, 2001). However there is a declining percentage in the work force at the national level. According to the handloom census, the workforce dropped by -2.81% between 1987-88 and 1995-96 at the national level, and by -19.96% in the state of Tamil Nadu. The non-availability of adequate quantity of good yarn, lack of direct market access to the weaver, lack of credit availability and illegal production of reserved handloom designs, and the consequences of power looms are the common reasons for the problems experienced by the handlooms sector. This crisis has strong implications for the livelihoods of handloom weavers (L.C. Jain, 1983; Sinha, 1988; Srinivasulu, 1985, 1997; Bharathan, 1988; Noorbasha Abdul, 1996; Charsley, 1992; Mukund, 1992). This article explores the survival challenges of silk weaving industry in India with the background of exiting research studies.

Handloom Sector and Crisis

Historical accounts on handloom policies report that until 1985 the focus and political objective was employment generation. However, the 1985 textile policy shifted the focus from employment generation to core production. The government's perspective shift was the very base for other degenerative consequences in the handloom sector. (L.C. Jain, 1983; Sinha, 1988; Srinivasulu, 1985, 1997; Bharathan, 1988; Noorbasha Abdul, 1996; Charsley, 1992; Mukund, 1992). Between 1974 and 1981 power looms had destructed 13.83 lakhs handlooms and had extinguished 28.64 lakhs of job opportunities. The powerloom entry into weaving as "thoughtless, crucial unwarranted mechanization" and for placing the powerloom and handloom in competing positions with one another though they are different in output, technology and in organization of production (L.C. Jain, 1983). Adding to this, the onset of liberalization policies adopted during 1980's and 1990's having also intensified the weavers' problems, in particular of the hereditary weavers, and consequently has forced them out from the hereditary occupation. (Chandrasekhar, 2001; Niranjana, 2004). The liberalization policies have directly and indirectly affected the handloom sector. In particular, the problems with respect to lack of adequate hunk yarn supply, lack of implementation of

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protection and promotion policies, hike in yarn price, equal support and subsidies to powerlooms have severely damaged the handloom weaving sector. Through many routes the liberalization and a newly liberalised economy could worsen the plight of weavers and the handloom sector: (i). Generating conditions that encourage the proliferation of power looms, despite their inadequate contribution to employment. (ii). Adverse impacts of multi fiber policy and new textile policy of 1985. (iii). Price decline for synthetic fiber and liberalizing related reductions in import and excise duties. (iv). Advocating the abolition of exclusive reserving areas of production for hand looms. (v). The thrust on yarn export lead to rising in domestic yarn prices (Chandrasekhar, 2001).

### **Survival Challenges**

The survival of the handlooms industry is attributed mainly to its unchanged structural and organisational forms (Bharathan, 1988; Mukund, 1992). However, field-based studies give a different picture of reality. In 1991, the rise in the price of handloom raw materials and other inputs for weaving resulted in unprecedented suicides and starvation deaths among the weaving community in Anthra Pradesh. It consequently forced the weavers, in particular youths, to abandon their traditional occupation. (Niranjana, 2004). Moreover, empirical evidence from West Bengal field shows that the silk merchants target the weavers who produce the medium valued silk fabrics as the independent weavers and the low-end weavers respectively produce high quality and low quality silk fabrics and are working either independently or with cooperatives. (Debdas, 1994). Hence it is important to understand the 'functional strategy' or method of process through which the structural and organizational forms hold the handlooms sector. It is also important to understand the premise of the 'structural and organizational forms' whether based on generating employment or production in order to sustain the hold.

In 17<sup>th</sup> and 18<sup>th</sup> centuries it was noticed, the existence of a high degree regional specialization and product differentiation. Historical accounts note the importance role of hereditary transmission techniques, especially in a system in which the processes of production were based on empirical knowledge, and scientific technologies were not as complex as today. (Mukund, 1992). As Srinivasulu (1997) points out, "the specificity and specialty of handloom products is largely determined by local needs governed by the local traditions and customs. The community skills and techniques involved in different stages of production are historically evolved and are the property of the community, owned and imparted communally". However in several places weaving was taken up by both weaving and non-weaving castes as an in-come generating activity for livelihood when it was promoted through the cooperative system. Hence diverse castes practicing weaving can be largely attributed to cooperative initiatives. (Arterburn, 1982; Niranjana, 2004). A government report of the working group-handloom from 1999 also shares the view that the survival of the handloom sector depends on the production of exclusive items that cannot be replicated on other modes of textile production. This reflects the conventional unsustainable notion that the handlooms are for a small niche market or for export. In contradiction, the strength of the handloom sector largely based on acceptance and

demand for the handloom products in the domestic markets. It is further explained by Chandrasekhar that the "local markets allow for a virtuous nexus of supply and demand that favors employment and growth at local level. National markets allow catering large markets and sustaining a large volume of decentralized employment" (Chandrasekhar, 2001). Hence the survival of the handloom industry is largely based on employment generation which no means based on 'compassion' rather a development strategy of the government.

### **Organisational Structure and Putting- out System**

The roots of the mercantile control system of handloom weaving could be traced back from the Vijayanagar's kingdom, around 13<sup>th</sup> century, when it was observed that weavers were dependent on buyers for advances of capital. It appears to be the predecessor of the present arrangements between the weaver and the master-weaver in Tamil Nadu (Frasca, 1992). In general, the organisational structure consists of merchants, middle-men or master weaver, independent weavers, wage weavers and members of cooperatives. The merchants control the weavers from direct markets and with the help of intermediaries (middle-men) (Mukund, 1992; Debdas, 1994). With respect to silk, the silk merchant, 'market-maker', has a significant role in providing a place for the 'deal', that is the place for purchase and sales. Silk merchants operated in such a way to control the financial function of the market through supply of funds from different planned ways. Hence the intermediaries plays significant role beyond to just selling and buying. In contrast, the merchants were unable "to hold the retailers by indebteding them or even by any other strategy" (Charsley, 1992).

In the case of Yemmiganur (AP), when the traditional weavers opted for export oriented production, the domestic market demands were filled by "the entry of non-weaving dalit groups". It gives very important insight to understand the complex functioning of the master weavers and shows how they seek 'cheap labour' in order to increase production and market making. (Niranjana, 2004). The asymmetric and dependent connection between the putter out and the weaver play a crucial role for the putting out system. The putting out system enables adoption to changes and quick responses to the market due to its characteristics such as the links to trading channels, access to market information and feedback from widespread national and international markets. (Bharathan, 1988). The traditional weavers, Devanga, Padmasala, remained as weavers while the merchants from Vaishya community continued merchants and monopolies the market" (Niranjana, 2004). Hence the role of social institutions, particularly caste, is essential in understanding and explaining the 'marked continuities' of the structural and organizational forms. In a broad sense, the hold of the organizational structure is with private players, otherwise called the putter-out. Intact market connections along with input-output market control give the putter-out an edge over sustaining the hold of the organisational structure.

### **Quality Silk Production and Import**

India has emerged as the largest importer of raw silk due to inadequate domestic raw silk production. Besides, the domestic silk cannot be used in mills and powerlooms as it could not stand the high speed. Mostly imported high quality silk is used

in powerlooms as “they are considered more uniform and with less winding breaks and losses compared to domestic silk. (Kumaresan, 2002). Inferior quality of Indian raw silk is supposed as one of the reasons for large import of Chinese raw silk. It is reported that multivoltine raw silk, which accounts for 90% of the Indian silk production, is short in filament whereas Chinese bivoltine raw silk is suitable for warp. (Usami and Urade, 2008). In addition, the implementation of new region free trade agreement has further intensified the adverse effect on the sericulture industry and domestic raw silk product. Indian silk industry was benefited from the revision of the Rules of Origin of the US in 1996 which significantly affected Chinese silk exports to the US and EU during the late 1990s. Indian silk export to US increased from \$120 million to \$320 million in 2003. As a result demand for the raw silk increased, but domestic production and supply of raw silk could not respond. The gap was filled with import of raw silk from China and India became the largest raw silk importer” (Usami and Urade, 2006). The consequences of the import of the China raw silk have to be understood along with the rapid increase in powerlooms in silk weaving. It is well documented in the case of cotton whereas it was believed that the powerloom could not enter in silk weaving for the very reasons the traditional roots and “region specific cultural embodiments and intricacies”. However it is observed that the powerlooms have already entered in silk weaving.

As silk weaving, is largely rooted in cultural and regional diversification and specificities in India the survival of this industry is closely connected with the social institutions like caste, class, gender, market and state. These institutional nexus and organizational structure are playing the vital role in the sustainability of silk industry beyond the traditions of production process. Hence understanding the role of social institutions is important to understanding the responses and the coping mechanism of the weavers with respect to any changes in the silk weaving industry.

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