CRAFT ECONOMICS AND IMPACT STUDY

Volume 1:
Stage 1 & Stage 2

April 2011

Crafts Council of India
GF, Temple Trees, 37 Venkatanarayana Road
T.Nagar, Chennai 600 017
Ph.: +91-44-24341456, 24347931, E-mail craft@satyam.net.in












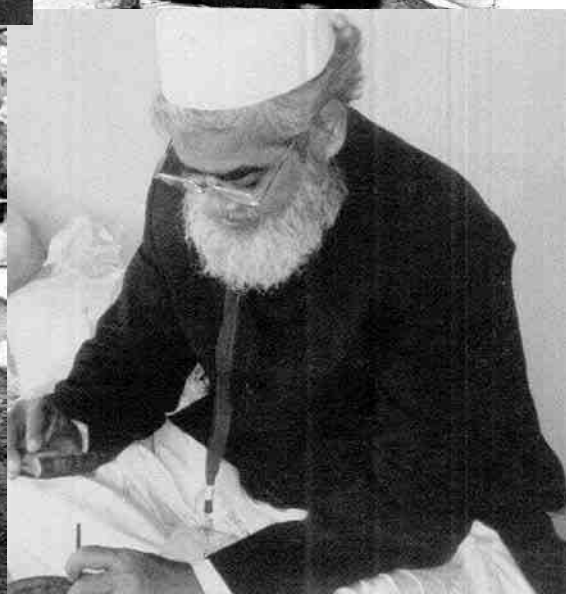

Crafts Council of India

CRAFT ECONOMICS AND IMPACT STUDY

Volume 1:
Stage 1 & Stage 2

April 2011

Today, an argument, an attitude faces crafts and artisans in India. This is the argument of economics, of sustainability, of marketability, which is the argument of financial survival...(But) those who believe that crafts are only about beauty and aesthetics are in error, just as those who believe in the other argument, the economic argument, and think that paying for itself is the sole justification, are wrong...The hard argument, the real argument, which overrides all others, is not exclusively about sentiment or reason – but about common sense. And that common sense tells that whatever we do in terms of economic planning and development in India, there will always be several hundred million people in this country, the figure being unverified, who cannot but live with and through the work of their hands. Now it is a great compensation of nature that these hundreds and millions of people have talent in their hand, which the assembly-liners and the free-marketers do not quite concede. And that talent is the unexplored reservoir which needs to be used for their good which means the greater good of the great number of the people of India.

Gopalkrishna Gandhi

The pretentiousness of the 'culture of development' has given way to a deepening of meditative engagements and dialogues with other cultural traditions....The UN report of the World Commission on Culture and Development (1995) has made a solemn and sombre admission that many development projects had failed because the importance of culture had been underestimated. ....Culture, which is the soul of development, can no longer be ignored and needs to be explicitly stated in the notion of human development.

UN Report of the World Commission on Culture and Development

There is a mistaken notion, common to economists and planners, that culture is something which needs to be preserved. The truth is that culture IS the preservative. Culture is the glue that holds people together as a community and as a humane society, not mere economic growth.

Prof. Krishna Kumar

It is time to move away from the fetish with fiscal figures.

Amartya Sen

Contents

EXECUTIVE SUMMARY

The Crafts Council of India (CCI) undertook this Craft Economics and Impact Study (CEIS) to address the crisis of unawareness and misunderstanding that faces the handicraft sector, the largest source of Indian employment after agriculture. The objective of this effort is to suggest a methodology that can provide authorities with a robust and reliable data-base for a sector that some estimates place at involving 200 million persons. Such a foundation for knowledge and action is missing today. As a consequence, India's artisans are in acute distress, despite the sector's remarkable growth. Things cannot change unless accurate data is available to inform better decisions and plans to lift the future of the sector, and of all those who work in it. The Craft Economics and Impact Study (CEIS) attempts preliminary enquiries in this direction. Initial work on the Study had to factor in several aspects and challenges in entering a field which has remained relatively untouched as an area of economic research and inquiry. Despite these influences and the constraints of experience and resources, CCI believes that this Study can now lead the way to a methodology and a national study by the Government of India that can help transform the sector as well as the economy of which it is a part.

The CEIS involved a review of secondary data and sector literature (refer section C.4 in this Study), followed by a limited cluster study and sample household enumeration (refer section C.5) in Karur (Tamil Nadu) and Kutch (Gujarat). Findings have included the importance of crafts to social and political stability, the major role of women suggesting a level of almost 50% and higher in key craft processes, strong hereditary patterns as well as new mobility, considerable dynamism in adapting to change, and changing patterns of remuneration (despite the dominance of piece-rate payment), entrepreneurship and skill within craft communities. The Study has also revealed various levels or grades of skills and roles within the sector, a key issue little understood outside the artisan community.

A first sharing of outcomes 9 (refer section C.6) has been followed by recommended next steps. These include a larger cluster study in the two locations, followed by a

further scaling-up in at least 50 craft clusters conducted in close cooperation with data-gathering authorities. The outcome should then be incorporated into national data-gathering and accounting practices. Other efforts are possible forthwith to address the mounting distress among artisans, and to place them at the centre of new approaches. A National Craft Perspective Plan should emerge to decisively improve the economic, technical and social infrastructure available to artisans and speed their access to entrepreneurship and markets.

In the course of investigations culminating in these outcomes, several key factors have emerged which suggest the need to go beyond numbers, however important these are, to a more holistic appreciation of what handcrafts have done and can do for India in a new millennium. These factors include:

- Widespread ignorance and confusion on what constitutes handicrafts, and on its definition.

- Wider ignorance and confusion on defining artisans. This is extended to misunderstanding and neglect of their ongoing contribution to the national economy, as well of their potential as an engine for national growth and sustainability. This crisis reflects the poor quality and limitations of current data that is available to guide decisions that affect the sector and the millions who work within it.

- Misunderstanding extends to the nature of artisanal work, which can be full-time as well as a supplement to agriculture and other activity. There are artisans who individually and with their families work full-time as artisans, and part-time in agricultural production or by selling their labour. There are artisans who work seasonally full-time and then combine their handcraft production with work as rural labour. These distinctions are critical to any understanding of the economics of the sector.

- Past studies attempting to create data for the handicrafts sector have differed widely in their results (see sections B.1.4 and C.4). Data available on the hand sector is weak for several reasons, including the sector's own fluidity and the dependence of national statistics on standard industrial classification codes entirely biased towards formal industry. This is compounded by misleading labels such as 'informal' and 'unorganised', which disrespect age-old systems of organisation and formality.

- There is a need to situate and evaluate the hand sector within a regular, national statistical accounting platform, freed from historical and administrative quirks (refer sections B.1.4 and C.1). Until a robust and reliable data base for Indian handicrafts is established, the nation will continue to suffer a major cost of lost opportunities. Therefore an urgent requirement is a detailed national estimation of the numbers of people deriving their incomes

primarily for hand manufacturing activity, and of their contribution to the national economy. This information should incorporate the theoretical ground established by the emerging discipline of cultural economics.

- Better data and understanding also demand an acceptable definition of craft and of the artisan, to replace the variety that now exist, and used to lift the quality of national discussion of and planning for the sector (refer section C.2).

- Notwithstanding these limitations, the sweep and potential of the sector is incontrovertible in terms of employment, output, exports and growth (refer section B.1.4).

- Many industrial hubs and clusters have grown out traditional artisanal strengths, and important examples exist of artisanal skills providing key competitive strengths in precision engineering and other industries.

- There is strong evidence that a more supportive policy and planning environment would enable Indian artisans to provide the economy with key drivers of specialisation and competence (relevant to both craft and mechanised production), provide employment for millions while empowering communities still on the margin of society including women and youth, deliver income-generating options in rural settings where non-agricultural opportunities are essential as a brake on forced migration, and do all these in an environmentally sustainable manner with low energy needs and strong re-cycling capabilities.

- Opportunities within the phenomenal rise of the retail industry include the growing consumer demand for green production, expanding tourism (domestic as well as foreign visitors), growth in fashion and luxury markets, the potential of e-commerce and increasing space for cultural goods in markets at home as well as overseas. The global market for handicrafts is estimated at USD400B, of which India's shares is below 2%.

- Stringent competition in home and export markets underlines the importance of new marketing and distribution challenges which Indian artisans must be assisted to overcome. These include better access to market trends, to urban markets, to R&D (including design) resources that can help lift quality, and better terms of trade.

- There is a disconnect between official craft support schemes and the twin realities of artisans' motivations and the changing requirements of growing markets that are increasingly more segmented. Policy and schemes have largely subsidised and incentivised market players in preference to artisans, often ignoring the incredible creativity that is vested in them and reaching only a fraction of the millions working in this sector.

- Government schemes are preoccupied with the export or market significance of crafts identified through an archaic taxonomy. This anomaly continues in the new approaches of working with 'clusters'.

- Artisans are now located at the bottom end of the value chain, facing a multiplicity of challenges. These include a clash of value orientations which can often be disruptive and debilitating for artisans suddenly transported into modern markets.

- The confusion is compounded by defining the value chain in either economic terms or in historic terms e.g. Benares silk, Kanjeevaram silk. An artisan who by this classification is not the producer of goods of privileged consumption, is automatically devalued, almost dispensable, as though the artisan's knowledge and skill (such as the expertise in making the *kullhar* clay pot for tea) can be acquired by just about everyone with no other livelihood option.

- A synergy is needed between contemporary systems of economic analysis and India's systems of indigenous knowledge, which represent such a rich heritage and invaluable resource.

- There is a critical need to look beyond the singular preoccupation with GDP as the sole basis for understanding growth if the nation is to counter increasing evidence of mal-development in human and social terms.

A. INTRODUCTION

1. The handicraft sector

Handicraft is the second largest source of employment in the country, after agriculture. Yet India's hand industries are in a crisis of misunderstanding. Encouraging statistics of growth at the macro level often mask a tragic neglect at the micro level. The centrality of hand production to national wellbeing is not comprehended in most decision-making circles. There is neglect and ignorance of how artisanal production – such as the weaving of a sari or shawl or making the utterly simple *kullhar* for drinking tea – contains within itself the incredibly rich philosophy of India's civilisation, its culture and its practices. These persistent misconceptions remain as hangovers of India's colonial experience.

Because modernity has been primarily framed as an evolution or adoption of ideas and ways of living that mimic the West, the products of the artisan are branded as 'local', 'primitive', 'ethnic' and similar adjectives that can denote qualitatively inferior products when compared with machine-made, mass-produced objects of uniform quality. Official support schemes, developed from policies that were designed to transform India into modernity, therefore adopted the orientation that artisans were persons who belonged to a pre-industrial past. From this an attitude could quickly follow that they were liabilities on a strained exchequer. Sustaining them was a burden dictated by the politics of poverty rather than the logic of efficiency implicit in modern day economic theory.

There is thus neglect and ignorance of the value of artisanal production, its scale and potential within rapidly changing markets, and its critical contribution to social and environmental stability. India's fabled wealth that attracted waves of conquerors, merchants, speculators and adventurers was built on what it produced. This was not agricultural commodities or raw materials, but the finest finished goods that fetched huge premiums in global markets. Imperialism converted the production and trade in Indian goods into the production of commodities and raw materials that could be converted in the metropolitan economy and then sold back to the colonial market.

Mahatma Gandhi's Swadeshi legacy attempted to transform these perceptions, leading free India to include handcraft within the framework of national planning. Official support schemes, often indifferently designed and reluctantly implemented, today touch only a fraction of possibly 200 million or more engaged in craft activity. There is despair, confusion and misery among millions of artisans faced with rapidly changing markets, intense competition, decline of the natural materials on which they depend, and the lack of the information and skills needed to benefit from new market opportunities. Artisans are confronted by new challenges that include those associated with technology, communication and intellectual property.

A key factor in this situation is the absence of reliable data that accurately reflects the contribution of the hand sector to national employment, production and income. Without such a foundation of knowledge and awareness, the political will is lacking that can spur investment in the sector's growth, and thus help ensure its future contribution to India's economic, cultural, social, political and environmental sustainability. There can be no excuse for the crisis in India's handicrafts at a time when opportunities have never been greater, and a global awakening exists of the importance of artisans and the artisanal culture to a sustainable world order.

2. The CEIS effort

Recognising that a foundation of robust data for the sector is an essential yet missing pre-condition for recognising crafts as an engine for economic growth and national wellbeing, the Craft Council of India (CCI) met with senior planners and other stakeholders in 2009 to investigate what could be done to remedy the lacuna. This paper reports on the first steps toward innovating a methodology for data collection which can help reframe the lenses through which the sector is perceived. It indicates developmental directions which accord with new learning as well as with the need for urgent resolution of the formidable barriers which today mask the great possibilities within India's second largest source of livelihood.

The Council commenced its "Craft Economics and Impact Study" (CEIS), described in this report, in 2009-10 with the support of a small grant from the Sir Dorabji Tata Trust. The study was conducted in two stages. The first stage included an investigation of existing sources of information relating to the sector and dealing with the challenge of defining handicrafts and artisans more accurately. The second stage was composed of two parts: a limited cluster study followed by a sample household enumeration in the two craft clusters of Karur district (Tamil Nadu) and Kutch district (Gujarat). Findings were then shared with others in the sector, leading on to recommendations of next steps toward improving national data-gathering systems. These can then finally reflect the scale as well as the implications of an industry on which millions now depend, and help ensures that Indian handicrafts emerge from grey invisibility to recognition as a giant industry of immense national and global significance. Several reforms immediately possible are also recommended.

3. Recognition demands visibility, visibility requires data

National planning is a huge and complex exercise. Large 'organised' sectors receive better attention than those considered less crucial because they are regarded as 'informal' or 'unorganised'. The opportunity cost of this is enormous, as labels and definitions often fail to respect the validity of indigenously organised, localised production and distribution systems. The lack of awareness about the potential of crafts for economic growth is rooted in the sector's invisibility resulting from dispersion, and the consequent ignorance of size and scale. The crisis of data also reflects a deeper problem in Indian planning. It has so far failed to bring together, within current administrative structures, the range of economic, social, political, environmental, cultural and ethical concerns that are required for nurturing crafts as a "sector of sectors" of enormous future significance. The structural framework cannot change until awareness does, in a typical chicken-and-egg syndrome.

Once a base of reliable data is established for the sector, priority may be achieved through better informed decisions that can help ensure employment and a quality of life for millions of Indians. This may finally translate pride in national heritage into conditions for strengthening that heritage as a force for social and political stability, for more equitable and inclusive growth, as well as for environmental sustainability at a time of growing concern regarding natural resource management and climate change. These factors came together to impel CCI to work with national authorities and other partners toward developing a methodology that can provide a foundation of data on India's artisans and craft industries that is reliable, robust and accessible.

4. The need for cultural statistics

Planning begins with numbers. The UNESCO Framework for Cultural Statistics provides a comprehensive starting point to comprehend and lay out the contours of an exercise towards creating a reliable data-base that can reflect the true dimensions of Indian craft. The CEIS study attempted to initiate preliminary methodological enquiries in this direction. National accounting statistics and databases, built from the Census and the National Sample Survey Organization (NSSO) do not enumerate artisans or handicraft activity. Special studies occasionally commissioned by the National Council for Applied Economic Research (NCAER) and other organisations have often been reviewed unfavourably as differing widely in their results. The Office of the Development Commissioner (Handicrafts) -- or DC (H) -- has often had to function without a reliable database. It is presently engaged in an ongoing census conducted through private partners. Welcome as this may be, the methodological rigour and standardisation across these partners in difficult to comprehend through the piecemeal data currently available on the DC (H) website that is not backed by transparent detail or explanation.

5. Linking experience and learning

Classical narratives of economics have treated sectors such as small-holding agriculture and artisanal handicraft as ‘backward’, and require them to yield place to so-called modern sectors. Mindsets that treat hand production as ‘primitive’ and as ‘sunset’ clearly point to their obliteration in a modern, shining India. This attitude of disdain may account for the discontinuation of category codes under National Industrial Classification (NIC) that once provided some reference markers that could be used to assess the scale of hand production in India. In marked contrast to this indifference in India, there is a global awakening to the limitations of conventional approaches in economics which are fixated on particular statistics of growth such as GDP. This is paralleled by an explosion of new literature on the critical place of tradition and culture in human development. These and other linked learnings, which are touched upon in this paper, provide a logical new approach to development. The new learnings, and the preliminary findings from the CEIS contained here, assume urgent criticality in the light of sustainability concerns and those of climate change. It is therefore important that the links between experience and learnings are traced, and space created for new approaches to Indian development within which the centrality of crafts can be appreciated.

B. THE ISSUE

The handicrafts sector is large, and its growth performance, especially post liberalisation, has been impressive. Despite this performance (and perhaps because of it), the sector is taken for granted and remains much misunderstood. The governance apparatus is fractured and mired in historical aberrations. Developmental policy to date has marginalised its key asset: the artisan. Empowerment of the artisan can yield considerably better growth rates. Past approaches should now yield to fresh understanding stimulated by current findings in economics and social sciences.

The potential of the handicraft sector for greater growth also includes its ability to act as a significant resource to modern sectors of the economy with knowledge, skills and design --- a potential little recognised or used in contrast to other economies such as those of Japan, Korea and Scandinavia. The challenges in the global economy position the sector as a major resource of skills for innovation and creativity, capable of lifting India's global competitiveness. This strategy has to be very sensitively researched and nurtured, just as India's Asian and European competitors are now doing.

1. Handicrafts: The opportunity and the case

The handicrafts sector, the second largest employer after agriculture, has also been the fastest export growth sector since liberalisation. It is a documented source of deep innovation and creativity. The wellspring of India's identity as a civilisation, the sector has been much misunderstood and marginalised following on colonisation and growth aspirations modelled on the West. The fact is missed that the underlying nature of crafts is that of a tradition that adapts to the contemporary, and can often pale the modern in contrast. This is exemplified by many contemporary successes, and a recorded history of being the source for much of modern industrial design. The nature of such creative and cultural enterprises, and their centrality to developmental processes, is now finding prominence in the literature of economics. This finding also parallels recognition of the limits of market or technology-led theories that are so often ignorant of and impatient with traditional modes of organising economic activity

efficiently and with indigenous knowledge. Yet handicrafts represent a treasure trove of skills that can be readapted to ethnic produce as well as to modern sectors such as precision engineering[1]. A combination of circumstances now makes it possible for India to realise this new value from the sector, provided recognition of this potential of the Indian artisan is unleashed through policy emphasis. One essential step toward such recognition is reliable data on the scale and contribution of handicrafts and artisans to the Indian economy. This is needed to stimulate the fresh attitudes and investments which together can help India to optimise the contribution possible by hand production and by the communities that have created "hand producing" goods for the Indian market through millennia, underlying their relationship with national wellbeing. The CEIS addresses this critical need, drawing attention to sources of disparities and divergences in existing micro and macro data. A related need is to map India's artisanal technologies as a priority. Both data and mapping demand research and understanding so that coherent planning becomes possible for the sector.

1.1 *Opportunity: scale and strategic significance*

Handicraft is a sector that has slipped through the cracks in India's development planning over many decades. This may in part be on account of a pre-occupation with its cultural importance at the cost of a corresponding awareness of economic, social and political dimensions. The case for the handicrafts sector rests on a conviction that despite enormous challenges the hand sector sits on the verge of an explosive growth due to a convergence of incremental inputs over the decades and new market opportunities. Rightly recognised and supported, the opportunity can provide the economy with key drivers of specialisation and competence in global manufacturing and services, sustain and build employment for millions of citizens including those in remote rural locations, empower vast number of citizens still on the margin, reinforce educational efforts, and address major cultural issues --- and do all these is an environmentally sustainable manner.

[1] Bharat's indigenous metal industry is the foundation for India's modern steel and manufacturing industries (including precision engineering). The hope is that policy and planning as well as industry can see and make the connections.

1.2 *Hidden crisis*

The opportunity inherent in Indian crafts belies the disconnect between macro achievement and micro reality. Achievement and opportunity coexist with such phenomena as suicide rates, exodus from hand manufacture, mass migration, natural resource degeneration and the absence of clear marketing and distribution system to support an industry of such scale, complexity and dispersion. Compounding ignorance and neglect is stringent competition in home and overseas markets. Competition underlines new marketing and distribution challenges that demand attention to issues of market research, intellectual property rights, branding, merchandising and the entrepreneurial expertise essential to benefiting from current opportunities.

Experts have characterised the key problem in the handicrafts sector as one of "vastly asymmetric information as well as asymmetric capabilities between the artisan and the market operators"[2]. Past development efforts have focused primarily on external indicators of performance such as the value of exports. The result is that official policy and schemes have largely subsidised and incentivised market players in preference to the artisan. Arbitrage has been supported rather than the wellsprings of deep creativity. This has led to a profound livelihood crisis for artisans resulting in a wave of suicides among weavers and others, forced migrations, and highly-skilled artisans seeking casual labour employment in the absence of literacy and 'formal economy' qualifications. Over the years, authorities at the centre and in the states have operated a large number of schemes toward lifting the capacities of artisans. These have included design and technology transfers, awards and opportunities for sales and exhibitions. Despite the range of these supports (many of them operated through NGOs), outcomes have been far from satisfactory, often reflecting a disconnect between official schemes and the reality of shifting markets, limited understanding of artisans' motivations, the absence of artisans' participation in decision-making, ever-pervasive corruption, and the domination of growth models that are insensitive to the artisanal culture and the potential of tradition.

[2] S*ee* Maureen Liebl and Tirthankar Roy: "Handmade in India: A Preliminary Analysis of Crafts and Craft Production", Economic and Political Weekly, Dec 27,2003,

There is a need to understand that migration for work, even as casual labour on exploitative contractual terms has its attractions for artisans faced with financial crisis, fear of shrinking demand, uncertainty because of the marketing bottlenecks, usury and indebtedness. The status of the craftsperson has also been affected within their own societies by politically promoted social engineering programmes. The continuous bombardment via by the media about how 'education' opens up the possibility of a 'white collar' future that is not manual or hand-based has affected the self-perception of the artisan. With education being promoted as an instrument for moving away from 'labour', the artisan and his educated children tend to believe that the future lies elsewhere.

Without prejudice to the absolutely necessary idea of reservation of jobs as a means of creating a more equitable society in terms of opportunity, there can be no escape from the impact that it has had on artisan communities, often organised as caste occupations through heredity. If education enables a low-ranked caste artisan to move into a 'government' job, then the push to change occupations is greater than the pull to remain within the occupation. The young thus believe they are leaving the artisan communities for a better life. The impact of these influences is that those families or communities that can afford the cost of education (because their work was more skilled and fetched higher prices) have more young migrating out of traditional work than the less skilled and consequently less economically better off.

As a result of this multitude of these influences, artisans are now located at the bottom end of the value chain. Here they are challenged with another range of problems. Among these are:

- An absence of feeder skills which can help them participate in the new economy[3], results in placing artisans at the bottom casual labour rung whenever the craft becomes unviable
- Most artisans belong to socially disadvantaged groups
- Low literacy and education levels compound the inability of artisans to interface and access resources from modern sectors

[3] Absent are such simple skills as basic literacy and formal language, as well as essential knowledge of urban and modern ways. For example, not being able to 'read' a design drawing means the artisan cannot participate in providing a new product.

- The natural resources on which artisans depend are becoming scarce through environmental degradation

- Traditional knowledge systems that depend on long years of apprenticeship and tacit learning have been critically neglected

- Exploitation of artisans as a resource for piracy of design and skills (IPR) by the formal and export sectors

- A developmental philosophy and paradigm that treats handicraft as a 'sunset' sector, doomed to extinction in a 'modern, shining' India except as festive window-dressing, all rhetoric on cultural heritage notwithstanding.

- Reservation in education and government/public sector jobs is an inducement and an incentive to abandon the family tradition, while artisans can also be drawn away into unrelated industrial clusters located without sensitivity deep within zones that are culturally rich.

A particular factor is the clash of value orientations can often be disruptive or debilitating for artisans suddenly transported into modern market contexts. Indian artisans often derive from a strong tradition grounded in social and ecological ethics. This can be an active inhibitor to successful behaviour in modern markets, unless this interface or coupling is sensitively designed and managed. This is a significant reason for reforming the control of the craft market to empower artisans with the capacity to negotiate with traders, exporters and other outside agents. This will reduce the information asymmetries which lead to low incomes for artisans at the production end, while also reinforcing their confidence, self-esteem.and ability to influence the market with their own values.

1.3 *Arguing the case: attitudes, skills and employment*

India faces two major demographic realities which can make or break its development potential – the demographic dividend of a large youthful workforce facing a massive gap in skills and employability. It has long since been recognised that with the free flow of capital and technology, the key differentiator within economies is the knowledge and innovation capabilities of their workforce.

Many authors have urged a shift in the policy environment toward greater support of primary producers. Addressing their needs can trigger vast bursts in productivity, a

recommendation which obtains urgency in the light of the crisis in rural employment. While growth of job in major sectors has been limited by new labour-saving technologies (such as IT), there has been an explosion of work opportunities in urban and newly urbanising areas and in the service sector of unskilled, semi-skilled and even skilled labour. Construction sites too have experienced a sharp rise in demand for unskilled, semi-skilled and even skilled labour. However the spiralling growth in jobs in services and construction cannot absorb all the young people who have joined the workforce and the multitudes who will join the workforce over the coming years. Policy shifts are therefore relevant to the current global developmental crisis since craft processes provide millions of jobs which are largely green and make very low demands on capital investment and energy. Not do they call for labour migration into overcrowded towns and cities. Finally, they provide unique and valuable cultural signifiers and social glue ---- through ethnic goods and services ---- in a global marketplace that is now thirsty for them.

The organisation of production and services is primarily a social function. Many scholars have argued that India's 'sunrise' sectors represent a success resting on traditional cultural strengths and not just on a capability with modern knowledge or enterprise. It is argued that in software and IT, India succeeds from an innate tolerance to ambiguity and an ability to deal with problem-solving in unstructured situations. Many industrial hubs and clusters have grown out of strengths in traditional manufacturing that have adapted to markets – Rajkot and Coimbatore in engineering, Tiruppur in garments, Surat in diamond cutting, Chennai and Mumbai in gold jewellery manufacture. Their growth stories are less of organised, capital intensive huge industry and more of a unique social network, based on communications, trust patterns and entrepreneur mentoring that arise from an admixture of several socio-cultural parameters including caste and community[4]. Other engineering industries have recruited artisanal skill for delicate precision processes. At the National Institute of Design (Ahmedabad), wood and metal artisans have for years been at the centre of training India's industrial designers to achieve and set world standards.

[4] Y.K. Alagh, "Small is Big in Globalisation – Look at Surat's Diamond Trade", Indian Express, North edition, edit page, 12 August 2008. Another example is Dr. Padmini Swaminathan et al – "Draft report on the knitwear cluster in Tiruppur: An Indian Industrial district in the making?", Madras Institute of Development Studies, September 1996.

The CEIS pilot household study points to the availability of a large pool of high skills in the handicrafts sector, one that has been largely ignored despite national need. With innovation and creativity accepted as the cutting edge of industrial success, a change in strategy toward the artisan would promote a unique competitiveness in Indian manufacturing and services. This would open to India premium markets in luxury engineering, apparel and all design related sectors – including precision engineering, graphics, animation, textiles, handicrafts and industrial design. There are strong examples in many countries of traditional artists and artisans collaborating in leading modern sectors to unleash new and innovative approaches and solutions. Contemporary advances in design theory, management sciences and sociology point to vast lodes of hidden knowledge and skills in traditional systems, which when combined with the best of contemporary advances in flexible manufacturing and services, can create unique, customised and valuable offerings. It is a win-win strategy.

A strong example of this synergy is found in the Titan and Tanishq companies of the Tata group. They have carried out a silent revolution in the way their design and manufacture of precision watches and contemporary jewellery has been organised, with the traditional artisans' skills at the heart of a corporate process. Elated with the success of this approach, Tata have begun to share this learning with competitors toward lifting the entire industry. Their experience suggests a combination and convergence of factors and processes which can make it possible to upscale such experience in a substantive way just as major industries have done in Japan, Korea, Italy and Scandinavia. In numerous areas (including green building technology, furniture, water and waste systems) Western technologies and approaches have been recognised as unsuited to Indian requirements, and artisanal traditions and solutions as more appropriate to a local context.

The case for the handcraft sector is supported by belated recognition that economics is not a mathematical science but a creation of society and culture[5]. Developmental

[5] This has been established by Prof. Stephen Gudeman, Chair Professor of Anthropology, University of Minnesota in '*Economics as Culture: Models and Metaphors of Livelihood*'. The idea that science and technology create objectivity and rationality, and that there is something different in the application of these principles that characterises modernity, has been disproved by Bruno Latour, one of the world's most renowned sociologists from France, in '*We Have Never Been Modern*'.

experts at the World Bank, IMF, the UN agencies and ActionAid[6], as well as reputed sociologists and philosophers have turned a central focus to culture and specifically to crafts as a basis to rescue human society from the current economic morass and moral impasse[7]. There is therefore a need to look beyond the singular preoccupation with GDP as the sole basis for understanding growth, and to reconsider why development planning in India is faced with such large and disturbing evidence of mal-development on several fronts in human and social terms. The case for the artisan must therefore be one of several efforts to ensure that the approach to the Twelfth Plan can go beyond mere statistics to encompass a broader understanding of human development within the opportunities unleashed by liberalisation and the global marketplace, as well as a mature acceptance of its threats.

1.4. Arguing the case: Data as a starting point for action

An essential starting point for any exercise to reveal the importance and vitality of Indian craft would clearly be to create a comprehensive and reliable database for the sector that can guide national planning. Data now available on the sector is extremely weak for several reasons:

- The sector operates through large, flexible and fluid networks of multiple small agents. This differs from the formal economy sector, and makes data-gathering more challenging. These differences can be a source of cultural and economic advantage, rather than reflecting lack of organisation as exemplified by the misnomers of 'informal economy' and 'unorganized sector'. These advantages are increasingly being recognised by scholars.

- Past primacy afforded to GDP has spawned a rigour in national accounting statistics based on standard classification codes for industry and occupation. This is a relevant and useful formalisation but is entirely biased to modern industry sectors. It does not recognise a significant, larger chunk of the economy, the one misnamed as 'informal', which subsumes the handicraft sector.

- The GDP-centred approach is also blind to social and cultural activities and their economic and meta-economic value. Enumeration of such activities is also problematic when the respondents fail to see their own activity as significant in economic terms. Respondents can be expected to be self-censoring or evasive, when the survey design and instruments display subtle

[6] Whole books and treatises, as well as key policy statements, are available to underscore this.

[7] For example, see Richard Sennett, "The Craftsman", Yale University Press, 2008. Prof. Michael Walton, Centre for Policy Research, Harvard University sees cultural industries as a 21st century industrial strategy and not as conservation activities – "No society achieves transition successfully without innovation and deep creative skills".

biases and prejudices (such as those mentioned above) and limited appreciation of cultural activity.

- Handicraft, like farming, is not premised on the guarantee of minimal returns. At the same time, individuals in these activities cannot exercise an option to withdraw their investments and fund the next 'sunrise sector', for myriad reasons. They are forced to take recourse to belt-tightening. The wave of suicide among Indian farmers and weavers indicates a calamity hidden by national income calculations biased toward production and value addition in the so-called 'formal' sector.

Given these conditions, the crisis of data is not difficult to understand. It is a crisis in planning that has so far failed to bring together the range of economic, social, political, environmental, cultural and ethical concerns that are required for nurturing crafts as a "sector of sectors" of enormous future significance.

A common estimate of artisans in India is 6.5 million[8] – a stock figure carried for long years in publications of the DC (H) and elsewhere. National Sample Survey estimates made almost two decades ago suggested a figure of 8 million. The Eleventh Plan targeted 8 million in handicrafts and 7 million in handlooms, or a total of 15 million by 2012. (This figure is close to an estimate made as long ago as 1982 by the late D N Saraf)[9]. A source in the Indian Institute of Foreign Trade estimated 173 million in September 2009. Other estimates range between 100 and 200 million. Perhaps none of these figures acknowledge that almost the entire adult population of regions such as the states of the North East and Kashmir comprises artisans, nor the finding revealed in this study that some 50% of all craft production may originate from women artisans. These huge variations have failed to attract serious attention.

Notwithstanding the absence of reliable data indicating a collective amnesia, the broad sweep of the sector's might is incontrovertible. The most casual reflection on the dimensions of the sector, revealed by conservative examination of available statistics, will reveal a staggering resource that demands attention. Employment is huge, in hundreds of millions. CCI's considered guesstimate of the numbers of artisans at the core of the handcraft industry is 200 million[10].

[8] An estimate released in June 2011 was of 7.6M, of which over 47% were women, some 25% SC and 2% ST. Refer the glossary for conversion factors for numbers and currencies.

[9] D N Saraf "Indian Craft", Vikas Publishing House, 1982.

[10] An analysis of the national statistical databases, commissioned by CCI with the Madras School of Economics, returned a figure of 31 million artisans for 2001 Census, based on screening the National Industrial Classification categories for handicrafts. This procedure and dataset only includes main workers. It excludes women working from home, as well as pre- and post-production processes, and possibly many artisans subsumed under various industrial codes for one reason or another. CCI applied

What might be the real value of output from the sector? Handicrafts have been the fastest growing export sector since liberalisation. In 2007, Government estimates suggested that craft production had risen to Rs. 36,000 cores from Rs. 20,000 crores five years earlier. The Eleventh Plan targets an annual growth rate of 18% to Rs. 82,000 crores by 2012.

Exports in 2007-08 were Rs 23,400 crores, reflecting a 14% compounded annual growth rate, from Rs 10,934 crores in 2002-03. By the end of the Eleventh Plan, exports are to rise to Rs 48,522 crores, doubling India's miserable share of global handicraft trade from 1.4% to 2.8%, even at a time of global recession. The production target for 2011-12 for handicrafts is Rs 90,412 crores, about double that at the terminal year of the Tenth Plan (which was Rs 43,600 crores). Handloom exports were expected to grow annually at 15% from over Rs 4,600 crores in 2006-07 to over Rs 9,200 crores by 2012. These figures are understood not to include a sizeable portion of handmade carpets and handmade gems and jewellery, which are classified elsewhere. In summary, exports from the handicraft and handloom sectors together reached about Rs 28,000 crores (USD 0.62B or INR 28B) in 2007-08 and are expected to touch Rs 48,522 crores (USD 1.08B or INR 48.5B) by the end of the Eleventh Five Year Plan in 2011-12. These figures exclude certain categories of hand-knotted carpets, gems and jewellery and categories such as pottery and other handicrafts that are administratively under other departments like the KVIC.

Investments in the sector during the Eleventh Plan period have been estimated at Rs.1, 812 crores, up from Rs.447 crores in the Tenth Plan. The emphasis is on developing geographic clusters, support services (marketing, design, technology, R&D, training) and welfare schemes. Additional investments include those by the Khadi & Village Industries Commission (KVIC) and the Ministry of Rural Development's Rs.50,000 crores fund for skilled workers as well as craft-related programmes in each State. The

---

an extrapolation factor corresponding to the findings of its pilot field study in Gujarat and Tamil Nadu, for adding back non – main workers, to arrive at a figure of 100 million. Given that one has no idea how many main workers are excluded by virtue of being subsumed under the wrong industrial codes, the figure of 200 million, derived from the Eleventh Five-Year Plan document, might be closer to the truth. (See paras 5.17 and 5.43 in Plan document. Employment figures for 2006-07 for handloom and handicraft are shown respectively as 124 lakh people in 2001 and 68 lakh people in 2006-07). This does not include handicraft artisans who may be currently counted under silk, unorganized wool, coir, KVIC and gems and jewellery (manufactured goods) categories in the Plan document. 200 million is the best 'reading' of current available statistics for the number of artisans in the handloom and handicraft sectors, although it refers to a non-standard definition and exclude large categories that are administratively categorised elsewhere. The real number may well be much larger.

strategy is a partial acknowledgement of the significance of the sector to issues of migration, employment and agri-based communities. Yet the methods employed to 'develop' the sector are too often a mix of failed schemes that have managed mostly to throw money at the sector without checking where the money actually went. Even if for arguments sake, the strategy is considered workable, the roll out of the strategy is often found wanting.

While the concept of scale is thus not new to the sector, its true scale remains invisible. With no change in the policy regime, these growth trends are likely to continue. A supportive policy can help multiply this growth by consolidating and strengthening the true asset of the sector, the artisan, through harnessing creative skills to both traditional and contemporary manufacture.

There is now an urgent need to situate and evaluate the hand sector within a regular, national statistical accounting platform. India's handicrafts sector is a key component of what is now termed cultural and creative industries which represent a very major sector in India of enormous value and potential opportunity. CCI has examined this possibility in some detail through the preliminary study elaborated in the second section of this paper. Fortunately, there are major opportunities for change, including reforms within global data systems. The GDP-centred approach is now supplemented by an attempt to generate a more holistic understanding through the compilation of the Human Development Indices and the progress on the Millennium Development Goals (MDGs). UNESCO has brought a special focus on cultural statistics. However, these new indicators are still plagued by issues of secondary data analysis, interpretation and reliability. The absence of primary data collection, and the persistent reporting and referencing only to GDP by senior functionaries, implies a deep persistence of the old paradigm, notwithstanding ritual obeisance to social development objectives and the 'common man'.

2. Governance issues

Since the First Five-Year Plan, responsibility for craft planning in India has vested primarily in the Offices of the Development Commissioners for Handicrafts and Handlooms. Both Offices are situated today in the Textile Ministry, which is pre-

occupied primarily with the mechanised sector. Many hand skills and activities are outside the purview of these authorities, who are seldom seated as they should at the highest tables of decision-making. When planning commenced in the early 1950s, a selection of handcrafts was brought under what was then the Ministry of Commerce and Industry with the objective of earning much needed foreign exchange through exportable Indian crafts. Later, as this ministry transformed, these offices were moved to the Ministry of Textiles, a ministry that is unrelated to many craft materials and manufacturing processes. The KVIC is responsible for a number of hand activities, and is supported by the Ministry of Industry. Other ministries share responsibilities related to the sector: Agriculture, Education, Environment, Human Resources Development (HRD) among them, and most recently the Ministry of Small and Medium Enterprises (MSME). This fractured approach extends from the Centre to the States. Official statistical compilation appears to reflect these historical and administrative quirks. Monitoring, licensing and taxation decisions often do not distinguish between hand activity and powered manufacture. Government support schemes reflect little understanding of changing realities, as even a casual visit to most state-run emporia can reveal. Activists estimate that in an environment in which political will is low and cultural economics virtually unknown, at best only 25% of artisans are issued official identity cards or brought under the purview of current development schemes.

3. Cultural economics

Cultural economics is today a growing field across the globe, testimony to increasing awareness of the limitations of basing national policies purely on economic theory. Fresh concepts of ‘culture’ and of ‘economics’ are evolving. There is recognition of the living fabric of community and social relationships that go beyond monetary value and powerfully influence everyday choices and actions. Despite its unique cultural heritage, India is yet to acknowledge the synergy between contemporary systems of economic analysis and her own systems of indigenous knowledge. The links between these resources for human development are now familiar in the global discourse on economics, including contribution to GDP, employment and natural resource management. As environmental awareness has increased, the green dimension of craft activity takes new significance. So too the importance of strengthening the awareness

of craft within issues of seasonal livelihoods, migration, the status of women, lifting the relevance of school education to Indian realities, the challenges of natural resource management upon which crafts depend, and even disaster management[11].

Contemporary theory has discovered that socio-cultural activity has added significance as it produces both economic and non-economic outcomes. It has established that socio-cultural activity is not initiated from an economic drive. Instead, its initiation is often rooted in social and cultural values – a need to express positive social or cultural messages or values (peace, tolerance, diversity), or a desire to do something well for its own sake (like making a precision product or an artwork). Its outcomes can be both economic (an artefact to be sold) and non-economic (festivals, celebrations and rituals). The non-economic outcomes include furtherance of social and cultural values and addition to the stock of social and cultural assets. Key among these are the deep knowledge and skills for innovation and creativity which assist in problem recognition and diagnosis, as well as in problem-solving. Many of these non-economic outcomes cannot be easily valued in purely economic terms, but they are far more critical to the wellbeing of society. Such skills and knowledge differ from those more easily recognised as the portable and modular knowledge and skills of a market economy. The 'portable' skills only sustain the market, which also creates problems it cannot readily resolve such as those of social dislocation, migration, urban pressures, pollution and the destruction of natural resources. The modern market paradigm intrinsically includes an inability to recognise problems of its own making, as well as and poor problem-solving skills which are extremely limited and locked to specific paradigms and contexts. The knowledge and problem-solving taught in craftsmanship contribute to not creating externalised costs and problems, and further they foster problem recognition and diagnostic skills that have widespread applicability[12].

In 2005, a UNESCO initiative leading to the Jodhpur Consensus on Cultural Industries recognised these industries as "a source of capital assets for economic, social and cultural development" as well as "a vital resource for the cultural identities of communities and individuals which lead to further creativity and human

[11] During the 2001 Kutch earthquake, following immediate relief, craft was the first therapeutic and income-generating activity that could be offered to the communities that were devastated and dislocated, and can be counted amongst the most successful interventions.

[12] See, for example, Richard Sennett, "The Craftsman" and Matthew Crawford, "The Case for Working With Your Hands".

development… What cultural industries have in common is that they create content, use, creativity, skill and in some cases intellectual property, to produce goods and services with social and cultural meaning"[13]. This means that while the value they produce in cultural and social goods and meaning may often not be measurable in economic terms, these industries are fundamentally important to social development.

None of this should come as a surprise to a land in which the Mahatma rooted the struggle for freedom in an instinctive understanding of these factors, positioning khadi and hand production at the core of a social and political revolution. That Indian experience is important to appreciating the context for this Study, a context which the Crafts Council of India attempts to revive and sustain.

[13] The Jodhpur Consensus, UNESCO, 2005.

C. THE STUDY

1. The Study: purpose and logic

The volunteers who have constituted the Craft Council of India's efforts over more than four decades have repeatedly been reminded of the economic significance of hand production in India in addition to the cultural richness which has received the greater attention over these years.

In 2004, India celebrated 50 years of what was described as a craft renaissance. National events during that year underlined that while government and civil society were celebrating this heritage dimension, artisans (both master craftspersons and the younger generation) were deeply frustrated by the worsening of their economic situation in the face of enormous and rapid changes in markets for hand production both in India and overseas. The global recession which followed brought home to CCI the importance of an approach to sustainable livelihoods that would be essential for maintaining the crafts sector and its contribution to India's economic, social, cultural and political stability. The crisis in the sector, CCI discovered, seemed rooted in the neglect of craft economics for reasons set out in the first section of this Study. This neglect has resulted in a national schizophrenia: on the one hand ritualistic obeisance to the richness of craft culture within the Indian identity and on the other, an absence of any national approach that could embrace the sector in all its complexity. Most particularly, there has been a persistent absence of any robust understanding of the contribution of handicrafts to the economy, despite acknowledgement as the second largest source of Indian livelihood after agriculture. The lack of understanding at the economic level has had a cascading effect, diminishing attention and resources at several levels of need and action.

In 2004, discussions with the Planning Commission by CCI and others had advocated a stronger understanding of the economics of craft production. By 2008 it was apparent that in planning circles crafts as part of the so-called 'non-formal' and 'unorganised' sector was being increasingly marginalised as a 'sunset' activity outside of India's core strategies for growth in a competitive global market and for its status

as a world power. Little realisation existed of its huge scale, or of the fact that hand production in India has its own systems of both organisation and formality. Further dialogue with senior planners indicated that attitudes and decisions reflected widespread ignorance as well as confusion about what constitutes handicrafts and the contribution of hand production to the economy. Investigation at Planning Commission and Ministry levels indicated that a key reason for this has been the lack of a reliable database through which the scale and the scope of handcrafts could be clearly understood in economic terms. Limitations of the existing data sources were explained by data-gathering authorities to CCI. It became clear that unless a foundation of data was established for the sector, national planning could continue to ignore or marginalise crafts. The question then arose as to how the data gap could be bridged. If official data was inadequate, earlier studies had provided some useful clues on the reasons for this lacuna. Clearly an overview of the sector did not exist within census and survey organisations. There was also no single coordinating authority that could ensure application of such an overview to the reform of data-generating systems from a handcraft perspective. CCI itself had no experience in such research. The challenge was then for CCI to help initiate a national process that could provide such a foundation. This study is its result.

What is required is a detailed national estimation of the numbers of people deriving their incomes primarily from hand manufacturing activity, and their contribution to the national economy. Simultaneously, there is a need for detailed mapping of technologies used by traditional hand manufacturing, so that anomalies can be corrected in categorising what is the hand sector. This information should incorporate the theoretical ground established by the emerging discipline of cultural economics. The outcome should then help establish a methodology that can provide clear numbers of people and households involved in craft activity, their geographic dispersal and demographic characteristics, technologies, activities and livelihood patterns, as well as a comprehensive estimation of their contribution to national income. Such a methodology should also cover aspects of cultural value and the significance as well as potential earning power of hand production as a creative and cultural industry. The methodology could then be utilised by census and survey authorities to ensure that future data-gathering efforts in India bring hand production to priority attention.

CCI's logic for making the beginnings in this effort was simply to seize the urgency, pave the way for a more concerted and capable national effort, and encourage those with greater competence in data-gathering and economic analysis to provide this gigantic sector with the serious attention it deserves.

2. Definition of crafts

A major contributing factor to the difficulties in the sector is the problem of defining crafts accurately. The operational challenge is the reality of a continuum between hand manufacture and industrial manufacture. Many activists have tended to assume a distinct divide while in reality, craft production has over at least the past two centuries reflected multiple stages and mixes of hand and industrial technologies. The link between tradition and so-called modernity is not new to Indian artisans, who have been open to new technologies, materials, design resources and markets for centuries. This capacity has accelerated in recent years, initially because Indian planning in the 1950s emphasised the export potential of Indian crafts, demanding an ability to deal with and cater to alternative lifestyles and distribution channels. More recently, liberalisation has transformed the Indian market, exposing artisans to an entirely new level of competition within which innovation alone ensures survival.

Utilising definitions developed by the Development Commissioner (Handicrafts), earlier crafts studies as well as UNESCO frameworks, this pilot study has developed and applied the following definitions of handicrafts and artisans[14]:

> *Handicrafts are products or services provided by artisans, working primarily with their hands. The artisan very often uses traditional knowledge and her/his direct manual contribution forms a substantial or distinctive part of the end product or service. Usually there are minimal or limited inputs from machines.*

[14] See the report, "CEIS: Preliminary Findings from Stage 2 – A Pilot Study of Two Clusters", for detailed discussion of extant definitions, further elaboration of the CEIS definition, and examples of its application and interpretation in real context.

The distinctive nature of handicraft comes from the fact that these goods or services can be identified with certain traditions or geographies.

An artisan is a person with special hand skills, often handed down traditionally across generations, and often linked to a complex traditional knowledge system encompassing the material, technology and / or design aspects.

3. Developing a methodology

The approach to methodology began with consultations with the Department of Economics and Statistics in the Ministry of Statistics and Programme Implementation, the Planning Commission as well as institutes of research and key resource persons. This dialogue suggested an initial exploratory study in two stages. The first stage would consist of secondary research and compilation of available data, statistics, institutions and data sources related to handicrafts. The next stage would be a pilot field exploration in one or more districts, to test and evaluate an appropriate and rigorous methodology for estimation. The outcome could eventually point the way to a comprehensive national study by the Government of India.

As work began, it became clear that the design of data gathering would need to consider many factors:

- A sector characterised by fluid and informal boundaries and arrangements
- The chief value of these boundaries and arrangements, which is their contribution to social and cultural wellbeing, to fostering a respect for peace, diversity, ecology and other significant non-economic outputs
- Challenges in terms of definitional and classification issues
- Limitations of national statistical accounting procedures that are built towards GDP measures alone, such as the standard industrial / occupational code categories
- The need to incorporate some measurement of qualitative aspects that significantly impact livelihood issues such as multi-dimensional poverty and aspects of social identity.

There were several challenges in developing a methodology. These included:

- An inability to address the absence of relevant codes in the National Industrial Classification Codes. The 2004 structure provides few vacant group codes to interpolate additions. As a temporary workaround, CCI employed a parallel structure using a 5 digit classification for the craft categories.

- The lack of resources to complete an elaborate cluster study. CCI focused on a preliminary visit to understand and list the details of production process (es), tools used, and other informational details required to be pre-coded for the detailed household study. Other dimensions of the cluster, such as its networking and information patterns, as well as the supply chain and the forward and backward linkages in craft processes, could not be explored.

- The preliminary study has revealed key characteristics in current craft systems (see Section 5 below). A more detailed investigation of the cluster would have had to include characterising its typical network, information and entrepreneurial aspects (together these constitute a mapping of the cluster), infrastructure and livelihood aspects and mapping the value chain. This requires a structured qualitative study. Such a study can now be designed based on the CEIS experience. It would need to be administered by researchers conversant with qualitative data-gathering.

- An important issue which emerged is the granularity -- or the various levels or grades -- of skills and roles within the sector. It became clear that referring to artisans (e.g. potters or weavers) as if they were all identical would not work. So far, this key issue is unacknowledged outside the artisan community.

Two stages of the project have now been completed, partially addressing the objective of developing a national methodology, within the constraints of available resources. The study commenced in June 2009. The first stage involved a study of existing databases (Census, NSSO and a literature search). This review of secondary data and sector literature was completed in the first six months, although CCI could not obtain access to the Economic Census[15]. The second stage included two parts - a limited cluster study, followed by a sample household enumeration in two clusters. The two pilot studies, in Karur district (Tamil Nadu) and Kutch district (Gujarat) were undertaken between April and June 2010. By July, the task of collating and analysing the outcome began and by November a sharing took place with other activists of outcomes and possible future directions. Their responses have been taken into account in finalising these stages of the CEIS. The next steps of extending the cluster studies in order to reach a robust methodology are set out in Section C below.

[15] CCI could not afford to pay for it at the quoted price. A request for a free / subsidised copy was not responded to.

4. Outcomes of Stage 1: The Secondary study

Estimating the numbers and contribution of artisans from national statistics is fraught with difficulties[16]. When data is aggregated, certain details are lost. The Census excludes marginal and home-based workers, although their contribution to craft production is immense. It is also not possible to apply simultaneously the industrial and occupational classifications and aggregates. The NSSO is sample based data, but provides sampling inflation factors that permit extrapolation to the population. Eventually, the numbers arrived at depend on the interpretation of the definition applied to handicrafts through the sieve of NIC and NCO. A brief recap of the variety of results this can produce is indicated below:

S.No.	*Database source / nature of estimate*	All-India estimate for number of artisans in millions
Previous studies		
1.	Tenth Plan document estimates for 2008	34.5
2.	Handmade in India (Liebl and Roy) estimate, 2000	9-10
3.	SRUTI estimate for 1980 (guided by late Shri L.C. Jain)	Between 7.45 to 12.50
CEIS findings		
4.	Main workers in Census 2001 using NIC 2004 interpretation according to CEIS definition	31.1
5.	Ditto; DC(H) definition	15.7
6.	Principal and subsidiary workers as per EUS data of NSSO 61st round 2004-05 using CEIS definition	16.8

Source: CEIS Study, CCI, November 2010.

[16] The UNESCO framework for Cultural Statistics 2009 notes that "… information on cultural occupations are often not declared or captured in censuses and labour force surveys, being secondary occupations or cottage industries. There are some work-arounds – estimations can be used to distinguish the cultural from the non-cultural components within specific industrial classes, and weightings or coefficients used in analysis of data from surveys. The alternative … is a bespoke survey.."

5. Major findings of Stage 2: Household study

The household study has provided important insights into activities and value generation, and revealed players, intermediaries, geographic dispersion and other key characteristics of the craft economy. The household surveys in Karur and Kutch have highlighted several important findings. These include the range of skills possessed by artisans, and the diversity of roles and relationships within artisan communities. Some important findings are:

- The importance of crafts to India's social and political stability has emerged strongly.
- A large proportion of artisans are from disadvantaged social groups (SC / ST / OBC / Muslim).
- This disadvantage of social status is compounded by extremely low literacy and education levels. In the absence of alternative livelihood options, faced with narrow portability of traditional skills into the new economy (owing to lack of complementary skills required including familiarity with urban terrains and ways, literacy, language, communication), casual labour is often the only other livelihood option.
- Women have emerged as significant players, suggesting a high level of almost 50% and equally high participation at higher skill levels.
- In both locations, craft practitioners go back three to four generations with the vast majority continuing traditional practices, even as new entrants join and some leave. The dynamism inherent in the sector is further reflected in artisans adapting to changes in technology, material and markets; even as resource disadvantages restrict adaptations and mobility.
- 'Piece-rate' payment is the dominant remuneration system.
- Over 40% of the artisans surveyed reported craft activity of 250 to 300 days annually, work availability being influenced primarily by rainfall.
- A significant number of artisans adapt old practices while a few create new ones.
- Over 80% of the artisans were found to have learnt their skills from within the family while external training opportunities have reached only a very small section.
- Consumption patterns are changing rapidly (through possession of TVs, cell phones, cooking gas and transportation). Less than 20% of surveyed households possessed land.

- Almost a third of the artisans were struggling entrepreneurs marketing their products independently. This, however, produces a marked improvement in their incomes as compared to artisans who sell to traders. It is also exemplified in the overall support to artisans that traders deliver when they rise from the same community, as in Bhuj, as compared to Karur. The corresponding difference in artisan incomes is substantial.

- Only 25% of the artisans had been issued artisan ID cards by the Development Commissioner (Handicrafts).

6. A first sharing

The initial outcome of CCI's effort was shared at a Kolkata seminar organised by the Crafts Council of West Bengal at the Victoria Memorial in November 2010. Participants from several disciplines (crafts, architecture, engineering, academe, conservation, media and others) supported the urgency of an improved database for crafts[17]. Case presentations by them demonstrated the actual and potential value addition from craft attitudes and skills to the innovative capacities essential to future industrial growth and India's ability to compete effectively. It was also felt that CEIS findings could ensure stronger networking within ministries, departments and among craft activists. They are also an important pointer to the need to foster linkages between the crafts sector and other national initiatives including the Knowledge Commission, the National Mission on Skills, the proposed Mission on Innovation, the NCERT's approach to integrating artisanal culture into national education, and the efforts of the recently constituted Coordination Committee on Intangible Cultural Heritage established by the Prime Minister's Office.

[17] For example, a practising architect from Delhi who had incorporated traditional building wisdom into his work felt that the unavailability of an artisan database listing building skills was a barrier to implementation. While the Indian Council of Architecture had expressed great interest in his experience, other architects cannot adopt such practices in the absence of an artisan database. Many similar examples of absence of information, networks and other critical infrastructure were shared.

D. NEXT STEPS

Stages 3 and 4: Extending the cluster studies

The immediate next step would be to extend, in the present two locations, the household study into a larger cluster study (Stage 3). Once this is completed, it should be possible to scale-up the experiment by applying it to at least 50 clusters across the country (Stage 4). At this stage, the field experiment would need to be conducted in close cooperation with data-gathering authorities so as to ensure their participation and ownership of improved systems. This could then be incorporated into national data-gathering and accounting practices.

The Crafts Council of India and other civil society craft activists could use the outcome of these studies to strengthen and professionalize their own services to artisans, through a better ability to grasp current challenges and opportunities to prioritise.

Without waiting for improved data, simultaneous efforts could be launched forthwith to address the distress amongst the artisans. Foremost would be issues affecting the status of artisans, reform and sensitisation of the administrative machinery to address artisan concerns, mapping India's artisanal technologies, improved facilities for craft research and documentation, and an upgrade in the quality of craft development schemes in the light of findings. Efforts should involve government at the Centre and in the States as well as civil society and the private sector, in suitably empowering partnerships. The artisan needs always to be positioned at the centre of new policies and schemes. A National Craft Perspective Plan should emerge that can decisively improve the economic, technical and social infrastructure available to artisans and speed their access to entrepreneurship and markets. The experience and expertise of the CCI, other crafts NGOs, master craftsperson and other supporters from academe and through intelligentsia must be drawn upon to initiate and monitor the outcomes of such efforts.

ACKNOWLEDGEMENTS

This paper has been authored by Prof Raghav Rajagopalan, in consultation with Ashoke Chatterjee and member volunteers at the Crafts Council of India and several others elsewhere. It is based on findings of the Craft Economics and Impact Study, initiated by CCI in 2009 and coordinated by Prof Rajagopalan, with support from a team of CCI colleagues and resource persons. Dr Brinda Visvanathan at the Madras School of Economics conducted the secondary data analysis and Dr. Sudhersena Allalasundaram undertook the literature review that formed the first part of the study. Veena Mahor conducted the primary data analysis for the pilot household study.

The author would like to particularly acknowledge the patient and painstaking support from Ashoke Chatterjee and other CCI colleagues through numerous iterations of this paper. Other sources of unstinted support and critical review inputs were Dr Padmini Swaminathan (Madras Institute of Development Studies) and Dr J Jeyaranjan (Institute of Development Alternatives, Chennai).

The CEIS project began with the encouragement CCI received from Dr Syeda Hameed at the Planning Commission, Mr Pronab Sen at the Ministry of Statistics and Programme Implementation and Mr Vijay Kumar, Director-General, Central Statistical Organisation. The Sir Dorabji Tata Trust provided the seed funding which enabled CCI to begin work. Over several months of effort, the guidance received from Shikha Mukerjee (Paul Foundation, Kolkata), Ritu Sethi (Craft Revival Trust, New Delhi), Dr Kapila Vatsyayan and Dr A Vaidyanathan have been of great assistance. CCI volunteers Gita Ram, Kasturi Gupta Menon, Vijaya Rajan, Prema Paranthaman, Ruby Palchowdhury, Manjari Nirula and others in several parts of the country have reviewed output at several stages of the CEIS, sharing their mature experience in the sector. Vidya Sastry has throughout managed the project administration and monitored its outcome, keeping track of the threads from all over the country that needed to be woven together and commenting critically on all aspects.

Earlier work on the craft sector (including the major 2003 study by Maureen Liebl and Tirthankar Roy, the seminal 1995 Status Report by SRUTI, as well as reports and publications by the National Institute of Design, Rajeev Sethi, DRONAH, the Craft Revival Trust and others) provided a foundation of insight and wisdom. UNESCO and other recent research in cultural economics and craft theory have offered new understanding of India's craft advantage. The Crafts Council of West Bengal and the Victoria Memorial Trust provided two important opportunities linked to the CEIS project. A seminar in February 2008 on "Crafts in Transition" was its starting point, and another on "Reinventing Crafts for the 21st Century" in November 2010 provided a first sharing of the CEIS outcome. It was in Kolkata in February 2008 that Gopalkrishna Gandhi, then Governor of West Bengal, inspired the Crafts Council of India to venture into uncharted territory. Three years of effort later, that journey has only just begun.

Annex 1
CEIS project definition[18] of handicrafts and artisans
(Extract from CEIS Report Volume 2, Chapter 2: Methodology, section 2)

Handicrafts are products or services provided by artisans, working primarily with their hands. The artisan very often uses traditional knowledge and her/his direct manual contribution forms a substantial or distinctive part of the end product or service. Usually there are minimal or limited inputs from machines.

The ***distinctive nature*** of handicraft comes from the fact that these goods or services can be identified with certain traditions or geographies. Handicraft products generally use locally available raw materials from sustainable resources and also consume low energy, and apply sustainable and frequently less polluting processes, which usually emphasize recovery and reuse of materials.

Handicrafts are products having values that are aesthetic, artistic, economic, utilitarian, creative, religious, social, decorative and cultural. Recent developments might include adoption of old skills to new materials or products, adoption of traditional skills by new communities, incorporation of traditional knowledge or skills into modern products, or completely new creative hand skills applied on contemporary material, and also creation of products by mixed means – partly industrial and partly by hand.

An artisan is a person with special hand skills, often handed down traditionally across generations, and often linked to a complex traditional knowledge system encompassing the material, technology and / or design aspects. They are typically self-employed at the individual or cottage production level or work in small production groups or teams. Traditional work formats usually employ family members and/or hired labour to participate in several pre and post-production processes, not all of which may require high skills. The current scenario may involve newer forms of production organisation, such as small factories, registered as cooperatives, small-scale industries, Sec. 25 companies or societies.

We have listed 15 specific categories of crafts. +SRUTI listed 6 categories whereas Liebl-Roy do not categorise – they have, in fact, accepted the arbitrary and restrictive formulations of the DC(H); the UNESCO Framework for Cultural Studies (FCS) also lists 6 very broad categories.

[18] This is adapted from the several definitions used by various agencies – a brief note is appended as Annexure 9.

Table 2-1

Earth **Clay / terracotta** **Stone** marble soapstone granite **Glass**	**Wood** teak sheesham ebony soft sandal rosewood walnut
	Leather
	Plastics, other new age or recycled materials
Fibre (excluding textiles) bamboo cane and wicker palm leafs rattan screwpine shitalpatti coir jute banana stalks/ branches / waste reeds / grasses pith	**Combined media** articles – excluding musical instruments and handmade toys (will include items like, for example, bullock carts or handmade looms)
	Textiles cottons wools silks
	Carpets
	Ivory, bone and shells.
	Musical instruments
	Toys and masks
	Painting
Metal Iron / steel Brass Copper Silver Bell metal Other alloys: panchaloha; etc.	**Craft skills offered as a service** Carpentry Tailoring Tribal / traditional art
Jewellery	

The UNESCO Framework for Cultural Statistics

(Extract from Report Volume 2, Section 2.10)

The FCS adopts the International Trade Center (ITC) and UNESCO definition of Crafts, or artisanal products, described as “those produced by artisans, either completely by hand or with the help of hand-tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product. The special nature of artisanal products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant” (UNESCO and ITC, 1997).

Annex 2
Outcomes of the Secondary Data Analysis
(Extract from CEIS Volume 2, First Stage Report)

..After the census or national sample survey data is aggregated, certain details are lost. The census data excludes marginal and home based worker data; also, it is not possible to apply both the industrial and occupational classification to the data set to sieve out possible handicraft artisans. The NSSO is sample based data but provides sampling inflation factors (multipliers) that permit extrapolation to the population.

...The first significant conclusion is that the numbers that can be inferred for estimating the sector size depend on the definition applied. The DC (H) definition is far too restricted.

The tables that follow give an idea of the range of numbers currently put out by government sources, and those inferred by us through different methods applied to the databases.

Table 1-1

PLANNING COMMISSION AND OTHER DERIVED ESTIMATES				
S. No.	Source/ database	Number estimates of artisans (persons in tens of lakhs or millions)	Remarks	
1	Tenth Plan document estimate for numbers of craftspersons at start of plan period – 2008	34.5	54% of employment incl. all MSMEs	
2	SRUTI estimate for year 1980	Between 7.45 and 12.51	range refers to OAE at lowest and establishments with 5 - 19 workers at highest	
3	Handmade in India estimate for year ("mid nineties – conservative estimates")	8.4	USD 2 billion exports and USD 4 billion domestic market in 2000.	
4	NCAER data for 94-95	7.6	handicrafts 4.1 handloom 3.5	
5	Plan documents -figures for 2000	19.5 or 20	handloom - artisans	12.4 million
			handloom – exports	Rs. 2000 crores
			handicrafts - artisans	7.1 million
			handicrafts – exports	Rs. 12, 700 crores
	Official estimates of employment for 1994-95	23	KVIC and handicrafts	11.8
			(of which, handicrafts alone)	(5.5)
			Handlooms	11.2

Table 1-2

CRAFT ECONOMICS AND IMPACT STUDY STAGE 1 RESULTS		
Figures in right column are estimated numbers of artisans in tens of lakhs or millions		
S. No.	Source/ database and analysis applied	Number estimates of artisans (persons in tens of lakhs or millions)
Analysis of Census 2001 dataset using NIC and NCO 2004		
1	Main workers as per DCH classification applied to Census 2001	15.7
2	Main workers as per SRUTI classification applied to Census 2001	16.4
3	Main workers as per project (expanded) classification applied to Census 2001	31.1
Analysis of NSSO EUS and other datasets using NCO 2004		
4	Principal and subsidiary workers as per EUS data of NSSO excluding weaving for home – DCH definition: 61st round - 2004-05	9.57
5	Liebl Roy NIC classification applied to EUS 2004-05 data	11.52
6	Principal and subsidiary workers as per EUS data of NSSO - project (expanded) definition: 61st round - 2004-05	16.8

Some of the other important findings are:

- Various kinds of critical gaps in the data pertaining to handicraft and handloom activity exist. The gaps are not purely in terms of enumeration; but have their origins in flawed concepts and definitions. Some examples –
- Women working from home (extremely common in handicraft activities where specific activities are outsourced to individual workers who complete them at home) being treated as home workers. A lot of weaving and other activities in entire states and districts such as the North eastern states, Kashmir, or Bhuj in Gujarat, is home based.
- Several production stages not being taken into account.
- Entire activities falling between the cracks – for example, potters are not included in the purview of the DC (H).

Some of the key trends in relation to sub categories of the artisan population are:

1. There are proportionately more artisans (per hundred persons) among the Muslims, STs, and BCs.
2. Craft is often not the primary occupation but has a subsidiary status. Many women are predominantly engaged in craft activities through home-based production.
3. Uttar Pradesh, West Bengal, Orissa, Gujarat and Tamil Nadu have a higher share of crafts population. Uttar Pradesh: 18% of the crafts population against 14% of the total working population; Tamil Nadu: 12.8 % and 6.6 % respectively.

Census and NSSO data were analysed based on selecting the occupational and industrial code categories corresponding to the definition used for handicraft / artisan. These are tabulated below; further details are in Volume 2 of this report.

Occupational codes for crafts: DC-H Definition

	NCO-68 codes as used in NSS-04/05	NCO-2004 codes as used in 2001 Census	
		Handicraft/craft#	Non-craft#
Earth	891-899	7321-7324/7329	8131/8139/8153
Fibre	751/752/754-759/ 792-797	7431-37/ 7346/7332	8261-65/ 8269/3471
Metal	881-883	7313	8290
Wood	941/942/944-947	7312/7424	
Stone	821	7113	8112
Leather	761/762/769	7441	8265
Craft teachers etc.	156/170/179	3340	2452

Note: The handicraft sub-division as indicated in by NCO-2004 codes and the additional codes which relate to the medium are classified under non-handicrafts sub-division.

Occupational codes: CCI definition

Medium used for craft		
Group	Family	NCO name
89 &95	0	**Earth**
89	890	Supervisors & Foremen, Glass Forming, Pottery & Related Activities
89	891	Glass Formers, Cutters, Grinders & Finishers (excluding Glass and Lac Bangles)
89	892	Potters & Related Clay & Abrasive Formers (except Village Potters, Brick and Tile Moulders)
89	893	Glass & Ceramics Kilnmen
89	894	Glass Engravers & Etchers
89	895	Glass & Ceramics, Painters and Decorators
89	896	Village Potters
89	897	Brick and Tile Moulders
89	898	Makers of Glass and Lac Bangles
89	899	Glass Formers, Potters and Related Workers, n.e.c.
95	951	Bricklayers, Stone Masons & Tile Setters
95	953	Roofers
95	958	Hut Builders & Thatchers
95	959	Well Diggers and Construction Workers, n.e.c.
73,75&79	0	**Fiber**
73	734	Paper Makers
75	750	Supervisors & Foremen, Spinning, Weaving, Knitting, Dyeing & Related Processes
75	751	Fibre Preparers
75	752	Spinners and Winders
75	753	Warpers and Sizers
75	754	Weaving and Knitting Machine Setters & Pattern Card Preparers
75	755	Weavers & Related Workers
75	756	Carpet Makers & Finishers
75	757	Knitters
75	758	Bleachers, Dyers & Textile Printers and Finishers
75	759	Spinners, Weavers, Knitters, Dyers & Related Workers, n.e.c.
79	790	Supervisors & Foremen, Tailoring, Dress Making, Sewing & Upholstery Work
79	791	Tailors and Dress Makers
79	792	Fur Tailors & Related Workers
79	793	Milliners, Hat & Cap Makers
79	794	Pattern Makers & Cutters
79	795	Sewers & Embroiderers
79	796	Upholsters & Related Workers
79	799	Tailors, Dress Makers, Sewers, Upholsterers and Related Workers, n.e.c.
72,83,87&88	0	**Metal**
72	724	Metal Casters
72	725	Metal Moulders & Core-Makers
72	726	Metal Annealers, Temperers & Case Hardeners
72	727	Metal Drawers & Case Hardeners
72	728	Metal Platers & Coaters
72	729	Metal Processors, n.e.c.
83	833	Tool Makers & Metal Pattern Makers
83	835	Machine Tool Operators
83	836	Metal Grinders, Polishers & Tool Sharpeners (excluding Knife Sharpeners)
83	837	Village Blacksmiths
83	838	Knife Sharpeners
83	839	Blacksmiths, Tool Makers & Machine Tool Operations, n.e.c.

87	870	Supervisors & Foremen, Plumbing, Welding, Structural & Sheet Metal Working
87	879	Plumbers, Welders, Sheet Metal & Structural Metal Preparers & Erectors, n.e.c.
88	880	Supervisors, Jewellery & Precious Metal Working
88	881	Jewellers, Goldsmiths & Silversmiths
88	882	Jewellery Engravers
88	883	Other Metal Engravers (except Printing)
88	889	Jewellery and Precious Metal Workers and Metal Engravers, n.e.c. (except Printing)
73,81&94	0	**Wood**
73	734	Paper Makers
73	735	Wood Sawyers, Machine General
73	736	Wood Sawyers, Hand
73	739	Wood Preparation and Paper Making Workers n.e.c.
81	810	Supervisors & Foremen, Carpentry, Cabinet Making & Related Wood Working Processes
81	811	Carpenters
81	812	Cabinet Makers
81	813	Wood Working Machine Operators
81	814	Cart Builders & Wheel Wrights
81	815	Coach & Body Builders
81	816	Ship wrights & Boat Builders
81	819	Carpenters, Cabinet Makers & Related Workers, n.e.c.
94	940	Supervisors & Foremen, Production & Related Activities, n.e.c.
94	941	Musical Instrument Makers and Tuners
94	942	Bamboo, Reed and Cane Furniture Makers and Makers of Broom, Chic, etc.
94	943	Non-metallic Mineral Product Makers (excluding Salt Makers)
94	944	Basket Makers
94	945	Mat Weavers
94	946	Leaf Plate Makers
94	947	Winnowing Fan Makers
94	948	Salt Makers
94	949	Production & Related Workers, n.e.c.
82	0	**Stone**
82	820	Supervisors & Foremen, Stone Cutting & Carving
82	821	Stone Cutters & Carvers
82	829	Stone Cutters and Carvers, n.e.c.
76 & 80	0	**Leather**
76	763	Collectors of Bones and Hides
76	764	Carcass Lifters
76	765	Skinners of Dead Animals (or Flayers)
76	769	Tanners, Fellmongers and Pelt Dressers, n.e.c. (excluding Collectors of Bones and Hides and Carcass Lifters)
80	800	Supervisors & Foremen, Shoe and Leather Goods Making
80	801	Shoemakers & Shoe Repairers
80	802	Shoe Cutters, Lasters, Sewers and Related Workers
80	803	Harness and Saddle Makers
80	804	Makers of Large Raw Hide Vessels
80	805	Leather Container Makers
80	809	Leather Cutters, Lasters and Sewers and Related Workers, n.e.c.
92 & 93	0	**Other**
92	921	Compositors
92	927	Book Binders & Related Workers
93	933	Village Painters (on Wall and Clay Objects, etc.)
93	939	Painters, n.e.c. (except Painter on Wall and Clay Objects, etc.)

Industrial codes: Liebl - Roy definition

Product Category	NIC-1964	NIC-2004	Product Details
Khadi	232	1711	
Cotton handlooms	233	17111	Preparation and spinning of cotton fiber including blended
Silk handlooms	244	17112	Preparation and spinning of silk fiber including blended silk.
		17113	Preparation and spinning of wool, including other animal hair and blended* wool including other animal hair.
		17114	Preparation and spinning of man-made fiber including blended man-made fiber.
		17115	Weaving, manufacture of cotton and cotton mixture fabrics.
		17116	Weaving, manufacture of silk and silk mixture fabrics.
		17117	Weaving, manufacture of wool and wool mixture fabrics.
		17118	Weaving, manufacturing of man-made fiber and man-made mixture fabrics.
		17119	Preparation, spinning and weaving of jute, mesta and other natural fibers including blended natural fibers.
Cotton, silk and other textiles by hand	236	1712	
	246	17121	Finishing of cotton and blended cotton textiles.
		17122	Finishing of silk and blended silk textiles.
		17123	Finishing of wool and blended wool textiles.
		17124	Finishing of man-made and blended man-made textiles.
		17125	Finishing of jute, mesta and other vegetable textiles fabrics.
Zari	262	1729	
		17291	Embroidery work and making of laces and fringes
		17292	Zari work and making of other ornamental trimmings
		17293	Manufacture of linoleum and similar products
		17294	Manufacture of gas mantles
		17295	Manufacture of made-up canvas goods such as tents and sails etc.
		17296	Manufacture of wadding of textile materials and articles of wadding such as sanitary towels and tampons
		17297	Manufacture of metallised yarn or gimped yarn; rubber thread or cord covered with textile material; Textile yarn or strip, impregnated, covered or sheathed with rubber or plastics
		17298	Manufacture of waterproof textile excluding Tarpaulin.
		17299	Manufacture of other textiles/textile products
Carpets	263	1722	
		17221	Manufacture of blankets shawls
		17222	Manufacture of cotton carpets
		17223	Manufacture of woollen carpets
		17224	Manufacture of silk carpets
		17225	Manufacture of durries, druggets and rugs
		17226	Manufacture of carpets, rugs and other covering of jute, mesta and coir
		17229	Manufacture of other floor coverings (including felt) of textile, sannhemp and other kindred fibres
Miscellaneous products	279	2029	
		20291	Manufacture of wooden industrial goods
		20292	Manufacture of cork and cork products
		20293	Manufacture of bamboo and cane article and fixture of bamboo, cane, reed and grass products (thatching etc.)
		20294	Manufacture of broomsticks
		20295	Manufacture of wooden agricultural implements

		20296	Manufacture from cane and bamboo of shopping bags, ornament boxes, costume articles, trays, table lamps, fancy baskets, table mats, tumbler and vessel holders and other household utilities
		20297	Manufacture of articles made of palm leaf, screw-pine leaf and khajoor leaf; articles of vegetables fibre etc,.
		20298	Manufacture of products of pith and shalapith
		20299	Manufacture of other wood products (including wooden tools, handles, etc. ornaments and household products)
Earthware	322	2691	
		26911	Manufacture of articles of porcelain or china, earthenware, imitation porcelain or common pottery, including earthen statues
		26912	Manufacture of statues and ornamental articles of stone and other stoneware, including writing slates of slatestone
		26913	Manufacture of ceramic tableware and other articles of a kind commonly used for domestic purposes, including ceramic statuettes and other ornamental articles
		26914	Manufacture of ceramic sanitary wares: sinks, baths, water-closet pans, flushing cistern etc.
		26915	Manufacture of ceramic insulators and insulating fittings for electrical machines, appliances and equipment
		26916	Manufacture of ceramic ware for laboratory chemical or other technical uses
		26919	Manufacture of other non-structural ceramic ware n.e.c.
Plating/polishing	345	2892	
		28920	Treatment and coating of metals; general mechanical engineering on a fee or contract basis
Jewellery and related articles	383	3691	
		36911	Manufacture of gold jewellery : gold, silver and other precious metal jewellery; precious and semi-precious stone jewellery; gold and silver articles including presentation coins but not the coin used as a legal tender
		36912	Diamond cutting and polishing and other gem cutting and polishing
		36913	Minting of currency coins
Making of musical instruments	386	3692	
		36920	Manufacture of musical instruments [this class includes manufacture of keyboard stringed instruments, including automatic pianos, and other stringed instruments, keyboard pipe organs and harmoniums and similar keyboard instruments with free metal reeds, accordions and similar instruments including mouth organs]
Leather manufacture	290	1911	
		19111	Flaying and curing of raw hides and skins
		19112	Tanning and finishing of sole leather
		19113	Tanning and finishing of industrial leather
		19114	Vegetable tanning of light leather
		19115	Chrome tanning of leather
		19116	Finishing of upper leather, lining leather and garment leather etc.
		19119	Other tanning, curing, finishing, embossing and japanning of leather
	291	1920	
		19201	Manufacture of footwear (excluding repair) except of vulcanized or moulded sandals and chappals, leather-cum-rubber/plastic cloth sandals and chappals made by and or by any process.
		19202	Manufacture of footwear made primarily of vulcalized or moulded rubber and plastic. This class includes manufacture of rubber footwear, plastic & PVC, canvas-cum-rubber/plastic footwear etc. including sports footwear.
Leather manufacture	292	1810	

		18101	Manufacture of all types of textile garments and clothing accessories
		18102	Manufacture of rain coats of waterproof textile fabrics or plastic sheetings
		18103	Manufacture of hats and caps from waterproof
		18104	Manufacture of wearing apparel of leather and substitutes of leather
		18109	Manufacture of wearing apparel n.e.c.
	293	1912	
	299	19121	Manufacture of travel goods like suitcases, bags and holdalls etc.
		19122	Manufacture of purses and other ladies' handbags, artistic leather presented articles and novelties etc.
		19123	Manufacture of saddlery and harness
		19129	Manufacture of other consumer goods of leather and substitutes of leather, n.e.c.
	294	1820	
	295	18201	Scraping, currying, tanning, bleaching and dyeing of fur and other pelts for the trade
	296	18202	Manufacture of wearing apparel of fur and pelts
		18203	Manufacture of fur and skin rugs and other similar articles
		18204	Embroidering and embossing of leather articles
		18205	Stuffing of animals' and birds' hides
		18209	Manufacture of other leather and fur products n.e.c

Terminologies used in National Sample Survey:

Economic Activity: Any activity resulting in production of goods and services that add value to national product. This includes market activities and own consumption and own production activities

Labour Force: The population that supplies or seeks to supply labour for production.

Labour Force Participation Rate: The proportion of labour force in the total population.

Work Force (Employed): The population that supplies labour for production.

Work Force Participation Rate (Worker Population Ratio): The proportion of economically active persons in the total population.

Activity Status: It is the activity situation in which a person was found during a reference period with regard to the person's participation in economic and non-economic activities. Accordingly a person is (a) ***Employed:*** Engaged in economic activity, (b) ***Unemployed***: Seeking or available for work or (c) ***Not in labour force***: not available for work which includes attending educational institutions, domestic duties etc. Different approaches are used to determine the activity status based on the reference period of the survey as given below

Usual Activity Status: The activity status during the previous 365 days. This is further classified into principal status in which the person spent the major time and subsidiary status in which the person spent minor time.

Status of Employment

Self-employed: The persons who have the autonomy and independence for carrying out their economic activity and the remuneration received by them comprises of their share of labour and profit of the enterprise. The persons either operated their own farm or non-farm enterprise or were engaged independently in a profession or trade on own account or with one or few partners. They have been further classified into own-account workers, employers and helpers in household enterprise.

Regular salaried/wage employee: The person works in other's farm or non-farm enterprise (both household and non-household) and in turn receives salary or wages on a regular basis. This includes persons getting time wage, piece wage or salary and paid apprentice, both full time and part time.

Casual wage labour: The person is casually engaged in other's farm or non-farm enterprise (both household and non-household) and receives wages according to the terms of the daily or periodic work contract.

Extracts from Outcomes of the Second Stage: Pilot Household Study

On Development and Culture

...from the Preface

..We largely hold craft as traditional (primitive, simplistic, innocent, natural, frozen in a time warp) and not modern; static and not dynamic; cultural (as in quaint, ritualised, colourful, decorative) and often elide its economic nature[19] (as in providing the key source of livelihoods to artisans, creating utilitarian and functional products and services, and ultimately surviving in the marketplace)[20].

...The idea of redefining crafts finds place in literature from some of the most eminent sociologists and political commentators. They point to crafts as a plausible answer to the present developmental failures[21]. In the process, there has been an excavation of its meaning and relevance to the contemporary human situation, especially the current economic crisis.

...Problems arising from this limited understanding[22] – which has deep roots in the history of industrialisation and India's colonisation[23] – range from the application of flawed concepts and definitions by the government planning machinery to distorted social perceptions, markets and prices. This in turn, affords the artisan - trying to further her / his situation - only some highly stifled and limited ways to engage with and respond to the economic and social realities[24,25].

---

[19] This aspect has a mirage like quality. Often, craft consumers will deny this. Venkatesan narrates an amusing anecdote about how an American insisted on haggling the price for a mat because "they just do this in their spare time, it does not cost them anything"

[20] Hence – in the words of an august member of the Indian Planning Commission - craft is a 'sunset industry'.

[21] See references to the works of Richard Sennett and Matthew Crawford, inter alia, in the Introduction.

[22] See Box 1 on page 34

[23] See, for example, Matthew Crawford, "The Case for Working with Your Hands", Chapters 1 &2, pp. 11-53. He quotes T.J. Jackson Lears's (No Place for Grace) historical enquiry into the Art and Craft movement and the Smith-Hughes Act of 1917. These and several other events at the start of the industrial revolution reversed existing values about work and consumption; the process continues today with beguiling but false ideas being propagated about the creative knowledge worker. Another source of enquiry into these aspects is Soumhya Venkatesan, 'Craft Matters', Chapter 1, pp. 21 – 45. She argues that a historical examination of the origin of the word points to three disparate elements fused together in the context of the politics of work in the 19th century when resistance to the mechanical and political control of the worker peaked at the start of the industrial revolution. In India, the term acquired new layers of contested meaning in the context of nation building - with the debates and ideology remaining, however, the province of the elite.

[24] Venkatesan, ibid. This is the substance of her whole thesis, about the contestations in the market space for craft and the maudlin ethnic concerns of craft consumers that artisans as craft producers have to pander to. It is also tempting to quote an extremely perceptive article that appears as I write, which underscores the universality and depth of this problematic. See Nisha Susan, 'Gond Art' in Society & Lifestyle Column, Tehelka, Vol. 7, Issue 30 (31 July 2010). The latest problematic formulation in this regard is the idea of the 'cultural and creative industry'. As Nisha Susan perceptively comments, this form of cultural consumption is akin to the porn phenomenon.

[25] Exceptions are rare – but they can and do exist – if only to prove that another way is possible. This cannot be underemphasized in India where appalling apathy and inertia lead to depravities practised cynically in the name of inclusive development. Annexure 10 contains the entire text of the post dinner speech at the Santa Fe Folk Art Market – in itself, formidably reputed – by Ashoke Chatterjee in 2008 –

So, while the two stages of the study have explored the ways in which gaps arise in the estimation of the size and contribution of the sector, this points to a deeper malaise – the ways in which we construct and perpetuate an image of crafts and artisans. These are not necessarily acceptable to the artisans themselves[26], nor do they afford them the basic rights to livelihood and dignity that our constitution enshrines.

...One significant body of understanding amongst these emerging ideas is about the nature and place of culture in our understanding of development. There is evidently a growing need to go back to the drawing boards and resurrect basic value frameworks around aspects like ecology and ethics. Paradoxically to some 'modernists'[27], this is often pointing back at traditions like crafts to take us forward.

Our country has an unsurpassed advantage here, if only it be recognised that it is up to us to define craft as sunrise, and then to shape it into our winning edge. Some of the findings from the study hope to point to the dimensions and aspects within the craft sector that could provide elements of such a winning new basis and edge to innovation and creativity in our modern industrial, design and services sectors.

...from the Introduction:

..One core idea that seems to undercut much of the new thought is the new understanding of the nature and place of culture in human development.

...

Sociology and Political Theory

The RLS Mandala[28] postulates that all human livelihood activity necessarily has a cultural component, and that this informs people's decisions, choices and comfort with the scheme of things.

The renowned sociologist Richard Sennett[29] has argued – in his book "The Craftsman" - the case for looking at crafts as one source for a basis for a way out of the current quagmire in western society.

---

which is moving testimony to how such exceptional spaces and interventions can be created and sustained.

[26] Ibid.

[27] See page 44 last paragraph for a brief discussion on tradition and modernity. For a fuller understanding of the challenges in the Indian context, see Kappen, S, "Tradition, Modernity, Counterculture: An Asian Perspective, Visthar, Bangalore, 1998 (second edition).

[28] See, for example, the RLS Mandala, in Ruedi Hogger and Ruedi Baumgartner (editors), "In Search Of Sustainable Livelihood Systems", Managing Resources and Change, SAGE publishing.

[29] London School of Economics; also founder, The New York Institute for the Humanities at New York University; also teaches at MIT and Trinity College, Cambridge University. Past President, American Council on Work and has been advisor to UNESCO.

Harvard University, Centre for Policy Research

Prof Michael Walton (Senior Fellow, Centre for Policy Research, Harvard University), sees cultural industries not as conservation activities but as a 21st century industrial strategy: the creative sector as the sector of the future, not merely as the protector of the past. Prof Walton said no society achieves transition successfully without innovation and deep creative skills.

Extracts from Chapter 2 Methodology

2.2 Purpose of the Pilot Study

The goals of the pilot study were derived as:

1. To study a sample of artisanal households in the pilot clusters in some micro detail in terms of their social, cultural and economic aspects, to better understand their livelihood systems holistically, and understand the changes that occur over time.
2. To determine approaches and indicators to assess the correct numbers of artisans and their economic contributions.

2.4 Adopted Methodology

The methodology adopted was to undertake the study in select craft clusters in two steps. The study was initiated with a structured qualitative assessment. This was followed by a household survey administered through a formal questionnaire with close-ended responses to be coded and recorded in a standardised and clearly defined and tested procedure.

The cluster survey involved an open-ended enquiry, restricted, however, to specific probes around 3 definite themes. These selected themes were:

i. **Sustainable Livelihoods**. Questions related to this attempted to surface aspects of people's vulnerabilities, the kinds of resources they are able to access, the strategies they forge and the institutional structures and processes they encounter, and the typical outcomes.

ii. **Skill inventory**: Identifying and inventorying in some detail the types and levels of skills involved would correlate with the livelihood choices and vulnerabilities.

iii. **Role inventory**: A detailed understanding of the entire production chain, processes involved and the types of role baskets and niches generated in a cluster would also correlate with the above two aspects.

Extracts from Chapter 3: Findings

3.2 Demography

Our attempt was to cover about 200 households each in the two clusters. After rechecking and ensuring completion of all the received questionnaires, we had 406 valid schedules that were considered for analysis. The distribution of these 406 households across the two clusters and the crafts is shown in Table 1.

Table 3-1: Details of craft households covered in pilot study

Cluster	Craft	Households	Percent
Karur	Table mats – cloth	149	36.7
	Bhavani rugs - full cotton	51	12.6
Cluster total		200	
Kutch	Hand weaving	75	18.5
	Bandhani	48	11.8
	Knife making	5	1.2
	Pottery	10	2.5
	Lacquer ware	2	0.5
	Leather work	6	1.5
	Copper bell	2	0.5
	Wood carving	1	0.2
	Block printing	57	14
Cluster total		206	
Study Total		406	100

The total population covered in the survey is 1925 persons in these 406 households. This averages to 4.74 or about 5 persons per household. Some of the important demographic characteristics of the sample are summarised in Table 3-2, which follows. The Table 3-3 shows the status of literacy in these households.

The total population in these houses working for an income is 935 (2.30 persons per household). Among these, 754 persons earn primarily from craft (80.64 % of working population). Within this, 711 persons earn solely from the craft, which is about 76% of the total earning population. The other 43 have a secondary income which is (in all these cases) agricultural.

BOX 3 LEGENDARY INDIAN HANDLOOM WEAVING

Karur is legendary for the type of bedsheet called 2 x 2. This is still woven in a few pockets. This bedsheet has distinctive geometric patterns in multiple colours which are achieved by selective lifting of warp threads using up to 16 'pulls' attached to foot pedals. Accomplished weavers operate these foot pedals with high speed and precision, and the permutations and combinations are staggering. Indeed, when this author attempted to buy two bedsheets of identical design at a weavers' cooperative, he had to search for an hour amongst hundreds of them before being successful. This is because the weaver simply 'sings another tune' (i.e., she changes the design) each time she starts on a new bedsheet. The idiom is not off the mark; it is commonplace to refer to such weaving with Tamil phrases which translate into – 'the feet speak' or 'the feet sing'.

The seemingly simple act of interlacing warp and weft threads on a handloom has produced an unparalleled richness of diversity in Indian fabric. Combined with the judicious use of natural yarns of appropriate qualities, the fabrics in their functional qualities afforded a stunning range suitable to each clime and purpose. Each fabric thus has a characteristic texture, design and colour palette and unique appeal. At one time, each cluster of villages was known for some such speciality.

Groups of users, differentiated by caste and occupation, traditionally sourced their distinctive fabrics from specific weaver families or clusters, often at vastly separated geographies. In some cases, where special ritual wear for religious purposes or ceremonies, wedding dresses, etc. were involved, the weavers had an intimate knowledge of the clientele's worldviews, traditions and beliefs, and often acted as a significant link in the transmission of such knowledge!

Table 3-2: Some demographic variables of the population studied

Demographic Variable	Category	Number of households			
		Kutch	Karur	Erode	Total
Household characteristics	Numbers	206	117	83	406
	Population	1216	397	312	1925
	Average size	9.34	3.4	3.8	4.74
Domicile	Local	175	117	83	375
	Migrant	31	0	0	31
Religion	Hindu	104	117	82	303
	Muslim	102	0	1	103
Caste	SC	96	8	1	105
	ST	9	0	0	9
	OBC	21	41	5	67
	Other	80	68	77	225
Family type	Nuclear	122	103	69	294
	Joint	84	14	13	111
	Sole migrant	0	0	1	1
Ration Card	APL	110	11	8	129
	BPL	83	103	68	254
	Not available	13	3	7	23
House type	Kutcha	23	12	17	52
	Semi Pucca	156	95	62	313
	Pucca	27	10	4	41
	Owned	184	94	63	341
	Rented	19	23	19	61
	Other	3	0	1	4
Electricity	Available	199	108	73	380
	Not available	7	9	10	26
Water source	Own Tap	193	12	11	216
	Shared tap	3	72	52	127
	Other	10	33	20	63

Migrant: Any family reporting that they have relocated from any other location (village) at any time in the past have been treated as migrants. For definition of all other terms please refer glossary on page 85.

Among this population, about 35% is illiterate, while another 52% reports basic literacy (with or without primary schooling). Only 5% report education beyond the 10th grade.

Table 3-8 Caste composition

Caste Distribution	KUTCH	KARUR	ERODE	Total
SC	96	8	1	105
ST	9	0	0	9
OBC	21	41	5	67
Other	80	68	77	225
Total	206	117	83	406

Average family size among respondent households was 4.74 or close to 5, which is very close to the national average. However, within clusters, this varies significantly; the average family size at Kutch being 9.34 while at Karur it was 3.55.

Average no. of persons from household practising craft is 1.86 persons. Average sex ratio within surveyed household population is 51 males for every 49 females.

The total population in these houses working for an income is 935, which comes to 2.30 persons per household. Among these, 754 persons relate earning primarily from craft (80.64 % of working

population). Within this, 711 persons earn solely from the craft, which is about 76% of the total earning population. The other 43 have a secondary income which is (in all these cases) agricultural.

3.2 Skills, Processes and Roles:

Liebl and Roy[30] have stated that "artisanal skills do not command the recognition and respect they deserve. This is partly a reflection the traditionally low social status of the artisan communities (most of which are caste-based), as well as the low levels of education and high levels of poverty in the sector". To this, we must add the governing elite's rush to "modernise" by transposing the Western model of urban-industrial development and consequent rejection of anything rural or traditional.

A formal assessment of the skills and knowledge available in craft traditions would in many ways help to improve their productivity. For continuation in the same occupation, it would help design customised interventions to improve existing skills, add missing ones and design better support frameworks. From a livelihoods perspective, the challenges faced by persons at different strata on the skills ladder differ considerably and would call for different interventions. For a shift out of the craft occupation, the mapping would help too.

Enumeration of Skill Levels

We adopted a graded scale of five levels for artisans, and added two more types of categories. These two categories described modern enterprise roles that are often performed fulltime in craft enterprises where a collective / group of people work together. The first such role was 'designer' which was not further segregated. The second set of roles we anticipated was the managerial and administrative tasks related to an enterprise where we segregated two levels – managerial and assistive. The definitions applied to these levels are described in annexure 8.

The responses show a larger than expected number of artisans with higher skills amongst the studied population.

Table 3-9

Skill Levels	TOTAL	MALE	FEMALE
Masters	229	175	54
'Engineers'	166	76	90
Technicians	196	113	83
Apprentices	65	25	40
Unskilled assistants	61	14	47
Designers	23	11	12
Managers	2	2	0
Assistants	7	0	7
	749	416	333

[30] This excerpt is from the article in the Economic and Political Weekly issue December 27, 2003, pp. 5374 top.

Average number of skills / roles handled by each person: 40% of the persons handle only a single role; while 20% handle two roles and another 40% handle many roles (more than two roles).

Types of roles

Typically, most crafts revolve around a key technical process, such as weaving, which require high skills. Around this, several roles in pre processing (such as preparing the yarn and loading it on the loom before weaving) and certain post processes (finishing edges, etc.) also exist, with varying skill levels. Conceiving the final end product – its end use, size, colour, design, and other parameters is a task undertaken even before the production is undertaken. Design is often a key element because, unlike mass production, it is not standardised and in many cases, each product is unique.

The organisation of production can take many forms. While household (cottage level) production is common, artisans can also work in small groups. Enterprises grow in two ways. Often, the market facing entrepreneur might simply expand through the 'putting out' system, which involves enlisting other home producers to work for them. This might be a loose or a bound arrangement. Sometimes, the entrepreneur owns the loom or makes some other capital investment or loan to the artisan which binds her to him. Another form of enterprise is when the master or entrepreneur provides a work shed. This usually employs 5 to 15 people, and might not be formally registered. Larger, more centralised production arrangements with a factory like atmosphere, assembly line break up of roles and formalised systems are also found, less frequently.

Depending on the scale of organisation of production, all enterprise related roles – planning, sourcing, selling / gathering orders, supervision, accounting, financial management, might be handled in addition to the core craft technique roles; or assigned exclusively. We looked at the levels of roles performed in relation to the enterprise side of the craft along a simple gradation from overall management to assistive functions.

Table 3-10

Nature of role	Number of artisans	Percentage
Manages entire process	237	31.8
Supports oversight	62	8.3
Can perform any role as needed	123	16.4
Performs key skilled process alone	166	22.3
Performs non core processes	103	13.8
Performs assistive functions	44	5.9
Any other	14	1.5
	749	100

While the nature of the craft and production system determines the implications of the ability to 'manage entire process' or 'perform any role'; it is still revealing to find that the proportion of people

within the production system who value add through core roles is quite high as compared to non core or undifferentiated assistive roles.

Practise and Processes

Responses to 'Since when has this craft been practised in your family?':

Table 3-13

	KUTCH	KARUR	ERODE	TOTAL	Percentage
This generation only	49	1	0	50	12.3
Past 1 generation	--	15	24	39	9.6
Past two generations	--	61	27	88	21.7
Past three generations	--	33	27	60	14.8
Past four generations	--	4	1	5	1.2
More than 4 generations back	157	3	4	164	40.4
	206	117	83	406	100.0

This agrees with prevalent understanding that handloom weaving is in sharp decline recently owing to withdrawal of government support on essential aspects like availability of hank yarn; as also the sharp rise in exports of other handcrafted goods as reported by Liebl-Roy.

Table 3-25: Possession of assets, farmland ownership, communication, mobility, access to schemes and facilities.

Particulars	KUTCH	KARUR Block	ERODE Block	Percentage households		
				Kutch	Karur Cluster: both blocks	Total
Total number of households	**206**	**117**	**83**			
Households possessing / having availed -						
Radio/ transistor	62	55	34	30	45	37
Television	146	98	78	71	88	79
Fridge	54	0	2	26	1	14
Cooking Gas (LPG or gobar)	48	43	20	23	32	27
Computer	6	0	0	3	0	1
Landline telephone	22	1	11	11	6	8
Mobile telephone	174	72	44	84	58	71
Internet connection	5	0	1	2	1	1
Bicycle	89	79	50	43	65	54
Two wheeler (powered)	88	38	16	43	27	35
Four wheeler	7	1	0	3	1	2
Tractor	2	1	0	1	1	1
Three wheeler	2	1	0	1	1	1
Electric motorpump	12	1	1	6	1	3
Diesel pump	3	0	0	1	0	1
Agri land	31	30	5	15	18	16
Borewell	2	0	0	1	0	0
Irrigation	6	1	0	3	1	2
Artisan ID card	58	23	21	28	22	25
Health card RGSSBY	1	42	33	0	38	19
Janashri Bima Yojana	3	1	0	1	1	1
Kalaignar Kapittu Thittam	n.a.	110	78	--	94	n.a.
Bank loan	18	2	2	9	2	5
Loan from SHG/ Federation	5	3	7	2	5	4
SGSY	11	0	0	5	0	3
Artisan Credit Card	0	0	0	0	0	0

A good proportion of households have television sets and mobile telephony. About 16 % have reported possessing some agricultural land. Hardly 25% of those surveyed have artisan ID cards, and the coverage under health insurance is also reported at 19% for the Central scheme while it is nearly 100% for the State scheme in Tamil Nadu.

Economics

Table 3-27

Crafts		Annual Earning						Total
		<= 30000 rupees	30001 - 40000 rupees	40001 - 50000 rupees	50001 - 80000 rupees	80001 - 120000 rupees	> 120000 rupees	
Hand weaving	N	10	12	5	20	19	9	75
	Row %	13	16	7	27	25	12	100
	Column %	6	17	14	35	63	35	19
Table mats - cloth	N	89	28	13	13		1	144
	Row %	62	19	9	9		1	100
	Column %	51	40	36	23		4	37
Bhavani rugs - full cotton	N	14	9	11	14	2	1	51
	Row %	27	18	22	27	4	2	100
	Column %	8	13	31	25	7	4	13
Bandhani	N	42	2		1	1	2	48
	Row %	88	4		2	2	4	100
	Column %	24	3		2	3	8	12
Knife making	N	5						5
	Row %	100						100
	Column %	3						1
Pottery	N	4	4	1	1			10
	Row %	40	40	10	10			100
	Column %	2	6	3	2			3
Lacquerware	N	2						2
	Row %	100						100
	Column %	1						1
Leather work	N			2	1	1	2	6
	Row %			33	17	17	33	100
	Column %			6	2	3	8	2
Copper bell	N						2	2
	Row %						100	100
	Column %						8	1
Wood carving	N			1				1
	Row %			100				100
	Column %			3				0
Block printing	N	9	15	3	7	7	9	50
	Row %	18	30	6	14	14	18	100
	Column %	5	21	8	12	23	35	13
Total	N	175	70	36	57	30	26	394
	Row %	44	18	9	14	8	7	100
	Column %	100	100	100	100	100	100	100

Table 3-28

Total sales		District			Total
		Kutch	Karur	Erode	
<= 30000 rupees	N	11	35	14	60
	Row %	18.30%	58.30%	23.30%	100.00%
	Column	11.50%	33.70%	18.20%	21.70%
30001 - 40000 rupees	N	14	24	10	48
	Row %	29.20%	50.00%	20.80%	100.00%
	Column	14.60%	23.10%	13.00%	17.30%
40001 - 50000 rupees	N	8	14	17	39
	Row %	20.50%	35.90%	43.60%	100.00%
	Column	8.30%	13.50%	22.10%	14.10%
50001 - 60000 rupees	N	7	13	7	27
	Row %	25.90%	48.10%	25.90%	100.00%
	Column	7.30%	12.50%	9.10%	9.70%
60001 - 80000 rupees	N	14	10	17	41
	Row %	34.10%	24.40%	41.50%	100.00%
	Column	14.60%	9.60%	22.10%	14.80%
> 80000 rupees	N	42	8	12	62
	Row %	67.70%	12.90%	19.40%	100.00%
	Column	43.80%	7.70%	15.60%	22.40%
Total	N	96	104	77	277
	Row %	34.70%	37.50%	27.80%	100.00%
	Column	100.00%	100.00%	100.00%	100.00%

Table 3-29

Total sales	N	% of Total N	Mean	Minimum	Maximum	Sum
<= 30000 rupees	60	21.7	22210	8300	30000	1332606
30001 - 40000 rupees	48	17.3	36103	30400	40000	1732955
40001 - 50000 rupees	39	14.1	45848	41520	50000	1788062
50001 - 60000 rupees	27	9.7	56489	50400	60000	1525190
60001 - 80000 rupees	41	14.8	71471	60408	80000	2930292
> 80000 rupees	62	22.4	165617	80320	815000	10268254
Total	277	100	70676.39	8300	815000	19577359

Table compiled for responses received.

Table 3-30

Total sales						
District	N	% of Total N	Mean	Minimum	Maximum	Sum
Kutch	96	34.7	105758	8300	815000	10152800
Karur	104	37.5	43458	10800	129600	4519613
Erode	77	27.8	63701	10800	727680	4904946
Total	277	100	70676	8300	815000	19577359

Extracts from Chapter 4: Discussion

4.1 Highlights of findings

In these two clusters the nuclear family is fast becoming the norm, with about 73% of the households reporting that they are nuclear. The joint families are largely in the Bhuj cluster where their share is 41%; in Karur and Erode blocks they are about 12 and 16 per cent respectively. In joint families, craft was practised as a part of a basket of livelihood strategies – while certain adults worked full time in the craft tradition, one or more (usually the eldest son) would be supported to develop and then diversify into a salaried job or some petty trade or business; in some cases some agriculture or allied activities could be added to the basket. In a basket strategy, there was the flexibility and freedom to mop up available free time after household work or agriculture to pitch into the craft. Household chores like cooking and care of children could be anchored by one person, leaving the others free to work and earn. Since the craft practise was not the only source of income, there was no pressure to earn a certain floor level of income from this activity. As nuclear families become the norm, continuing craft practise and simultaneously managing household chores (especially care of children) in itself is a challenge. The grim alternative (once the craft earning falls below a viable level) is usually casual labour, since the luxury of educating or supporting entry into salaried jobs or small businesses for even one member is difficult to orchestrate.

Literacy and education levels are extremely low. Hardly any person possesses any other skill or knowledge for an alternative livelihood source. Once an artisan is unable to sustain herself through the craft practise, the only alternative is to offer oneself for casual labour. This is usually sought within the local context and migration is the last preference of the artisans. Only about 7.6% of the artisanal households here have migrated. There are serious issues in relation to the message that the formal education system communicates to artisanal communities and children about the worth of their occupations, and the way in which it treats the knowledge systems and skills inherent in these traditions as irrelevant or inconsequential. That can be the subject of discussion for a modest sized book. However, see discussion in Box 6 on page 68 about the Kala Rakhsa Vidyalaya in Kachhch.

Women who work for the craft number only slightly less than the men and constitute 45% of the artisanal work force. Over 40% of the artisans have high degree of skills and have met the project definition of master craftspersons. In terms of skills and roles, women contribute significantly – about 68% of women artisans report to be at the skill level of highly skilled aka technician and above while 26% are reported in apprentice or assistant skill levels; the corresponding percentages reported for men are 88 and 9. In terms of roles undertaken, 30% of the working women artisans are in management or oversight of the entire process, 10% report an ability to undertake any role, another 23% report performing the key skilled role and finally 36% are in non core / assistive roles; the corresponding percentages for men are 48, 22, 21 and 8.

The gender composition of contribution to workforce and value addition in general as well as specifically within crafts sector has often been contested by sector representatives.

Previous reports that depend on secondary data or analysis provide figures in the range of 14% (Liebl – Roy) to 17% (our own analysis of census data). Part of the reason is that the census data only records main workers and excludes home based work. The Bhuj and Karur clusters have a predominance of weaving, embroidery and other crafts wherein the participation rates of women are higher. These are also crafts which are usually carried out from home, unlike, say, woodwork or metal work (more common in UP and northern states) which are increasingly organised in Kharkhanas. Nevertheless, micro surveys like this have consistently pointed out higher rates than official statistics.

Of the artisans surveyed in these two clusters, about 27% are entrepreneurs who largely market their own wares[31]. This percentage is higher at 47% in the case of Bhuj. The other channels of marketing are selling to local traders (49%) and accessing retail customers directly (22%).

Income levels range from as low as Rs. 8,300 per annum to Rs. 8, 15, 000 per annum for a household. Most of it is scattered in the range between Rs. 20,000 to Rs. 2, 00, 000 per annum. About 63 % of the households are identified as living below the poverty line and possess BPL ration cards. However, higher income levels, sometimes going beyond Rs. 8, 00, 000 lakhs per annum, are reported in many individual cases from Bhuj where many artisans have turned into 'big entrepreneurs'.

4.3 Further interpretative discussions

There is dynamism in the artisans in selecting livelihood and coping strategies, within available knowledge and competencies. They innovate and adapt to changing market preferences, technology shifts and competitive changes.

However, while individual adaptability and dynamism exist, at a sectoral level, this takes the form entirely of a reactive and not a pro active stance. Rarely are individual artisans or enterprises large enough to weather technology shifts or to invest in suitable R & D towards anticipating changes.

The tradition itself has seen rigidities, such as caste bound boundaries or boundaries to adapting products to other utilitarian purposes than originally conceived. Traditional uses are often overlaid with ceremonial, religious or votive meanings. This implies strictures about the nature and manner of use; and corresponding specifications and strictures about the method of manufacture. There are both positive and negative movements with regard to these. Many of these boundaries are breaking – women are playing much larger roles, new castes take up these activities. However, when markets are still accessed and controlled by intermediaries, traditional strictures about the production process often continue to hold sway on the artisans making it difficult to adapt to contemporary needs.

[31] These roles are fluid and usually it means that a master craftsperson has taken on trading and supplies to various markets. S/he may have a variety of arrangements to source from other artisans and depending on the type of markets accessed, may either sell only to intermediaries or directly to customers or to both.

The dynamic factors which determine the growth or decline of the craft need to be understood from a total livelihoods perspective and not from a narrow economic perspective alone. Other sections of society have engaged with greater success in market participation. There are peculiar characteristics of the artisanal culture and value systems which preclude their easy assimilation into the market economy.

There is no doubt that market integration needs to be achieved. However, we cannot paint all handicrafts with one brush. Many crafts are not dying due to their own intrinsic 'weaknesses' in the face of modernisation. Often, they are dying due to wilfully loaded hostile terms of trade.

BOX 7: ABC OF DEVELOPMENT- GOI STYLE

A forceful example of the foolishness of embracing dogma about GDP and formal sector that comes to mind is that of the bamboo artisan. She is made to pay Rs. 10 – 15 for a single bamboo while the paper mill is allowed to harvest the same on token rates from Rs. 5 or Rs. 50 a ton, where the harvesting is weakly monitored and payments hardly enforced. Every tribal and NGO will attest to the harassment by corrupt forest rangers when they even carry away some dry tinder or a few branches; even as it is a well known fact that hundreds of whole truckloads of timber, bamboo and other forest produce are smuggled out daily with political connivance.

Annex 3
Select bibliography

Books

Chattopadhyay, Kamaladevi *Handicrafts of India*, Indian Council for Cultural Relations, Wiley Eastern Limited, New Delhi.

Chhiber, Neelam *Stone Craft of India*, Volumes 1 and 2[2005], The Crafts Council of India.

Crafts Council of India *Champa* [2010].

Crafts Council of India, *Grass to Gold* [2009].

Crafts Council of Karnataka *The Temple Treasures (3 Volumes)*

Crawford, Matthew *The Case For Working With Your Hands* [2009], Viking (an imprint of Penguin).

Dhamija, Jasleen (Editor) *Asian Embroidery* [2004], Crafts Council of India – Abhinav Publications.

Gudeman, Stephen, *Economics as Culture: Models and Metaphors of Livelihood* [1986], Routledge and Kegan Paul.

Latour, Bruno *We Have Never Been Modern* [1993], Harvard University Press.

Pal, P.K. *Crafts and Craftsmen in Traditional India* [1978], Kanak Publications, New Delhi.

Ranjan, Aditi and Ranjan, M.P. (Eds.) *Handmade in India: Crafts of India* [2007], co-published by COHANDS and Mapin Publishers Pvt. Ltd., National Institute of Design, Ahmedabad.

Ranjan, M.P., Iyer, Neelam and Pandya, Ganshyam *Bamboo and Cane Crafts of Northeast India*, National Institute of Design, Ahmedabad.

Ranjan, M.P., Singh, Mann (Editors) *Bamboo Initiatives: Design Strategies from NID-BCDI*, National Institute of Design.

Roy, Tirthankar *Artisans and Industrialisation: Indian Weaving in the Twentieth Century* [1993], Oxford University Press.

Roy, Tirthankar *Artisans and Industrialization: Indian Weaving in the twentieth century*, Delhi Oxford University Press, 1993.

Saraf, D.N. *In the Journey of Craft Development, 1941- 1994, (The Panorama- Crafts In States)* [1991], Sampark (Publication Division), New Delhi.

Sennett, Richard *The Corrosion of Character: The personal consequences of work in the new capitalism* [1998], WW Norton.

Sennett, Richard *The Craftsman* [2008], Yale University Press.

Sennett, Richard *The Culture of the New Capitalism* [2006], Yale University Press.

Subrahmanian, K.K. (Editor) *The Handicrafts Industry in Kerala, Blending Heritage with Economics* [2006], Daanish Books, Delhi.

Throsby, David *Economics and Culture* [2001], Cambridge University Press.

Venkatesan, Soumhya *Craft Matters – Artisans, Development and the Indian Nation* [2009], Orient Black Swan.

Journal articles

Dev, Mahendra S; Galab, S.; Reddy, P. Prudhvikar and Vinayan, Soumya, 'Economics of Handloom weaving: A field study in Andhra Pradesh', *Economic and Political Weekly*, Vol. XL111m No. 21 (May 24-30, pp. 43-51.

Jain, L.C., 'A Heritage to Keep: The Handicrafts Industry', 1955-85, *Economic and Political Weekly*, Vol. 21, No. 20 (May 17, 1986), pp. 873-887.

Kurup, K.K.N., 'Traditional handloom industry of Kerala', Centre for Heritage Studies, Department of Cultural Affairs, Govt. of Kerala. *Indian Journal of Traditional Knowledge*, Vo. 7(1), January 2008, pp. 50-52.

Liebl, Maureen and Roy, Tirthankar, 'Handmade in India: Preliminary Analysis of Crafts Producers and Crafts Production', *Economic and Political Weekly*, Vol. 38, No. 51/52 (Dec. 27, 2003 - Jan. 2, 2004), pp.5366-5376

Noorbasha, A., 'Handlooms in Distress', *Economic and Political Weekly*, June 8, 1996, 31(23) pp. 1384-86.

Roy, Tirthankar, 'Out of Tradition: Master Artisans and Economic Change in Colonial India', *Journal of Asian Studies*, Vo. 66, No. 4, November, 2007 pp. 963-991.

Solanki, S.S., 'Reaching the unreached: The missing links - A case study of rural artisans in Haryana and Rajastan', *Man and Development*, 25(20, 2003, (June) pp. 33-48.

Solanki, S.S., 'Sustainability of Rural Artisans', *Economic and Political Weekly*, Vol. 43, No. 19, May 2008.

Som, Suparna; Bharati, Susmita; and Chatterjee, Arun K., 'The Role of Women in Weavers' Family: A Case Study in West Bengal Village', *Journal of Indian Anthropological Society.42*: 23-30 (2007.)

Reports

Asia Pacific Creative Communities: *The Jodhpur Initiative* (commonly called Jodhpur Consensus), UNESCO, 2005.

Contribution of Handicrafts and Handlooms in Indian Development, Industrial Development Services, *A report on Hand-Printing*, New Delhi, January 1983

Contribution of Handicrafts and Handlooms in Indian Development, *Product Review Paper, Handloom*, N. Delhi, 1982

Convention on the Protection and Promotion of the Diversity of Cultural Expressions, UNESCO, 2005. http://unesdoc.unesco.org/images/0014/001429/142919e.pdf

Creative Economy Report 2008: *The Challenge of Assessing the Creative Economy: Towards Informed Policy Making*, UNDP - UNCTAD

Cultural perspectives on Sustainable Rural Livelihoods: Situating Cultural Practices of Marginal Communities in India, Rahul Ghai and Sanjay Kumar, a position paper, Deshkal Society, March 2008.

India's artisans: A status report. SRUTI, 1995

International Symposium on "*Crafts and the International Market, Trade and Customs Codification*", *Final Report*, Manila, Philippines - 6-8 October 1997), UNESCO, UNCTAD

Law and Handloom Cooperatives, Vasudha Nagaraj, Dastkar Andhra, 2007.

Mandate for Growth: The Handloom Cooperative Experience in Andhra Pradesh and Karnataka, Dastkar Andhra – AIACA, 2007.

Globalization of Indian handicrafts: A human development approach. Pradeep Kumar Jena: paper privately circulated.

The handloom industry and the socio-economic condition of weavers in Orissa, Rajkishor Meher, Nabakrushna Choudhury Centre for Development Studies, Orissa, Bhubaneswar

Reflections on the Cooperative, Occasional paper, Dastkar Andhra, 2007.

Rural Artisans in Tamil Nadu, E.S. Srinivasan, MIDS Working Paper 20.

The 2009 UNESCO Framework for Cultural Statistics http://www.uis.unesco.org/template/pdf/cscl/framework/FCS_2009_EN.pdf

The Future is Handmade. Prince Claus Fund Journal #10a, The Hague, Netherlands 2003. unescobkk.org/elib/publications/2005creative_communities/creative_communities.pdf

Valuing Craft: Locating the Artisan in Times of Transition – A Seminar held in conjunction with Kamala 2008 (proceedings summary), Crafts Council of India, February 2008.

NCAER reports

Census of Handicraft Artisans 1995-96, State Series Vol 1, NCAER, New Delhi

Census of Handicraft Artisans 1995-96, State Series Vol 10, NCAER, New Delhi

Census of Handicraft Artisans 1995-96, State Series Vol 11, NCAER, New Delhi

Census of Handicraft Artisans 1995-96, State Series Vol 22, NCAER, New Delhi

Ameta, H.R., Census, Handicraft artisans 1995-96

Vijayagopalan S. Economic Status of Handicraft Artisans, NCAER, New Delhi - 110002, 1992

NSSO reports

The National Sample Survey, Seventh Round: October 1953-March 1954, Number 19, Report on Small Scale Manufacture

The National Sample Survey, Seventh to Eighth Round: October 1953-April 1955, Number 42, Report on Small Scale Manufacture

The National Sample Survey, Fourteenth Round: July 1958 - June 1959, Number 100. Tables with Notes on Rural Employment and Unemployment

Planning Commission documents and reports

Annual Report, Ministry of Textiles, Government of India, 2008-09

Draft Report of sub group on Handicrafts for the Eleventh Five Year Plan, Office of the Development Commissioner (Handicrafts), Ministry of Textiles, Government of India

Draft Report of the sub group on Handicrafts for the Tenth Five Year Plan, Office of the Development Commissioner (Handicrafts), Ministry of Textiles, Government of India

Draft Report of the sub group on Handicrafts for the Ninth Five Year Plan, Office of the Development Commissioner (Handicrafts), Ministry of Textiles, Government of India

Evaluation Report on Khadi & Village Industries Programme, PEO Study 181

Past Forward: The Future of India's Creativity (Report of the Task Force for Cultural and Creative Industry, Planning Commission), 2006.

Report of the Task Force on Handicrafts for the VIII Five Year Plan, Office of the Development Commissioner (Handicrafts), Ministry of Textiles, Government of India

Report on Growth and Prospects of the Handloom industry. Study Commissioned by the Planning Commission. Seemanthini Niranjana, Soumya Vinayan, For Dastkar Andhra, 2001

Study of Handloom Development Programme, 1967, PEO Study No.61

Study of Village Artisans, 1956, PEO Study No. 17

Census publications

Census of India 1961 Part Vii-A Handicrafts and Artisans of Madras State, Palm leaf products

Census of India 1961 Part Vii-A-(ix) Handicrafts and Artisans of Madras State, Brass and Bell-Metal Ware of Nachiarkoil

Census of India 1961 Part Vii-A-(vi) Handicrafts and Artisans of Madras State, Wood carving of Madurai

Census of India 1961 Part Vii-A-(vii) Handicrafts and Artisans of Madras State, Druggets and Carpets of Walajapet

Census of India 1961 Part Vii-A-1 Handicrafts and Artisans of Madras State, Silk Weaving of Kanchipuram

Census of India 1961 Part Vii-A-IV Handicrafts and Artisans of Madras State, Fine Mats of Pattamadai

Census of India 1961 Volume IX, Madras, Part I-A-(ii), General Report

Census of India 1961 Volume IX, Madras, Part XI-A, Handlooms in Madras State.

Census of India, 1961, Madras State, Part VII-A, Monograph No. 4, Cire Perdue Casting in Swamimalai, Office of the Registrar General of India, Ministry of Home Affairs, New Delhi -11

Census of India, Series No1, Paper No. 2 1970, Office of Registrar General of India, Ministry of Home Affairs, New Delhi. Basketry and Mat-weaving in India

Annex 4
Terms used/Conversions

Note: The words '(handi)craft', '(handi)crafts' or '(handi)craft sector' are used throughout this report to include and subsume both the handloom and the handicraft sectors. The CEIS project definition of handicrafts does not follow the arbitrary administrative compartments and definitions applied by the DC(H) and the GOI. For a fuller discussion, see the section on definitions – page 42.

Abbreviations and explanations for colloquial or specific terms used

Agarbatties	Incense sticks
APL	Above Poverty Line
Artisan	A person who works to produce handloom or handicraft items is referred to as an artisan. An artisan is a person with special hand skills, often handed down traditionally across generations, and often linked to a complex traditional knowledge system encompassing the material, technology and / or design aspects.
Bandhani	A traditional form of tie-dye technique for colouring fabric.
BC	Backward caste
Bhavani rug	A special form of a tough (canvas like yet supple) hand-woven cotton rug that has traditionally been used to spread on open grounds at outdoor functions for people to sit on; and also under the mattress in some parts of India. It is still the floor spread of choice for outdoor events and is usually made in striking bands of colour according to a distinctively recognisable design idiom.
BPL	Below Poverty Line
CCI	(The) Crafts Council of India
CEIS	This report is the second stage of a study undertaken by the Crafts Council of India. This study was titled Craft Economics and Impact Study, or CEIS in short.
Chapathi	A traditional Indian bread made from whole wheat flour rolled thin and round and cooked fluffed on a pan.
Cluster	We have loosely applied this term to refer to two specific pockets that were covered in this study. A cluster normally refers to a geographically contiguous area possessing some unifying activity or characteristic, and is increasingly seen as a better basis for targeted intervention in preference to artificial administrative boundaries. Thus it might include parts of two contiguous administrative territories such as blocks or districts.
CP	Craftsperson
Craft	The word craft is used throughout this report to refer to both handloom and handicrafts. Handicrafts are products or services provided by artisans, working primarily with their hands. The artisan very often uses traditional knowledge and her/his direct manual contribution forms a substantial or distinctive part of the end product or service. Usually there are minimal or limited inputs from machines. The project definition and explanations are contained in specific sections of the report.
CST	Central sales tax
DC (H) or DCH	Development Commissioner – Handicrafts
DFID	Department for International Development (of the UK)
EC	Economic Census

EU	European Union
EUS	Employment - Unemployment Survey of the NSSO.
FCS	Framework for Cultural Statistics of the UNESCO Institute of Statistics
GDP	Gross Domestic Product
GoI	Government of India
Handicrafts	Same as craft above. For more accurate description, see the CEIS project definition. Subsumes handlooms and handicrafts.
ITC	International Trade Centre
Kharkhana	A local expression for a workshed or factory
Kutcha / kuchcha	An expression meaning raw or unfinished
KVIC	Khadi and Village Industries Commission
Lakh	A hundred thousand; or one tenth of a million (1,00,000)
Million	A thousand thousand (1,000,000)
MSME	Micro, Small and Medium Enterprises
NCAER	National Council for Applied Economic Research
NCO	National Classification of Occupations
NGO	Non Governmental Organisation
NIC	National Industrial Classification
NIC	National Industrial Classification
No(s). / no(s).	Number(s)
NREGA	National Rural Employment Guarantee Act
NSSO	National Sample Survey Organisation
NSSO	National Sample Survey Organisation
OBC	Other Backward Communities
PAN	A registration to identify an individual or enterprise for Income Tax
PDS	Public Distribution System
Ph.D.	Doctor of Philosophy
Powerloom	A simple automated loom that runs on electricity.
PRA	Participatory Rural Appraisal
Pucca	an expression meaning solid or well finished
RLS Mandala	The Rural Livelihood System Mandala - an outcome of a global study on sustainable rural livelihoods by the NADEL University; which has later been incorporated into the DFID Sustainable Livelihoods Framework.
RTE, RTI	Right to Education, Right to Information
SC	Scheduled castes
Sec. 25 company	A registered not-for-profit company
Sector	The word sector connotes a reference made when referring to handlooms and handicrafts as an industry sector. Unlike other modern industrial sectors, this one involves formal and informal manufacture at household, cottage or industry levels as well as a range of specialised services provided - again both formally and informally. The presence of separate agencies for production and for market interfacing, with many intermediaries and much informality, also poses problems in assessing the total size and value addition of the sector.
Semi-pucca	Pucca means finished. This refers to a house that may have any (but not all) of its walls, floor or roof in an unfinished state.

SHG	Self Help Group
SRUTI	Society for Rural, Urban and Tribal Initiatives
ST	Scheduled Tribes
UK	United Kingdom
UNESCO	United Nations Educational, Social and Cultural Organisation
UP	Uttar Pradesh

Conversions

Numbers

1 million	= 10 lakhs	= 10, 00, 000
1 crore	= 100 lakhs or 10 million	= 1, 00, 00, 000
100 crore	= 1 billion	

Currency

1 USD	=	about 45 INR (Indian Rupees, abbrev. Rs.)
USD 1 billion	=	INR 45 billion;
INR 1 billion	=	USD 22 million or 0.0222 billion

The Tenacity Of Hope

India is not Egypt because democracy and the informal sector come to the rescue

Dipankar Gupta

Since Cairo took to the streets, there is one question that comes up repeatedly in India. How have we been saved from such anarchy, in spite of our faltering democracy? True, Egypt's growth, between 5% and 7%, has been less spectacular than ours. But its per capita income swelled from $587 in 1981 to $1461 in 2001. Even its deficit as a percentage of GDP has fallen from 10.2%in 2002 to 7.8% in 2010. Its poverty figures are much lower than ours, given that per capita monthly income in Egypt is approximately $130.

but it has compensated for that with enormous horizontal mobility. This has taken a huge pressure off the cooker.

A far, far greater proportion of Indians than Egyptians are searching for jobs and setting up homes in places their parents would never have. That over five billion railway tickets are sold every year in India gives us a measure of a society on the move. With every horizontal step, either from village to town, or from farm to non-farm employment, new ambitions and expectations are released. In this process, frustrations get an outlet and the current state of deprivation

India, the poor are moving from poverty to poverty, but with each horizontal move, a little hope bubbles up in their lives.

We are lucky in yet another way, and this again comes up from somewhat unexpected quarters. The feminisation of informal labour has also given hope to a lot of poor families. They have found jobs in garment industries and in other household units. Even in the organised sector, the recent increase of over a million workers is primarily on account of women joining the workforce. In Egypt, women's contribution in this regard is much less, and this again boxes in families. To keep them off

Creative economy and development

If information technology has enabled emerging economies such as India to change the commercial equations with the developed world, another speciality is being recognised for its potential: the 'creative economy'. This segment, according to a classification by the United Nations Conference on Trade and Development (UNCTAD), comprises goods and services produced by the 'creative industries' such as art-crafts, audio visuals, design, new media, performing arts, publishing and visual arts, the 'creative services' (including advertising and architectural services), and their 'related industries'. For nearly a decade, UNCTAD has been attempting to turn the spotlight on the promise the creative economy holds for domestic development and international trade. Going by the evidence available, this segment emerges as one of the better performers even during a recession. In 2008, despite a contraction of 12 per cent in international trade, the creative economy did well: global exports in this sector, at $592 billion, were more than double of what they were in 2002.

The UNCTAD report, *Creative Economy: A feasible development option*, released in December 2010, has done well to urge developing countries to enhance their creative capacities. For, this sector's exports grew

from the RINGSIDE

N K Singh

800 MILLION PEOPLE

That's the number of Indians who still remain poor and vulnerable in the new India

THIS week has been euphoric in more ways than one. The spectacular cricket victory, Sensex touching a new high, and the India@60 celebrations in New York — all that has enhanced our sense of achievement and pride.

To dampen these high spirits with talk of the reality of poverty may not

sented to the government by the National Commission for Enterprises in the Unorganised Sector in August gives an unnerving picture. It appears that the number of extremely poor, having a monthly per capita consumer expenditure of up to three-fourths of the official poverty line of

come down, the number of marginally poor and economically vulnerable is a staggering proportion of our population. What is worse is that a high percentage of this group comprises Scheduled Tribes, Scheduled Castes, OBCs, minorities, and Muslims.

The commission believes public

But the recommendations have received a somewhat cavalier treatment from the nodal ministry. The bills introduced in Parliament are an emasculated version of the proposed drafts and leave out the creation of a fund. These proposals need wider public debate before rushing

Fourth, while reduction in extreme poverty is an index of our success, we cannot avoid revisiting issues of how poverty is defined. The commission recognises that revisiting the official poverty line is the "first step towards recognition of the multi-dimensional nature of poverty" and

Handloom weavers face uncertain future

Yogesh Vajpeyi
Mubarakpur, Uttar Pradesh

MUBARAK of this historic Uttar Pradesh town, belongs to a proud family of weavers that owned 25 looms at the time of Independence. "We take our name from the Persian word for ball of thread," he explained. "We believe we are the direct descendants of Adam who, on seeing his nakedness after the fall from grace, taught his sons to weave".

Today Mubarak runs a grocery shop. "Some members of the family have migrated to other parts to carry on the traditional trade," he continued. "But we decided to give it up 20 years ago."

Looking back, he is glad that his father took that decision. "The handloom and power loom weavers in Mubarakpur today find themselves in a death trap," Mubarak added. "Most looms have closed, and the 20,000 odd that still operate struggle for survival."

The weavers' plight following loss of jobs has driven some to desperate measures.

Creators exploited

The real artisan is in danger and it actually took public hearings to reveal why handloom

What use Government Awards ... Miserv continues

YOGINDER K. ALAGH

IND. EXP. 4.2.11

With skill and compassion

Policies that cause lakhs to show up for 416 ITBP jobs

One of the last professional exchanges I had with the late Rajiv Gandhi was on the need for a sensible stand on reservations. He argued in the Lok Sabha as leader of the Opposition — I think in September 1991 — that the need was not just reservations for OBCs in non-existent government jobs, but for an economic policy which created many, many well-paid jobs for the agriculturists, dairy herdsmen and artisans of India. I am all in favour of reasonable, well-earned wages — together with an NREGA wage which acts as a self-selection mechanism so that only the genuinely needy benefit.

We have to now squarely face the fact that resources are limited, and everybody has to share the burden of sourcing non-inflationary growth, and not just unorganised workers. If per capita income, in real terms, is rising by 6 per cent a year, one of the lessons of macro theory and policy is that real incomes for wage-earners, entrepreneurs and farmers cannot rise more than a weighted average of 6 per cent, as you approach capacity constraints.

In other countries this is called an incomes policy, and tax breaks only to one section are contested. But in the woolly world of liberalisation in erstwhile colonies, *sab chalta hai*. Used intelligently, the market can be a good handmaiden; otherwise it can be a cruel master. Young men desperately wanting a well-paid job require out-of-the-box reactions.

The writer, a former Union minister, is chairman, Institute of Rural Management, Anand.
express@expressindia.com

Agony of Sambalpuri Saris

(Contd. from page 1 Col 5)

good demand for Sambalpuri saris all over India and overseas ensured a high turnover for the cooperatives. Sambalpuri Bastralaya of Bargarh alone used to do business worth Rs 15 crore a year.

By the mid-1990s the cooperative societies were steeped in debt and suffering huge losses. The co-operatives began to close down one by one, leaving the door open to middlemen who began offering the weavers thread and colour. Soon the middlemen began to prosper at the expense of the weavers. Now the latter are at the mercy of political leaders, who now run the cooperatives.

Although Remunda and Talmenda villages continue to be the production centres of the exquisitely designed saris, there has been a drastic decline in the wages of the weavers. This coupled with closure of cooperatives, which extended assistance, has led the weavers to shift to Sambalpur and Raipur in search of alternative livelihood.

An emotional Samaru Meher, a weaver who now runs a grocery shop, said, "Villagers have given up weaving and are pulling rickshaws." Another weaver, Chakra Meher, says

weavers of Sambalpuri saris are facing a crisis. The Sambalpuri Bastralaya Handloom Co-operative Society Limited (SBHCS) is gasping for breath under the burden of a huge loss and their clientele has been declining. There has been an exodus of weavers from SBHCS giving a serious jolt to the dream of it founder Krutartha Acharya, the doyen of co-operative movement. Jhilminda village from where SB-

MEN & MORALS

GURCHARAN DAS

In our euphoria over India's growth we forget that we still have to create an industrial revolution. Only through low tech, labour intensive industry will we be able to create jobs for the rural masses.

INDIAN EXPRESS — 28.4.2011

Work better

Adding a skills component to NREGA would achieve several ends

AS one of the largest job programmes in history, NREGA often gets a bad rap from those who think it does not contribute to growth — that it amounts to giving people fish rather than teaching them to fish, to use the Chinese expression.

Now, there's an interesting proposal in the works, floated by the Prime Minister's National Council on Skill Development, to impart greater sustainability to NREGA employment by investing in skill-formation. However, to make sure that the original intent of the scheme is not diluted, it's going to be rolled out in a calibrated way and meant for those who have already completed the required number of days of unskilled manual labour. Also, it will focus largely on artisan skills, because NREGA was felt to have unwittingly contributed to a de-skilling as many craftspeople abandoned their work to shovel soil and build ditches, because it was a reliable source of income.

Meanwhile, as far as the skill development mission goes, hitching its wagon to NREGA

idea, giving it a country-wide horizontal reach to scale up. Apart from the major crafts clusters, like weavers in Varanasi or Chanderi, brass workers in Moradabad, etc, we don't know the dimensions of our artisan community. NREGA has phenomenal scale and covers all the districts across India, and will help provide a real database so that the skill development programme can have greater range and depth. This will add greater heft to the programme, which aims to massively expand the skilled pool of workers in health, information technology, tourism and hospitality, with private sector cooperation. So this plan would not only raise the NREGA profile and make it a productivity-enhancing scheme rather than simply welfare, it would also make a huge difference to the skilling project, so crucial if India is to make use of its demographic advantage. At a less abstract level, it could stop the free fall of Indian craftsmanship, the slump in self-belief among our artisans who now feel that digging a well gives them greater returns

TOP OF THE MIND

ARUNA ROY

Why can't the fantastically gifted folk artists and singers become music tutors for a hundred days a year at primary schools in their area instead of digging sand in the desert?

Jobs and skills

Supply-demand imbalance is quantitative and qualitative

" Handicrafts are products or services provided by artisans, working primarily with their hands. The artisan very often uses traditional knowledge and her/his direct manual contribution forms a substantial or distinctive part of the end product or service. Usually there are minimal or limited inputs from machines.

The distinctive nature of handicraft comes from the fact that these goods or services can be identified with certain traditions or geographies.

An artisan is a person with special hand skills, often handed down traditionally across generations, and often linked to a complex traditional knowledge system encompassing the material, technology and / or design aspects."

Cover photograph courtesy Chitrabani, Kolkata