CHAPTER – IX
SUMMARY OF FINDINGS AND CONCLUSION

This final chapter presents the summary of the research work done, its findings and the policy suggestions to strengthen the handloom industry in general and benefits to weavers in particular.

HANDLOOM INDUSTRY

Handlooms are an important craft product and comprise the largest cottage industry of the country. Millions of looms across the country are engaged in weaving cotton, silk other natural fibres. There is hardly a village where weavers do not exist, each weaving out the traditional beauty of Tamil Nadu’s own precious heritage.

The handloom industry in India is crucial for rural development as it remains the second largest rural employer in the country even today. This is a fact that is at variance with the decreasing investment by the State and increasing disengagement from the customer. Activity in this sector has been largely carried out by entrepreneur traders and weavers. While the growing distance from the market the physically has had an adverse effect on the sector, it is also a fact that this is the only sector which has successfully seized opportunities from distant export markets in its history.

Handloom sector’s unique feature is its ability to provide employment to a large number of persons with far less average capital employed per worker compared to the other sectors of the textile industry namely power looms and mills. This is possible because the traditional handloom weavers use their
simple pit and horizontal looms kept in their house cum shed as tools of production and this makes handloom sector one of the principal sources of employment in rural areas.

Advent of Globalisation during 1991 and its acceleration since 2001 coupled with major changes in the global trade arena like WTO agreement, multi-fiber agreement, etc changed the attitudes and priorities of the Government vis-à-vis the handloom sector. The successive globalization policies gradually and in a systematic manner marginalized the handloom sector and worsened the plight of the weavers. Specifically speaking, the textile policy after globalization, which specifically concerned with expanding textile production, made a significant departure from the past by according high priority to productivity of textile industry in general, overlooking the employment potentiality and productivity of handloom industry in particular.

Productivity was sought to be increased in various process of textile production, ignoring the relative strength and inherent ability of the different sectors of textile industry. Consequently, the handloom sector began to loose safeguards and privilege hitherto enjoyed by the industry with regards to uneven competition from power loom and mills. The act also generated conditions that encouraged the proliferation of the competing sector namely, the power looms and in the 1991 the overall growth was estimated at 1.7 percent per annum leading to a current situation where the handloom sector is facing an aggressive and unbridled competition from much superior power looms.
The present study is based on secondary data gathered from department of Handloom and Textile, Govt. of Tamil Nadu and sample survey conducted Total 250 working weavers households in Bhavani and Perundurai in Erode district of Tamil Nadu. These study areas represent relatively higher concentration of handloom weavers communities. The study also covered 40 handlooms owners from co-operative sector and non-co-operative sector in the two identified blocks of Erode district- Bhavani and Perundurai sample areas. Further, sample weaver community leaders and their knowledge persons and NGOs were covered for in-depth primary data collection.

With globalization of Indian economy, the modern textile industry has posed serious threat to the traditional handloom industry. Rapid technological upgradation and automation in modern textile industry has made high volume of production of a variety of quality synthetic and cotton textile items, enjoying competitive advantage over the handloom products. The handloom industry, both in co-operative and private sector, with its vast rural work force especially of weaver communities is confronted with challenge of competitive economic environment. The weakening position of handloom sector in the wake of global competition of textile industry has posed a serious threat to the socioeconomic life of the traditional weaver communities, in general and to the socioeconomic status of rural women of these weaver communities in particular.

This research work has critically examined the change in status and pattern of employment of handloom weaver communities engaged in handloom enterprises in Erode. Besides, the extent of their productive utilisation, nature, seasonality and remunerative their jobs, their role and contribution in production of handloom items, social and economic constraints, work
participation, change in their social and economic status in the family and community, change in employment and working condition, new problems and risks/threats perceived by them in their occupation and work environment have also been studied. The study suggests effective strategies to enhance their socio-economic status from their childhood.

GROWTH OF HANDLOOM INDUSTRY

The growth of handloom production values in co-operatives in Tamil Nadu and the production values had increased from Rs.436.37 crores during 2001 to Rs.735.21 crores in the year 2012. The linear and compound growth value were increased by Rs. 453.02 crores, Rs.455.70 crores and Rs.771.03 crores and Rs.794.04 croes in 2012 respectively.

The growth rate of handloom production values in co-operatives of Tamil Nadu over a period of time is 5.18 Again, the over all fir is quite good is obviously explained by the high value of R-Square value, thereby the models are well suited for making forecast.

The growth of handloom production values in outside fold in Tamil Nadu and the production values had increased from Rs.533.34 crores during 2001 to Rs.773.66 crores in the year 2012.

The growth of total handloom production values in Tamil Nadu and the production values had increased from Rs.969.71 crores during 2001 to Rs.1508.87 crores in the year 2012.
The growth of handloom sales values in co-operatives in Tamil Nadu and the sales values had increased from Rs.493.58 crores during 2001 to Rs.821.18 crores in the year 2012.

The growth of handloom sales value outside fold in Tamil Nadu and the sales values had increased from Rs.509.95 crores during 2001 to Rs.799.53 crores in the year 2012.

The growth of handloom total sales values in Tamil Nadu and the sales values had increased from Rs.1003.53 crores during 2001 to Rs.1620.71 crores in the year 2012.

The growth of employment in handloom industry in Tamil Nadu and the employment of workers in handloom industry had increased from 5.20 Lakhs during 2001 to 13.18 lakhs in the year 2012.

HANDLOOM WEAVERS CHARACTERISTICS

Among the 250 handloom weavers respondents surveyed under co-operative and non-co-operative sector the weavers who come under the age group of 25-30, form highest percentage of weavers in both sample places Nearly 67.20 percent and 80.80 percent from backward class in Bhavani and Perundurai respectively

Nearly 85 of the sample weavers families reported exclusively depending on earning as their sole occupation. About 5 percent of the sample weavers reported being engaged in weaving as well as other occupations. It is found that about 78.80 percent of the sample respondents engaged in weaving activities as traditional and family structure as the reasons for the choice of the occupation is reported in both sample places. It is noticed that nearly 94 percent
of the total sample weavers families an average 3 members engaged in weaving activities in the study areas. The average hours of work per day per worker in the sample respondents worked out 11 hours.

It is observed that at the time of data collection nearly 84 of the households reported having 2 to 4 rooms in their houses. As regards environmental sanitation, it is noticed that none of the surveyed weavers households do possess well furnished toilet of their houses. Open field defecation is widely prevalent among the weaver community in rural areas. Majority of the surveyed households reported experiencing scarcity of water particularly in summer season.

**IMPACT OF GLOBALISATION ON HANDLOOM SECTOR**

With growing competition posed by the Modern textile industry, spinning mills and power looms, the handloom industry has steadily deteriorated over the last two decades rendering thousands of weavers especially the women unemployed and under employed, resulting in large scale closure of several societies and production centres, which used to provide and support weaving activities in rural and semi-urban areas. Many weavers co-operative societies and production centres are passing through operational and financial crisis.

In scenario where power loom and modern textile industry have adversely affected the traditional handloom sector, the weaver communities have been pushed down to the lower strata of the economic ladder. As a whole, the average annual household income has from Rs.25,200 to Rs.31,400 showing a marginal differences. It shows that the poor weaver community has been able to cope up with negative effect of the competitive environment to
some extent. Though there has been shift of higher income segment of weaver communities to the lower income layer, the change of income level has remained marginal, showing some degree of adjustment made by the affected communities to cope up with the problems.

**Impact on New products**

The survey reveals that 3.5 percent of the sample weavers household have introduced new products only to a limited extent and about 31 percent have widely introduced new products, during the period of globalization. Moreover 65.5 percent of the household have any new variety of handloom clothing during the same period.

**Impact on Innovation**

It is found that majority 55.5 percent of the sample handloom households have not introduced design in their handloom products. Design changes have been widely adopted only by 13.5 of them, during the period of globalization.

**Impact on Modernization**

This study explained that the handloom weavers in Erode district have not adopted modernization in their factory is 74 percent and only to a limited extent in their factory looms 6 percent in both study areas.

**Impact on production pattern**

This research work shows that majority 63.5 percent of the sample handloom households have not introduced any change in the production pattern during the period of globalization. Only 28 percent of them have introduced some changes in production pattern.
Impact on Employment

This research work reveals that only 18.5 percent of the sample household. It is also observed that majority 81.5 of the household units only. It is also observed that majority of the workers have average of 5 days of job in the handloom sector.

Impact on Standard of Living

It is found that the sample house holds of weavers have also been adversely affected during the post globalization period. This is proved by 73.5 percent of the households reported decreased standard of living and only 8 percent reported increased standard of living.

POLICY SUGGESTIONS

Considering the relevant factors, issues and problems linked to the globalisation of textile industry and its consequential impact on the socio-economic condition of weavers engaged in handloom activities, as analysed by the present study, following suggestions and recommendations have been made.

The central government needs to recognise the value of the handloom sector in sustainable development. On its own, the government would never be able to provide employment to such a large workforce. Going by the logic of liberalisation itself, the government in turn ought to formulate, promote-and encourage policies that sustain this employment. Government has to ensure a 'level playing field' for this sector towards healthy competition among the different sub-sectors of textile industry.
Raw Material supply

Access to raw material such as yarn, dyes and dyestuffs has become a problem. Weaving is a rural and semi-rural production activity and weavers have to go far to get these raw materials. To top it off, yarn prices are steadily increasing. As a result, there is a perennial shortage of yarn for the weavers. Despite a few schemes, the hank yarn access issue has not been resolved.

2. Raw material prices

Handloom primarily uses natural fibres such as cotton, silk and jute. Prices of these fibres have been increasing during production and processing. Cotton production in India is expensive because of intensive and high usage of costly agricultural inputs such as pesticides and fertilisers. Secondly, while the fibre production most often happens in the vicinity of the weavers, their processing is done in distant areas, and as such the prices to the weaver are higher.

With increasing prices of yarns and dyes and poor marketing support of the co-operative societies and production centres, handloom products find a difficult time to maintain its position. As weavers are mostly from the rural areas with poor background, credit facility is crucial for getting materials and tools in time.

Investment in handloom sector has thus far been limited to input supply costs. There is no investment on sectoral growth. While there have been some piece-meal projects such as work shed-cum-housing and project package schemes, they merely perpetuate the existing conditions. There has been no
thinking on basic requirements of the producer. Facilities such as land, water and electricity need to be provided in many places that are a harbour for handloom manufacturing. On the other hand, powerlooms are getting more usable support from the government in procuring land, water and electricity.

4. **Design improvements**

While there are suggestions that handloom sector should increase its design in response to changes in the market, the bottlenecks are many. The lack of change is not due to the weaver not being amenable to change, as is bandied Rather, it is due to unwillingness of the investor to take risks and provide incentive to weavers for effecting the change.

The handloom cooperative societies and production centres should be strengthened to help the weaver community to adopt new design and technology and diversify their products to capture much wider market. Necessary support should be provided to weaver communities for technological innovation of their production process and product design.

5. **Market for products**

Handloom products require more visibility. This means better and wider market network. One-off exhibitions organised with the support of government do not suffice.

6. **Patenting designs varieties**

Handloom designs are not protected. As a result, investors are not interested lest they end up with the risk and those who copy the benefits. Protection options include development of handloom/silk/jute marks and registration under Geographical Indications Act.
7. **Free export/import trade - opportunity**

Post the WTO Agreement on Textile Clothing, there is going to be more free export and import of textiles. The handloom sector, as a traditional area, can claim some special packages or discriminatory measures, to protect this kind of production.

8. **Cooperative system**

While cooperatives do help in maximising the benefits for weavers in the entire chain of production, their present condition a cause of concern. The handloom cooperative system is riddled with corruption and political interference. Cooperatives have to become independent of district-level government officers in terms of management and decision-making.

9. **Intermediaries (individuals/institutions)**

Government has created a few research, training and input institutions to help the handloom sector. These institutions include weaver service centres, institutions of handloom technology, NIFT, etc. But their performance has been below par and their presence has not helped in obviating the problems of handloom weavers.

10. **Budget allocations**

Allocations for handloom in national and state budgets are being reduced. This has to be reversed. Budget has to increase with new schemes which address the problems of the sector, in view of the linkage and the need to protect rural employment.
11. **Enhancement of Value**

There is a need for enhancing the value of handloom products through utilisation of organic cotton and organic yarn, application of natural dyes and by increasing the productivity of the looms through research and innovation - for example, changes in the width of the looms and some appropriate technical changes.

12. **Competition and unfair competition from mills and powerlooms**

Competition is now uneven, with mill and power loom sector getting subsidies in various forms. Secondly, powerlooms have been undermining handloom markets by selling their products as handloom.

13. **Wages, employment and livelihood issues**

In the wake of increasing competitive pressure of modern textile industries, posing threat to the traditional handloom sector, it is essential that the Development commissioner for handloom need to take all possible promotional steps to preserve the unique role of handloom and enable the weavers to realize their full potential as also to ensure earnings for the handloom weavers.

Wages have not increased in the last 15 years. Some sections of handloom weavers are living in hand-to-mouth conditions, with no house or assets. These issues need to be addressed by the government; at least effectively implement the Minimum Wages Act.
14. Modernisation

Modernisation of the looms and allied accessories is the most important step in increasing the productivity of weaving of operation and ensuring high quality handloom products. It is highly essential to expand the modernisation activities in view its direct impact on efficiency production, productivity and quality.

15. Handloom Publicity

Publicity is one of the essential factors, which influence the sale of consumer products. Since the weavers co-operative societies/production centres are unable to bear the expenses of publicity, the state Govt. should launch special publicity drive to promote handloom products.

16. Promotional rather than productive

The supports needed by handloom weaver communities basically pertain to modernization and technological upgradation, infrastructural improvement and welfare measures. The different types of weavers are to be supported with different mix of the above-stated types of support as required by them. The basic approach needs to be promotional rather than protective

CONCLUSION

Economic reforms introduced by the central Government in 1991 posed unexpected serious threats to the profession of handloom weavers. Handloom weavers community is innocent of worldly affairs, more particularly the Economic Reforms, could not understand the changes of Globalisation.
Government programs need to be more creatively designed to accommodate the various players, various stages of growth of handicraft enterprises, and the various subsectors that have their own value chain dynamics.

Weavers are strong opinion that the changes that are rapidly taking place are ones due to the competition from power loom and failure to supply required yarn. There is scope for policy intervention for providing appropriate and sustained market intelligence and necessary supply conditions for a sustained growth path of the artisans. The drought and starving conditions are due to nature’s curse against handloom weaving industry. The breton wood Brothers (WTO and WB) are indirectly responsible for unfold disturbance and irreparable loss to the Handloom sector. This calls for policy changes both at the centre and state levels.

Handloom weavers are completed to understand and realise the irreparable effects of Globalisation and Economic reforms that affected then and also their family. Handloom weavers are not able to getting the equal wage to equal work. Which provoked them to think about the development the create unrest in their mind and family affairs. The challenge is to ensure minimum and sustained livelihood security to the poor self-employed and wage employed workers. All these development made them to realize that two important rural sectors, handloom industry and agriculture, are badly affected by globalization. Key remedial measures need to focus on gathering relevant data from various, sub-sectors, capacity building and dissemination of information to sensitize employers, workers and policy makers. Craftspeople need what all market professionals require, education, investment, Research and development modern technology, design and product development, credit facilities, proper workplaces, market access and most importantly social acceptance and status.
In an age in which mechanical invention are the prime factors in economic progress, it is difficult to realise that in certain lines, hand-made goods are unsurpassed in excellence by the products of modern machinery. The urgent need is to strengthen the co-operative institutions in the handloom sector. There is great potential in this sector to absorb new weavers. The efforts taken by both central and State Governments must be made to reach the beneficiaries of handloom weavers and workers. Fair Trade is about giving marginalized producers a chance to succeed at the market place that generally excludes them and using the purchasing power of consumers as a tool for real social and economic change. Apart from providing the weaver with a regular income, design innovation has brought many skilled artisans together to conceptualize and create new products. The implementing agencies and machineries must take it as a venture with all commitment and positive attitude. The finance scheme is changing many lives in the area, lives which are talented, full of promise but without the means to translate them into productive activity. The feedback as well as follow –up is very much needed to revive and sustain this handloom sector in the global context.

SCOPE FOR FURTHER RESEARCH

In Tamil Nadu, the handloom enterprises are largely household – based and an important provider of rural and an important provider of rural non-farm employment. This research work is based on the mapping of Erode district of Tamil Nadu, which has developed as a handloom cluster. There are many more other areas to explore studies on some important aspects of marketing of the micro artisan enterprises in terms of share of different products in total sales,
channels of distribution terms of payment for sales, sales promotion techniques and extent of participation of sample enterprises in exhibition and fairs. Since ample opportunities are there, it is hoped that this study would open the hearts of many researchers to explore new areas of Handloom Industries studies so as to benefit the academicians, the general public and the policy makers.