

CHAPTER VII

TOWN-COUNTRY NETWORKS IN DHARMAVARAM AND MARKAPUR: A DESCRIPTION FROM THE FIELD

Intensification of backward, forward and total linkages of **Dharmavaram** with its hinterland
Dilution of backward and forward linkages of Markapur town with its hinterland

Dharmavaram

Relationships between mulberry farmers, silk reelers and twisters

Relationships between reelers, twisters and raw silk agents

Relationships between raw silk agents, zari agents and weavers

Relationships between weavers and silk saree merchants

Status of silk weavers in Dharmavaram region

Income levels of silk weavers in Dharmavaram region

Hired workers in Dharmavaram region among silk weaving households

Linkages between basic-economic activities and non-basic economic activities

Conclusion

Markapur

Relations between Mine owners and workers

The nature of ownership and leasing pattern

Work timings

Wages and working conditions in mines

Relations between slate factory owners and workers

Relations between employers and workers of slate companies

Conclusion

Having studied the **socio-economic** background of **Dharmavaram** and **Markapur** regions in the previous **chapters**, attempts will be **made in** this chapter to study the growth and functioning of these towns in their respective regional economic contexts. This is done mainly by describing the growth pattern of these towns through tracing the formation and dilution of linkages between towns and their hinterlands at different stages of their development, and by studying the nature of functional relationships between various groups located in town and hinterlands of both the regions. The assumption here is that, the above attempts will help us in understanding the functioning of both the towns in their regional set up and enable us to identify the inherent processes behind the growth pattern of both the towns.

DHARMAVARAM:

Intensification of Backward, Forward and Total Linkages of Dharmavaram with its Hinterland:

Before mid 1960s Dharmavaram had feeble backward linkages. **These** were mostly limited to groundnut oil and dechotomization mills. Another field was silk weaving, where silk weavers from hinterland procured raw materials from the town and got them weaved into silk sarees in the villages and brought them back to town for marketing and trading. However, during this period cotton weavers who were facing poverty due to lack of work and extreme low wages began migrating to Dharmavaram not only from various parts of the district but also from neighbouring districts and shifted to silk weaving because of its better wages.

Another significant development which influenced the growth of the **Dharmavaram** is, the change in the relationships between master weavers and other weavers (This is explained in the forthcoming sections).

One more important development which led to the strengthening of the **Dharmavaram's** backward linkages with its hinterland is the spread of mulberry cultivation from 1980s. This led to numerous multiplier effects in the silk industrial activities of the town and in the overall

2

development of silk industry vis-a-vis town. The cultivation of mulberry crop in the hinterland triggered the development of agro-processing industries related to silk in the form of silk reeling and twisting industries. This led to increase in the raw silk selling and zari selling units. Thus, the availability of all raw materials in the local place and the increasing remunerative of weaving activity facilitated the rapid spread of silk weaving both in town and hinterland. The spread of weaving again increased the dyeing units. The rapid rise of weaving resulted in increasing the silk saree production which again led to increase in the saree trading units or silk saree shops.

Dharmavaram besides developing as a silk industrial centre, from 1970s, also developed as a agro-processing centre particularly from the point of view of the groundnut mills. The groundnut mills which were 10 in 1970 increased to 28 in 1992 due to rise in the cultivation of groundnut crop which is the major commercial crop grown in the region.

Thus, the strengthening of backward linkages of **Dharmavaram** with hinterland in the form of mulberry cultivation, groundnut cultivation and

its multiplier effects in the town and the strengthening of forward linkages with the spread of weaving in the hinterland which consumes the raw materials produced in the various industries in town and produce final products, led to rapid development of town. Further, the intensification of both backward and forward linkages created directly and indirectly much impact in the form of development of commerce and trade, improved buying capacity of people both in town and hinterland and generation of surplus which created growth of private financial corporations, investment in electronic shops, garments, development of hotel and recreation activities, increased habits of luxury consumption, development of general trade and commerce, demand for real estate which are called aspects of '**total linkage**'.³ But here, one has to study what are the forces for intensification and strengthening of forward, backward and total linkages of the town with its hinterland and for high generative effects of these linkages on town. This necessitates us to focus on the nature of relations between various functional groups in town and hinterland which are the actual functioning units of linkages.

MARKAPUR:

Dilution of Backward and Forward Linkages of Markapur Town with its Hinterland:

Though the manufacturing of slates in Markapur started in 1940s, production on large scale methods with the use of modern machinery and electricity started only from late 1950s. In fact, traditional (stone based) slate production started rising in 1960s and attained its peak during 1970s.

During this period, particularly during 1970s, Markapur developed intense backward linkages in the form of supply of slate stone to slate factories and companies. This created lot of employment both in town (slate factories) and in hinterland (slate mines). Also there were forward linkages in the form of creation of employment in factories to the hinterland people. As a result of these linkages Markapur experienced good growth both in terms of slate production and employment generation and in terms of demographic growth thereby achieving the highest decadal growth rate of 54.4 percent in 1971-81 decade.

However, from 1980s the erstwhile intense backward linkages of Markapur town began to dilute with the decline of stone slate industry and growth of modern plastic, enamel, cardboard slate industry. The modern slate industry functions without any significant backward and forward linkages with hinterland either in terms of supply of raw materials or providing employment to hinterland people respectively. At the same time, the modern design tiles industry created lot of employment in mines but its impact on town's employment is negligible due to its limited role in

manufacturing. Consequently the town lost its erstwhile backward and forward linkages and started experiencing 'enclave type of urbanization*.

However, it is essential to study what are the forces or processes behind the intensification and strengthening of linkages at Dharmavaram and dilution of linkages at Markapur. This necessitates to focus on the nature of production relations between various functional groups in town and hinterland of the both regions which are actually the functioning units or agencies of linkages.

Thus, in the forthcoming section an attempt is made to study the pattern and nature of relationships between various groups spread over in town and country of the both the regions.

DHARMAVARAM:

Relationships between Mulberry farmers, Silk Reelers and Twisters:

Mulberry farmers undertake both the mulberry cultivation and silk worm rearing (from eggs bought from government and private grainages) and produce cocoons. They can sell cocoons in any government cocoon market located any where in India. Prior to 1982, in Dharmavaram region mulberry farmers used to take their product to far away places like Mysore, Vijaynagar, **Ramnagar** and other places in Karnataka state.⁴ However, in 1982 the state government of Andhra Pradesh under the control of **Department** of Sericulture started government cocoon market yards in Dharmavaram, Hindupur and Kadiri towns of Anantapur district.

In each region there is mulberry farmers association who are members in the cocoon market yard committee. In the market yard **where** auction of

cocoons **is** undertaken, the **reelers** participate *fa* **buying** cocoons. The auctioning is conducted by market yard officer with the help of market yard committee where officials, mulberry farmers, reelers are members. The entire activity is supervised by Assistant Director of Sericulture. Whenever a farmer is dissatisfied with the cost of his product, he can withdraw his product from auctioning by paying nominal fee to market yard officer and can participate in auctioning in the following day or he can participate in any other market yards located in other towns. As **a** result of all these measures, farmers are able to get good price for their product and the scope for exploitation of one group by another is minimized.

Interviews were undertaken with mulberry **farmers** in Dharmavaram cocoon market yard in the months of November 1992 and February 1993. The cost of one kilogram of cocoons during this period was between rupees 100 to 130. According to farmers, since there is healthy competition between various reelers located in Dharmavaram town the farmers are getting good price for their crop and thereby the cultivation of mulberry crop is rapidly increasing every year. According to the survey done by the department of sericulture, on an average there is an increase of five hundred to six hundred acres of mulberry cultivation every year in the hinterland of Dharmavaram. The farmers further view that the mulberry crop which gives three to four yields per year is more income generative than many other commercial crop grown in the region. Thus, in recent years mulberry crop is acquiring greater prominence and popularity among farming community in the region. Coupled with this, the department of sericulture is undertaking numerous developmental and welfare programmes for the development of sericulture in the region.

The department of sericulture has developed two demonstrating units in the hinterland of **Dharmavaram**, where the **farming** techniques of mulberry crop is explained to farmers. Besides this, **chawki** rearing centres are also established. Here, the sericulture department will maintain the silk worms in the initial period and later will pass on them to farmers. Further, the mobile exhibition vans of the **department** will visit various villages and supervise, assist in mulberry cultivation and silk worm rearing. The department with the cooperation of NABARD and other banks is disbursing loans to mulberry farmers extending from rupees 10,000 to **15,000** to each farmer for construction of shed, infrastructure for silk worm rearing and for cultivation of mulberry crop. Separate schemes in association with scheduled caste and scheduled tribe development cells were initiated for mulberry farmers from weaker sections. As a result of these various government welfare policies and due to generative linkages between farmers and reelers, the cultivation of mulberry crop is growing rapidly in the hinterland of Dharmavaram.

Coming to the relationships between reelers and twisters, all large scale units undertake both reeling and twisting activities. The household units do reeling and twisting separately. The household reelers sell the reeled silk to the twisters based on the rate of cocoons and reeling charges. Twistlers who follow the daily rates of cocoons, are well aware of the cost of silk and thereby the transactions between reelers and twistlers are smooth and straight forward.

Relations between Reelers, Twistlers and Raw silk **agents:**

Most of the transactions in silk industry are based on the cost of the

cocoons, based on which cost of raw silk is decided. The cost of cocoons is **daily** decided by Central Silk Board located at Mysore. In **fact**, every person involved in silk business have day to day following of the cost of one kilogram of cocoons. Based on **this**, the transactions in local market yards will be undertaken. The numerous raw silk agents buy silk from central and regional silk centres in Mysore and Bangalore and from local reelers and twistors based on the cost of cocoons. In Karnataka, on all raw silk bundles the department of sericulture puts its seal certifying the quality and the price. In Dharmavaram town, besides private raw silk dealers there are government dealers in the form of SeriFed, Government of Andhra Pradesh and Karnataka Government Silk exchange centres. Every reeler is free to sell his raw silk to either government or private raw silk dealers. Due to healthy competition between government and private raw silk dealers and within private raw silk dealers and due to greater demand for raw silk, the reelers and twistors gets reliable price to their product.

Relations between Raw Silk **Agents**, Zari Agents and Weavers:

Thousands of weavers located in town and hinterland of Dharmavaram buy the necessary silk and zari materials from the numerous raw silk and zari dealers located in town. As mentioned already the transactions between raw silk agents and weavers are based on the cost of cocoons during the period and thereby the cost of raw silk. The relations between each raw silk dealer and weavers are regular and constant. Each dealer mostly have his own regular customers. Since the buying of silk is a continuous activity, each weaver buys the product mostly from the same set of dealers. **In Dharmavaram region**, of the 75 percent of weavers who buy raw silk from

private dealers, nearly 65 percent of them buy regularly from two or three dealers. Of the remaining 10 percent ~~of~~ weavers, 7 percent of them buy constantly from single dealer. This shows that most of the weavers buy from either two to three dealers regularly, where they maintain permanent relations with them. Further, most of the weavers buy their product on credit basis and repays the old balance every month when they buy new product.

Of the 79 percent of weavers who buy zari from private zari dealers, nearly 60 percent of them buy from two dealers while 10 percent of them gets zari from their silk merchants. Only 5 percent of weavers maintain relations with more than four zari dealers at a time.

This shows that most of the weavers maintain a permanent, reliable relations with the same set of raw silk and zari dealers. The transactions to a major extent are governed by mutual trust. Further, the weaver buys the silk not for his own consumption but for weaving and selling the product to others. He buys the product without much bargain, because in selling the product to the silk merchant he would calculate all his input costs besides calculating his wages and profit ratio.

In order to get first hand information of the networks between weavers and raw silk agents on numerous occasions, the researcher used to sit in raw silk selling units discussing casually with the dealer and observing the entire operations between him and his customers. In most of the cases, the customers (weavers) to these units are of regular nature. Each raw silk dealer has regular customers. Thus, the **relations between** them are

regular, permanent and enduring. Each weaver knows the existing cost of the cocoons and thereby the cost of raw silk. He buys raw silk without much fuss or bargaining, however, taking all the care in terms of procuring good quality of silk yarn. In most of the cases weaver pays the previous debt and takes the product again on debt. This buying the product and repaying the debt is a regular process. Each knows the other well. Thus, the transactions and relationships between them are simple and straight forward. There are also weavers who readily pays the money and takes the product.

While discussing on the relations between various groups of silk industry, Sri Subbarayudu, one of the leading private raw silk dealer in Dharmavaram says the entire gamut *of* relations between various sections of silk industry are weaved together with the threads of '**belief**' and 'trust'.

Relations between Weavers and Silk Saree Merchants:

The relationships where master weavers had greater say and were dominant underwent rapid changes from early 1970s with the implementation of 20 point programme and nationalisation of banks. Under 20 point programme, loans were disbursed to silk weavers to buy looms and raw materials.

Previously master weavers (who were the silk saree merchants) had monopoly over the entire silk industry in Dharmavaram. There were around fifty to sixty master weavers in the late 1960s. Each master weaver maintained silk weavers whose number varied from **30** to 150 based on their capacity. Master weavers supplied looms, all raw materials like dyed raw

silk, zari silk to weavers and got the sarees woven from weavers according to the designs and colors ordered by them. Master weavers got the raw materials from Bangalore. Locally, very few raw silk and zari dealers (5 to 10) were existing at that time. The wages of silk weavers were decided by the master weavers. Since the master weavers owned the looms, and raw materials, they used to dominate and decide the wages of the weavers. Master weavers paid low wages to weavers. Because of low wages weavers took loans from master weavers. These loans in a way bound the weavers to work for their master weavers irrespective of the wages.

The entire life of weavers depended on the mercy of the master weavers. Before 1970s most of the master weavers and weavers were from traditional weaving castes. In a way this feeling of caste solidarity among the master weavers and weavers is one of the strong binding factors
9
for strong and emotional relationship between each master and his weavers. Each master weaver projected himself as the source of bread to his weavers' families. Generations of weavers within a same family worked with the same master weavers. Thus, in spite of low wages, the functional relationships between master weavers and weavers were governed by the dominance of the master weavers and the insecurity among the weavers. The weavers regarded their master weaver as the source of their livelihood a source of permanent employment to them and to their **children, a** person who readily help at times of strain and insecurity. Further, most of the weavers are landless or even if they have few acres, they are of no use in the rain fed economy of the region thereby had no alternative source of living except weaving.

Even to this day one master weaver **Kothapalam** Sreenivasulu **maintain** twenty five weavers. He supplies all raw materials and get the sarees weaved by them as per the designs and colours stipulated by him. When he was asked why he is still following the old practice of **maintaining** weavers and supplying raw materials to them, Sreenivasulu replied that "by supplying all the required standard raw materials and looms I have better hold on the weavers whereby the quality of the weaving will be good". From the other side, when weavers were asked for the reasons why they still work under Sreenivasulu as labour weavers, most of them replied that the relations with their master were deeply rooted in their families since a long time. Even their elders worked under the same master weaver. They further view that though they get only wages (and are devoid of profit percentage like independent weavers) there is constant work for them, and the work satisfaction is high due to regular supply of standard raw materials thereby the quality of weaving is high. Also the master weaver comes to their help at times of crisis and uncertainty. They view the master weaver as a permanent source to rely upon. However, some of these weavers beside weaving for **Srinivasulu**, also buy the raw material on their own, weave the sarees and directly sell to silk merchants.

From early 1970s silk weavers who were subjective to master weavers began to acquire independence with the provision of loans for their looms and for buying raw materials. Of the total 150 weavers households surveyed in **Dharmavaram** region (town **and** hinterland) 73 percent of them applied for government loans. Within this, 55 percent of them secured government loans. While 28 percent got a loan of Rs.5000 to **Rs. 7000**, 7 percent **got** loan ranging from **Rs. 7000** to **Rs. 10,000**. Further. 9 percent each got an

amount between **Rs.10,000** to **Rs.** 15,000 and **Rs.15,000** to Rs.50,000 respectively. While some independent weavers began weaving sarees on their own by buying required raw materials and selling the sarees to master **weavers**, some weavers who still continued to work with master weavers began to demand better wages. These changes improved the position of the weavers both economically and socially and weaving slowly began attracting people not only from traditional weaving castes but also from many other castes. Thus from early 1970s the population of Dharmavaram town began growing rapidly due to migration of weavers from different parts of district and from other neighboring districts. Also, weaving acquired a new social and economic position because of its independent nature and income generative thereby began to spread rapidly in the hinterland of Dharmavaram.

Weavers are of two types.

1. Independent weavers.
2. Labour weavers.

Independent Weavers: These own their instruments of production and buys all the required raw material on their own, weaves the sarees and directly sell them to the silk merchant. Obviously here, the weavers get good income since, he gets five to ten percent profit ratio besides wages.

Labour Weaver: These weavers neither own instruments of production nor objects of labour but depends on silk merchants. In fact in Dharmavaram silk merchants and independent weavers maintains contacts with labour weavers, the number extending from five to twenty based **on** his capacity. They always supply them looms and necessary raw materials or in **some** cases

provide money to buy raw materials and ask them to weave the sarees as per his ordered colours and designs. Here the labour weavers gets only wages. The wages for silk sarees are fixed as per the understanding between the silk saree merchants association and weavers association. These wages are fixed and are to be followed by every silk saree merchant.

In the present study of the 150 sample weavers households interviewed in **Dharmavaram** region (100 in town & 50 in hinterland) we can observe from the below given table that there is almost complete erosion of institution

TABLE:7.1

Status of silk weavers in Dharmavaram region

Type of weaver	Town	Hinterland	Dharmavaram region
Master weaver	1		1
Independent weaver	76	80	77
Labour weaver	23	08	18
cooperat i ve weaver		12	04

source: Household survey.

of master weavers and increasing trend towards Independent weavers who constitute 767. and **80%** of total weavers in Dharmavaram town and hinterland respectively. Interestingly, the labour weavers **are** more (237.) in town when compared to hinterland (**8%**). Thus, with the increasing trend towards growth of independence weavers, the income levels of weavers are increasing rapidly.

TABLE:7.2**Income levels of silk weavers in Dharmavaram region**

Income range in Rs.	% of weavers in Dharmavaram	% of weavers in hinterland	% of weavers total region
1000 & below	13	08	11
1001 & 2000	32	14	26
2001 & 3000	29	32	30
3001 & 4000	15	14	15
4001 & 5000	03	16	07
5001 & 10,000	08	16	11

Source: Household Survey.

From the table 7.2 we can observe that in **Dharmavaram** town majority **(60%)** of weavers earn between two thousand to three thousand rupees per month. However, in hinterland, majority (62%) of weavers earn two thousand to five thousand rupees in a month. The average monthly income of a silk weaver in town is Rs. 2619, while that of hinterland is Rs. 3420. However, one has to carefully study the reasons behind the high household income in hinterland. This is mainly because, weaving in hinterland is still in the hands of traditional weaving castes. Though numerous persons from various castes are entering weaving, still they are labour weavers, working in the families of these traditional weaving households, where, they come and work as apprentice weavers and labour weavers. Thus, in most of the weaving households, the number of looms are high in hinterland when compared to that of town. To mention, **6%** of weavers households in hinterland have 8 looms, whereas in town, not even a single household has 8 working looms. And in these households in hinterland, the number of hired workers (Labour weavers and apprentice weavers) will be more. From the Table 7.3 we can observe that, in hinterland 30 percent of households engage hired **workers**,

TABLE:7.3
Hired workers in Dharmavaram town and hinterland
among silk weavers households

Number of Hired workers	Number of households in Town	Number of households in hinterland
Nil	81	70
One	10	10
Two	04	14
Three	04	04
Four & above	01	02

Source: Household Survey.

whereas in town it is only in 19 percent of households. Further, in town only 4 percent of households engage two hired workers compared to 14 percent of households in hinterland.

Thus, the lower percentage of labour weavers [87.] in hinterland when compared to town (**23%**), as shown in Table No. 7.1 is because, in town, since the looms are located in houses of labour weavers, they are easily identified and detectable. Whereas in hinterland, the looms **are** located in the houses of independent weavers, thereby, in survey, they are not considered as labour weavers since they fall part of independent weaver households. Thus, their production and income is also included in independent weaver households, thereby, it is reflected that, the **average** income of weavers households in hinterland is high when compared to town.

In reality, the labour weavers in disguised form (working in independent weavers households) are more in hinterland. Since these labour weavers have no necessary facilities and techniques, to establish looms **in** their own houses, they work in independent wearers houses.

Linkages between Basic-Economic **Activities** and Non-Basic Economic **Activities:** Growth of Total Urbanization

The development of basic economic activities in Dharmavaram in terms of growth of silk industry and groundnut industry led to development of non-basic economic activities in terms of improved trade and commerce, real estate, better role of Dharmavaram town in terms of educational centre, health centre, transport and communication **centre**, recreational centre and political centre.

The development of silk industry and groundnut industry led to high capital accumulation in Dharmavaram. The buying and consuming capacity of the people involved in the basic economic activities increased. **More** than seventy percent of the population of the town is involved in the basic economic activities of the town. Due to high buying and consuming capacity of these population the demand for essential and non-essential goods is high. Further, because of its strong economic linkages with its hinterland, Dharmavaram also draws huge population to town and thereby again boosting general trade and commerce. To mention one example, thousands of silk weavers not only from its **immediate** hinterland but **also** from neighbouring divisions of Anantapur and Hindupur are also drawn to Dharmavaram either to buy raw materials and to sell the finished product or to get the looms repaired or to buy the spare parts of **looms**. Thereby these people also buy all the day to day essential and other non-essential items in Dharmavaram inspite of other towns being near to their places.

The below given example substantiates the above point. The people from **ekalavya** weaving colony located beside **S.K.** University which is 10 **kms** from Anantapur town, visit Dharmavaram once in ten days on silk industry related

work and says that they do their entire shopping in Dharmavaram in spite of Anantapur town being much nearer to them. Besides the **factor** of drawing consumers from beyond the regular **hinterland**, one more factor which improved trade and commerce of Dharmavaram town is the high consuming capacity of Dharmavaram people and improved capacity of its hinterland people particularly weavers and mulberry **farmers** besides others.

The investment in these trade and commerce, real estate and other activities is done by local dominant sections in basic and non basic activities and also from the agricultural land lords of the hinterland. It is important to notice that there is increasing trend of investment in private finance **corporations**, silk saree shops, and in the opening of various shops like electronic goods, cloth stores, garment shops, kirana shops, furniture shops, lodges, bars and restaurants, cinema theatres, real estate particularly in land speculation.

Conclusion:

It is evident from the above discussion that the relations operating between different functional groups which are actually the functional units of linkages **are** generative to all the groups thereby leading to the intensification of town-country linkages and the growth of Dharmavaram town and its hinterland.

We may conclude from the earlier discussion that the **relations** between various functional groups located between Dharmavaram and **and** its **hinterland** and within Dharmavaram are generative and mutually beneficial and helpful. This is because, the development of one group depends on the

development of the other. These various groups more particularly related to silk industry are meticulously dependent on each other and are linked strategically not only **for** their development but **for** the development of the entire silk industry. One important thing to be mentioned here is **that**, if the relationships between two functional groups are **non-cooperative** and exploitative it disturbs the relationships of all other groups and the whole silk industry itself.

One such development which occurred during 1992 in fact threatened the development of silk industry in **Dharmavaram**. The details of the incident are provided in Appendix III.

Thus, in Dharmavaram region, the mutually cooperative and generative pattern of relationships between various functional groups like mulberry farmers, reelers, twistors, raw silk dealers, zari dealers, dyers, weavers and silk merchants resulted not **only** in intensification of various kinds of town-country linkages but also led to generative urban and regional development.

RELATIONS BETWEEN VARIOUS GROUPS IN TOWN AND COUNTRYSIDE OF **MARKAPUR** REGION:

Relations between **Mine** Owners and Workers:

Slate mines are spread over a vast area covering nearly **1900** acres in **Markapur** region. At present over seventy percent of the population ranging between 35,000 to 40,000, from nearly forty villages are dependent **on** the slate mines for their livelihood.

In order to understand the relations between the various **sections**

involved in the mining activities, a detailed analysis of the various aspects like the socio-economic background of mine **owners**, the nature of ownership, the role of sub lease holders, pit **owners**, **maistries**, in exploiting the mine workers, the wages of various groups of mine **workers**, the working conditions in mines, the timings of **work**, and other details are studied.

Work in the slate mines involves the following five stages:

1. To mine the stone and remove the raw slate layers.
2. To carry out the slate stones from the mines to outer areas.
3. To carry out the wastage like mud, stones etc., from the mines.
4. Transportation of stones from mines to factories or to household units. Here workers are employed for loading and unloading the stones.
5. To cut the raw slate layers into the required stages.

Generally women are employed in the 2nd and 3rd stages of work. Children are employed in 3rd and 5th stages essentially to carry out wastage like mud and stones. Sometimes children are employed for cutting raw slate into the required sizes. On occasions children do this as a part of the family labour.

The Nature of Ownership and Leasing Pattern:

The nature of operations arising from the ownership and lease rights over the mines have caused great variations in the wage structure and **employment** generation of the workers employed in these mines.

The state government usually lease out the mines to few **individuals**. For instance, a major portion of the mines in **Markapur** and **Tarlupadu** mandals are leased to the family of **Buchirayan**, who enjoy lease **rights**

since **1960**. Hailing from the West Godavari District of Andhra Pradesh in 1960 **Chelikani** Buchi **venkata** rao got the lease rights over the mines for 20 year period. After his **death**, his son Chelikani Buchirayan got the lease rights **transferred** on his name for another 20 year **period**, that is, upto 2000 A.D.¹²

In course of time the main lease holder chelikani Buchirayan started the sub lease system, whereby rights over a substantial portion of the mines are given to local people who are local political leaders and land lords. For instance in 1978 Ravi **Venkatareddi** of Tarlupadu village got sublease rights over 333 acres of mines belonging to Chelikani Buchirayan. R. ChinnaKasi Reddi and **S.K.** Sattersaheb are other two leading individuals who secured these sublease rights. In return Buchirayan enjoys four varieties of financial benefits in the form of permits. These are:

1. **Rs.130** per lorry load that is, 10 tons of slate layers.
2. An amount of rupees 50 per each load of slate layers.
3. Some share from all those who undertake cutting of raw slate layers, called bodibandalu.
4. An amount of Rs. 20 each cart load of slate pencil layers.

Another dimension added to the structure of ownership with reference to mines is the growth of pit ownership. These pit owners are mostly **from Markapur** town, some of them are also owners of slate factories. Their main aim behind getting lease rights over small parts of mines is to acquire and have continues supply of raw material to their industries **at** cheaper rates. Under this system the sub lease holders generally give small patches of land ranging from 4x4 to **40x40** to pit owners. The employment of workers and the payment of wages to the workers are entirely in the hands of **these**

pit owners. Depending on the size of their unit, pit owners usually **employ** 10 to 40 workers. After complete exhaustion of one pit, **workers** abandon that area and move on to a new pit either under the same pit owner or to new pit owner. Thus, the employment in the mines of the pit **owners** depend on contractual terms. There exist no direct connection between the workers employed in various pits and between the original mine owner or between the workers employed in various pits.

Excluding few main workers who actually dig the mines most of the other workers, women and children employed for carrying waste material are under the control of maistries, who play a mediatory role. These maistries generally establish wide contacts with the various pit owners.

Information obtained from different village maistries brought to light that the workers belonging to various castes like Reddies, Vadderas, **Mal** as, Madigas, **Kapus** and others have distinct '**mutahs**' under the sole control of their caste maistries. For instance in Chennareddi **Palli** village **Marri** Gal lemma is incharge of Harijan palem **mutah**, while **Kapu** Venkatakshamma is incharge of another mutah. Under each mutah 10 to 20 children and a few women are employed. Maistries maintain a register of children and **women** employed under **him/her** in order to maintain their own accounts but in now way connected to either to pit owner or mine **owner**.

Work Timings:

The work in mines is carried out in two shifts. The first shift extends between 7 a.m. and 12 **p.m.** while second shift extends between 1 p.m. and 5 **p.m.** Thus each shift works for nearly 8 **hours**. One hour

interval for lunch is provided within these working hours. In summer, work is undertaken only in morning shift. This is because, the slate layers get heated up in the **afternoon** and are extremely **difficult** to handle in the hot sun with bare hands.¹³

Wages:

Children and women get the same wages that is Rs. 5 for one shift and Rs. 10 for two shifts. However most of the women and children work in the first shift, as in the afternoon they have to look after cooking and other household activities. Over a period of three decades the increase in the wage rates for those working in mines was very low. The wages for those working in carrying waste material increased from paise 50 to one rupee, from one rupee to two rupees and fifty paise, then to three rupees, and only in 1992 it has been raised to Rs. 5.¹⁴

Wages for men employed in extracting the raw slate layers usually vary from Rs. 20 to 30 per day. Mine workers are not entitled to welfare benefits like Provident Fund, Employment Security Insurance. Mines Act, 1952 is applicable to all the **mines**, but there is no effective machinery for ensuring the proper implementation of legal provisions related to slate mines. Minimum wages Act does not apply to the slate workers. Consequently, the slate mine workers are forced to live in dire economic conditions.

Household Income of Slate **Mine Workers**:

Of the 50 households surveyed in five mining villages of **Markapur hinterland**, about 80 percent of households monthly income is below

thousand rupees. 15 percent of households **income** is between **Rs.** 1001 to 1500. And the **remaining** 5 percent of households fall in the income range of Rs. **1501** to 2000. **Most** of the slate mines workers does not have any additional income source. Only 7 percent of slate mine workers have land between 1 to 4 acres. Since the region is dry, only rainfed staple food crops like korra, **sajja**, arika are cultivated. **Thus**, though all members in a household find employment in slate mines, their earnings are not sufficient to meet their basic necessities and are therefore forced to borrow money from their mine owners or local money lenders.

Debts:

Nearly 80 percent of slate mine workers have debts. Within this, nearly 60 percent of them have debts ranging from Rs. 1000 to 5000, 30 percent of them have debts ranging from Rs. 5000 to 10,000 and the remaining 10 percent borrowed more than Rs. 10,000. Majority of **them** borrowed from mine owners, pit owners and private money lenders.

Because of this **debt**, the mine workers are put in a difficult situation. First, they cannot demand high wages. Secondly, they cannot change the employer, unless **he/she** redeems the loan which is owed either to the mine owner or pit owner. Most of the slate mine workers are thus forced to live in bondage.

Working **Conditions** and **Non-Registration** of Workers in Slate **Mines**

Slate mine workers are not only kept in a perpetual bonded labour situation, but also are forced to live and work **in** those conditions which are very detrimental to their overall **development**. For instance, in

Venkateswara mines which is one of the largest mine in the **area**, workers employed are mostly in the age group **10-60** years. They have to work in steep mines having a depth of 10 to 70 feet. In the registers maintained by the owner or the mine manager, only 25 workers were listed earlier, but now the number has increased to 75. Nevertheless, the actual number of workers employed in this mine is around 5000. In case of any accident causing instant death or injury, it is very difficult to find the name of the worker injured, as the manager usually resorts to falsification of the records. Moreover, the workers are subjected to irregular working hours, lack of provision of safe drinking water near and mines, proper rest after 3 hours of continuous work, no facilities for safety and healthy conditions.

The work in the mines is carried out in a crude, unscientific manner without providing any safety measures. Most of the mines are deep without any proper staircases or steps. The result is that accidents and injuries are a quite common phenomenon in the mines. In case of any **Injuries**, minimum medical facilities are not available near the mines. **In** case of a major accident, the workers family usually gets nothing in the form of accident compensation and further no attempt is made to bring such cases to the notice of the concerned authorities.

Besides injuries and deaths, the mine workers are prone to **respiratory** problems. Many workers complained of body aches after the working hours. To overcome this pains most of the mine workers are prone to **alcoholism**. Many children complained of hard sores in palms besides fever and cough. Further, with the development of "**design** tiles" industry from late **1980s**,

the demand for mining increased. This increased the exploitation of thousands of mine workers due to increased mining activities without generating any significant changes in the employment levels in slate industry.

Relations between Slate Factory Owners and Workers:

The Factories **Act, 1948**, and Minimum Wages Act are applicable to slate factories. The employees of these factories have to pay wages as per the provisions specified in the Minimum wages Act. Related to the slate factories located in Markapur area the Factories Act regulate the employment of children below 14 years, but bans the employment of children during night shifts.

All the registered slate factories are required as per the rules of the Factories Act to provide Employees State Insurance (E.S.I.) and Provident Fund (P.F) facilities as part of the welfare measures. Interviews with the fifteen employers brought out the fact that though thirty to eighty members are engaged in each factory, hardly ten members are shown in the records as registered workers, because the employer has to provide **E.S.I.** and P.F. facilities to all of them. **Further**, in **some** of the factories like **Dayal** slate works, the **provisioq** of **E.S.I.** and P.F. facilities as stated by the owner of the factory, were canceled in 1973 itself, because the workers started demanding consolidated wages towards the end of the year. But, in Enamel **units**, the registered workers are entitled for all these facilities. Because of this **provision**, **workers** in enamel units are remaining in the **same** unit unlike **in** raw slate **factories** where **shifting** of workers from **one** unit to another is **common**

All slate factories have to provide safety and welfare measures like proper fencing of the machinery to avoid any injuries to **workers**, proper working facilities like good space for work, proper ventilation, cleanliness, lighting, sanitation and safe drinking water facilities, and dust free environment in the factory premises.

Observations of the various factories brought to light that, most of these welfare facilities are hardly provided in factory premises. In most of the natural slate factories and companies workers are induced to work in a cramped and congested atmosphere, exception being the units located in industrial estate where all these conditions **are** ensured by the factory owners. Ventilation is poor in natural slate factories particularly in the wood polishing section.

Though Minimum wages Act is existing for slate **factories**, only some categories of work are mentioned in the Minimum wages notification. Consequently, employers placed majority of the workers in the least paid category. In most of the cases employers give **"general"** or **"non-specific"** labour designation to skilled and semi-skilled workers besides unskilled workers in order to deny them minimum wages and many other benefits to be provided to all registered workers.

Certain in built defects in piece rate **system**, **as** given under the minimum wages Gazette Notification,¹⁸ **are** a source of further **exploitation** of labour in the slate factories. According to the **wage notification** of slate **industry**, a case should consist of forty eight slates but in **some**

factories the number of slates per case are more than the number specified in the notification. Further, as per the notification the employer has to pay certain minimum daily wage to those falling under the category of piece rate system. Quite often this provision is not implemented by the employer.

Most of the employers do not maintain proper rolls of men, women and children employed in the establishment and do not maintain the required registers properly. Non-maintenance of proper records is therefore, a major obstacle to bring cases like payment of low wages, disregard of the hours of work, employment of children to court.

The Assistant Labour Officer of **Markapur**, the official incharge of undertaking regular monthly inspections of factories, companies etc., feels that the minimum wages act regulated to slate factories is not a comprehensive one. Since 1987 it has not been revised. As the entire wage system in factories is based on piece rate system, identification of a worker in a particular category is very difficult.

A major section of workers in factories are denied minimum **wages**, as the employers always place them in the least paid 'general' or 'non-specific' category. As per the requirement of the minimum wages Gazette Notification, the fixation of wages for workers employed in slate factories has to be revised once in two years. But. since 1987 DO **such** revision has taken place.

Table No:7.4

Household Income of Slate Factory Workers

S.No	Income range (in Rs)	percentage of households
1.	000 to 500	07
2.	501 to 1000	42
3.	1001 to 1500	42
4.	1501 to 2000	07
5.	2001 to 2450	02

Source: **Household** survey.

From the Table 7.4 we can observe that, of the 100 slate factory workers' households surveyed, 50 percent of them fall in the monthly income range between Rs 400 to 1000, 42 percent fall in the category of Rs 1001 to 1500, 7 percent of them get Rs 1501 to 2000 and the remaining 2 percent get above Rs 2000.

Coming to debts, nearly 50 percent of slate workers have debts. Most of them borrow from their employers and few of them from private money lenders.

Another feature in the stone slate factories which is leading to the gross exploitation of workers is the structure of ownership. There is lease system currently in operation in various natural slate **factories** **Most** of the owners have leased out their factories not to a **single** person but for four to five lease holders. These sublease holders usually **share** the factory which is divided into branches based on the process which they take up in slate manufacturing. Because of this lease **system**, the scope for the proper maintenance of records diminished further and common **services** are neglected totally. The scope for such a default lies **in** the

improper formulations of responsibilities specified in the **Factory** Act Legislation. The implementation and maintenance of **common** facilities in the **factory** premises and other records according to the Factories Act is the responsibility of the owner of the factory rather than the lease holders.

The sublease system is a great setback to the workers unity as they work under different lease holders in the same factory. Thus, **the** sign of unity and understanding among the workers of a single factory is not visible since the lease holders can remove any worker at any time.

The factory owner and government machinery have failed in implementing various legislations as far as the compensation aspect is concerned. So far, no cases of accident causing death or ill health to workers have been recorded by the concerned enforcement staff like Assistant Labour Officer and Factory **Inspector**. The scope for such evasion lie in the improper maintenance of the records. However, on some occasions the factory owners paid amount for accident victims ignoring the stipulated compensation as required under the laws that too because of the pressure **from** the trade union leaders.

Relations between Employers and Workers of Slate **Companies:**

In the case of slate industry of **Markapur** the provisions of Shops and Establishment Act applies to all those household units which undertake different process related to slate manufacturing entirely with the help of manual power and which employ less than ten persons.

Under the **jurisdiction** of the Shops and Establishment **Act**, all household slate **manufacturing** units are **placed**. Minimum wages Act does not apply to these units. Wages are paid on piece rate systems and **workers** of these units are not entitled **benefits** like Provident Fund and Employment Security Insurance.

Discussions with the owners of various household units and observations of their working environment brought to light that all household units are operating in congested houses, where provision for good ventilation and lighting are very bleak. Child labour and women employment is high in these units.

Under the Minimum Wages Act, wages once fixed only for slate factories and are not extended to the **companies/household** units which are covered by the Shops and Establishment Act. Only paid holidays are given to them. They have control neither on the means of their labour nor on the product they produce. In most of the cases, workers are made to work in a cramped buildings. Women are mostly engaged in painting slates and in fixing nails where besides women, children are predominantly employed.

The wages are changed for every two years. All the workers associations are affiliated to All India Trade Union Congress (**AITUC**). The leaders of **AITUC** and household units association members meet once in every two years and change the wages of the workers.

The workers position is similar in slate factories **also** **Only** difference is that few skilled workers who are **engaged** with Urge scale

machinery earns better wages. Their number in each factory **may** limit between **five** to ten persons within each factory.

From the above discussions it may be concluded that **Markapur** town intense backward linkages during mid 1960s to 1980 in the form of extensive supply of slate stone to slate factories during which the slate production was in full boom. This further resulted in formation of forward linkages in the form of generation of employment for hinterland in slate factories located in town. The employment potential at this stage of slate industrial growth attracted surrounding hinterland people and thereby town experienced high population growth besides economic development.

However, with the development of modern slate industry, the erstwhile backward linkages of Markapur town got severely diluted and employment scope of town decreased due to decline of traditional slate industry and increasing use of labour saving technology in modern slate **industry**. Further, though the mining activities increased due the development of design tiles, it developed irrespective of any significant linkage effects with Markapur town. Besides these changes in the town-country **linkages** of Markapur region, the exploitative processes involved in production process both in mines and factories severely diminished the economic conditions of thousands of people in the region leading to subsistence and enclave pattern of urbanization of Markapur town.

NOTES:

¹**C.Sudhakar**, unpublished Ph.D thesis, 1991,p.1 and 147. **Sudhakar** studied 300 migrant silk weavers in Dharmavaram town. Of **these**, 63.34 percent are from Anantapur district but not natives of **Dharmavaram hinterland**. These members were required to travel a **maximum** of 150 **Kms**. Another **20** percent were natives of Dharmavaram division and these members came from more 30 to 40 kms. 4 percent belong to the adjacent districts of Anantapur. They come from a distance of 250 kms and above.

²**The** details of the spread of mulberry cultivation are already furnished in chapter IV, pp 81-82.

³Please refer to chapter I, section on '**concepts**'.

⁴Field notes. Interview with Market Yard officer, Dharmavaram Cocoon Market Yard. Interviews with mulberry farmers in Cocoon market yard who came there to sell their cocoons to silk reelers.

Annual reports of Assistant Director, Sericulture, Dharmavaram, 1992.

On many occasions the researcher used to personally observe the proceedings in the government cocoon market yard, Dharmavaram. The observations were under taken in the months of November, 1992 to February, 1993.

⁷Annual reports of Assistant Director, Sericulture, 1992. op.cit.

⁸Silk weavers household survey undertaken by the **researcher**, 1993.

⁹Field notes. Interviews with **Venkatesam**, oldest master weaver in Dharmavaram, **Kothapalem** Srinivasulu, president Dharmavaram silk handloofn exporters association and others.

C.Sudhakar, op.cit.p.147. Also field notes and survey results.

Planning Commission Report on Child Labour in Slate Industry of **Markapur**, 1992, pp 22-23. Field Observation. The researcher personally visited slate mines during working hours and observed the mining methods and working conditions of slate mine workers.

Field notes. Interviews with Chelikani **Buchirayan**, largest mine owner in Markapur region, Venkata Reddy, **sub-lease** holder.

Field Observation. **The** researcher was in the field from March to May, 1992 and also few months in 1993. In 1992, being the summer season the work **in** slate mines was undertaken only in the forenoon. **However**, **the** workers worked not less than seven hours from morning **6.am** to **1 pm** with **30** minutes break for lunch.

¹⁴Planning Commission **Report**, op.cit.p.24. Results of household survey. pamphlets of slat mine workers.

The five villages are **Rayavaram**, **Chennokothapalli**, **Vemulakota**, **Mekalavaripalli**, and **Mallampeta**.

Field observation and field notes.

¹⁷**List** provided in Table No. 6.1 of chapter **VI**, p 121.

¹⁸**For** Gazette **Notification ,December, 5, 1987,** please see Appendix IV.