# Historical Transition from Cultural Entrepreneurs to Commercial Entrepreneurs: A Case Study of Handloom Weavers of North East India

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**Abstract**. Handloom Industry plays a dominant role in the cultural and economic development of the rural masses in majority of the North Eastern states. Out of 25.4 lacs units engaged in handloom activities in the country 14.6 lacs units comprising both household and non-households are concentrated in five states only i.e. Arunachal Pradesh ,Assam, Manipur, Nagaland and Tripura. Over 53% of the looms in the country and more than 50% of the weavers belong to these states. Over 88% of the active looms are extensively used in non-commercial sector i.e. being used for production of clothes for self consumption and have no linkage with the market forces, thereby making it difficult to estimate the actual production of the handloom goods in the region.

A large majority of looms in the North-Eastern states engage into domestic production (62%). In the North-East, the production systems differ completely from the rest of the country. Almost half (45.9%) of the households are engaged in domestic production and, therefore, there is no direct contribution of handloom work to household income. In the North-Eastern states, it was found that the share of handloom income to total household income is just 18.8 per cent across all handloom households.

Just a little over a fourth (25.2%) of the households work solely for commercial production. The proportion of idle looms in the North-Eastern states is also the highest (4.5%) in the country. The North-Eastern states, which account for the highest proportion of household looms also have the lowest proportion in commercial use.

In the case of the North-Eastern states, the proportion of handloom households reporting whether children would take up handloom activity as their profession is 30.7 per cent. This is primarily because handloom weaving is viewed as a cultural accomplishment rather than commercial production in this region.

The present Paper highlights **Handloom as a Non-Commercial/ Cultural Household Enterprise in North- East India** and suggests the ways and means to create an enabling environment for the commercial production and its linkage to household income thereby leading to the Historical Transition from Cultural Entrepreneurs to Commercial Entrepreneurs.

**Keywords:** Cultural entrepreneurs, Commercial entrepreneurs, Household and non-household Production, Non-commercial Sector, Market linkage, Cultural household enterprise.

#### 1 Introduction

There has been an upsurge of interest on the history and conditions of handloom weavers in India in recent years. Various works have appeared. There has, however, been a dearth of microscopic studies relating to the transition from Cultural Entrepreneurs to Commercial Entrepreneurs of handloom weaving community of India in general and of North East in particular.

Handloom Industry plays a dominant role in the cultural and economic development of the rural masses in majority of the North Eastern states. Out of 25.4 lacs units engaged in handloom activities in the country 14.6 lacs units comprising both household and non-households are concentrated in five states only i.e. Arunachal Pradesh ,Assam, Manipur, Nagaland and Tripura. Over 53% of the looms in the country and more than 50% of the weavers belong to these states. Over 88% of the active looms are extensively used in non-commercial sector i.e. being used for production of clothes for self consumption and have no linkage with the market forces, thereby making it difficult to estimate the actual production of the handloom goods in the region.

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The present Paper highlights the need for transition from cultural entrepreneurs to commercial entrepreneurs in the handloom sector of North-east India and suggests the ways and means to create an enabling environment for the commercial production and its linkage to household income.

### 2. Overview of the Literature:

Works of scholars such as Philipa Scott, Askari Nasreen, Liz Arthur, Hussain, Majid, N.S.Olaniya, Mudaliar, M.P.Nachimuthu, Saraf, D.N., Chattopadhyay, Kamaladevi, Panchani, Chandra Sheikhar, Elwin Verrier, Barpujari, H.K. and Ganguli, Milada throw ample lights on weaving, pattern and technique and technology of weaving, role of cooperative societies in North East States. Based on the mapping of Thenzawl handloom cluster in Mizoram,a tribal state of the North East, Rama Ramswamy in the book *Entrepreneurship in Tribal Handloom Clusters in India:* A North East Perspective, 2012,has analyzed the growth of micro enterprises in the cluster, the role of motivation in the overall process of entrepreneurship in the cluster, the various problems faced by the entrepreneurs and provides specific inputs to the policymakers for formulating relevant strategies for the development of the sector. Nevertheless, there is almost absolute dearth of work as far as Historical Transition from Cultural Entrepreneurs to Commercial Entrepreneurs in North East States is concerned.

## 3. Research Methodology and Source of Data

This Research article is mainly based on the interpretation of data of Handloom Census of India [2009-10], Ministry of Textiles, Government of India. Literatures available on Handloom weavers of India in general and North-East States in particular were also reviewed. An attempt has also been made to do a comparative study of the data available. This is almost one of the first attempts to view the transition from cultural entrepreneurs to commercial entrepreneurs in the handloom sector of North-East States in India. The authors are sure that this indicative work must propel the future researchers to unravel the fine tunes of this transition.

## 4. Hypothesis and Comparative Interpretation of Census Data

Linkages between culture, creativity, commerce is the force behind a new effort to help the transition from Cultural entrepreneur to Commercial entrepreneur. Let us know the meaning of Cultural entrepreneur as well as Commercial entrepreneur:

"Cultural Entrepreneurs are cultural change agents and resourceful visionaries who organize cultural, financial, social and human capital, to generate revenue from a cultural activity. Their innovative solutions result in economically sustainable cultural enterprises that enhance livelihoods and create cultural value and wealth for both creative producers and consumers of cultural services and products" Source: Cultures and Globalization: The Cultural Economy, Helmut K. Anheier (Editor) and Yudhishthir Raj Isar (Editor), published by Sage Publications in 2008. On the other hand, a commercial entrepreneur creates arrangements to gain private profits. They provide fresh and useful products and jobs to help society.

Out of 25.4 lakh units engaged in handloom activities in the country, 14.6 lakh units, comprising both household and non-households, are concentrated in five North Eastern States

only i.e. Arunachal Pradesh, Assam, Manipur, Nagaland and Tripura as per the 3<sup>rd</sup> National Handloom census 2010.

Over 53% of the looms in the country and more than 50% of the weavers belong to the north-east and bulk of the handloom output is contributed by people residing in hills and rural areas. Hence, handloom sector plays a significant role in the economy of the region. Arunachal Pradesh, Assam, Manipur, Nagaland and Tripura contribute 82% of the domestic loom age. However, only 13.4% of the commercial looms of the country are in these 5 States and the contribution of these States to the total production of handloom fabrics is merely 20%.

The type of looms used are frame looms (78%), loin looms(21%)where as in other states pit looms(74%) dominate along with frame looms(19%)& pedal looms(4%)and the weavers use mostly cotton and acrylic yarn. The handloom fabric produced ranges from shawls, sarees, dhotis, gent's jackets, ladies wear, bed sheets, bed covers, furnishings, carpets & bags. Bulk of the handloom goods produced in the region comprise of dress materials, whose texture, designs and distinctive features are customarily preferred by the men and women folk of the region. These goods do not have substantial market potential in the rest of the country where dress habits and fashion concepts are completely different.

This factor, coupled with the fact that over 88% of the active looms are extensively used in the non-commercial sector (i.e. being used for production of cloth for self- consumption) makes it difficult to estimate the actual production of handloom goods in the region.

The North-Eastern Region occupies an important position on account of its unique flora and fauna. The climate here is congenial for the healthy growth & development of sericulture industry, which covers mulberry, oak, tassar, eri &mega culture, the last three commonly known as non-mulberry culture. The famous golden silk, muga culture in Brahmaputra Valley of Assam is unique and traditional. Silk is famous as the queen of all the textiles, having fibre-strength, elasticity, softness, coolness and affinity to dyes. The world demand for natural silk textiles, mostly woven on handlooms is soaring in the domestic as well as export markets. Sericulture (rearing of insect that produces silk yarn) which is not an organized commercial activity, is prevalent mainly amongst the tribal's in hill districts of Assam and northern hill areas of Meghalaya. Muga culture and Oak, Tassar culture is a new introduction in North- Eastern states. The Jute Industry occupies an important place in the national economy. It is one of the major industries in the eastern region like Assam, Meghalaya & Tripura. Handloom is the most widely established cottage industry of North East India. It employs a large skilled and unskilled workforce and which, in North East, mainly consists of women workers.

In the present era of commercialization, handloom sector is also witnessing changes and large number of women is adopting the weaving activity as their profession. The activity performed previously during their leisure time, has now been transformed to 8 hours job. But, in spite of the increased weaving time spent on loom, the work station design remains unaltered. demographic profile of handloom worker households in north east by social groups, caste distribution, religion, domestic and commercial, total workforce, gender composition, level of education, employment status, etc. are different as compared to other states.

As is well-known, the reservoir of handloom skills is concentrated in the North-Eastern states which together account for 16.83 lakh (60.5%) handloom households out of 27.83 lakh total handloom households. Assam alone accounts for 12.41 lakh (44.6%) handloom households whereas Manipur and Tripura have 1.79 lakh (6.4%) and 1.21 lakh (4.3%) such households, respectively. Other states with large handloom household concentrations are: West Bengal: 4.07 lakh (14.6%). Andhra Pradesh: 1.77 lakh (6.4%), Tamil Nadu: 1.89 lakh (6.8%), Uttar Pradesh: 1.11 lakh (4.0%). There is major difference in the caste composition of handloom worker households in the North-East and other states.

Across all social configurations, handloom work is primarily undertaken by Other Backward Castes (OBC) households in the country &OBCs Households are found to be dominant caste group with 53.3%, other's group about 31.4%, SC Households around14% ST Households are less than 2%.

In North-East other than Assam, STs category is specially high (36%) OBCS (33%) and Other's Group (24%) and SCs merely(7%) form major handloom households. This is primarily because handloom weaving is part of the culture across all social groups & weaving is not undertaken by any particular caste or Occupational group. Thus, they may be classified as Cultural Entrepreneurs. There are differences in the religion-wise composition of handloom worker's households in the North-East and other states.

In the North-East, 82 % are Hindus, and 12 % follow Christianity and other religions. The proportion of Muslim households is small around (6%). In states outside the North-East, the proportion of Hindu households (70%) is comparatively less, and there is increase in the proportion of Muslim households (29%). Households from other religions account for only 1 percent of the total. Uttar Pradesh (85%) and West Bengal (37%) emerge as special cases with high proportions of Muslim households. State wise analysis on type of production shows that all other states are primarily into commercial production, except for the North eastern states.

In the North-East, the production systems differ completely from the rest of the country. Almost (62%) of the households are engaged in independent domestic production and therefore,

there is no direct contribution of handloom work to household income and for these units there is no viable business in real sense, Relatively, less proportion is into mixed production (34%) and fully commercial production is only (4.2%). In states outside the North-East, like West Bengal, Tamilnadu, Andhra Pradesh and UP 82% of the looms are purely for commercial production and 14% for mixed production. The North-Eastern states, which account for the highest proportion of household looms, also have the lowest proportion in commercial use. **However, it is a potential resource if the government is able to create an enabling environment for commercial production.** 

The total weaver household units all over India recorded a decline from the first census (29.9 lakh weaver households), to the Second(25.3 lakh) to the third (22.6 lakh) weaver household. In contrast to the national trend exhibiting declining trend, the North-Eastern states recorded an increase in the number of weaver households from the first (14.6 lakh) to the third census (15.1 lakh) weaver households. There are major differences in the gender composition of the adult handloom work force between the North-Eastern and other states.

The North-Eastern states have a predominantly female (99%) adult work force. In states outside the North-East, The weaving activity is dominated primarily by the male handloom workers. States with high proportion of male handloom workers are Uttar Pradesh (50%), Andhra Pradesh (49%), Tamil Nadu (47%) and Karnataka (46%). There is marked difference in the average days of work per adult Handloom worker in North East (140 DAYS) as compared to other states (245 DAYS). Primarily because in NE larger proportion is part time domestic workers thus lowering direct contribution of Handloom work to household income. There are major differences in the employment structure of adult handloom workers in the North-East and other states: 96.3% adult handloom workers in the North-East work in independent production systems, a large proportion being domestic workers. 3.5% are under master weavers and only 0.2% work under institutions.

In comparison, 76 % of all adult handloom workers are contract workers in other states: 66 % work under master weavers or private owners and 10% work under institutions. A majority (60%) of adult handloom workforce has attained little or no schooling. More handloom workers are educated in the North-East than in other states. Uttar Pradesh (60%), Andhra Pradesh (42%), Karnataka (39%) and West Bengal (37%) are instances where a high proportion of adult handloom workers reported of never having attending school.

During the Third Handloom Census respondents were asked for their opinion on whether they believed that their children would continue with handloom activity. The majority response was negative, only 25.3% households were positive of their children continuing this profession. State-wise variation in the level of interest is also noticeable.

As compared to 70.3 % households in Orissa, which are primarily in commercial production, In North-Eastern states, proportion is only 30.7%. This is primarily because handloom weaving is viewed as a cultural accomplishment in North East and not as a commercial enterprise. The proportion of rural households (26.8%) affirming that their children would continue this profession is higher as compared to urban areas (15%). In states like Tamil Nadu, Andhra Pradesh & West Bengal they believe that their next generation would not continue this activity, as the work is hard, time consuming and brings in low remuneration.

In the North-Eastern states, it was found that the share of handloom income to total household income is just 18.8 % across all, while it is 58.1% in other states working mostly for commercial purposes.

Since it is mainly domestic production in nature, we find that the loan taken by the weavers from commercial banks is just 30.5%, and from Cooperative societies is13.1%. Moreover only 2.7% handloom households are members of Cooperative societies out of around 45 lakh handloom households in NE.

## 5. Suggestions/ Measures to be taken:

In order to increase the commercial production, Government must encourage the weavers to take loans from the commercial banks and also to increase the membership of cooperative societies. The North-Eastern states are the only ones who qualify for the 'only weaver states' tag, because in these states, 94.3 % of adult workers are weavers and only 5.7 % are exclusively working as allied workers. Of the various ration cards 34.1% weavers owned Above Poverty Line (APL) card,26.8% owned Below Poverty Line (BPL) card and 26.8% owned the Antyodaya Anna Yojana (AAY) card, also a BPL card but meant for the poorest of the poor and 12.2% did not own any card in North Eastern states.

The North Eastern Handicrafts& Handlooms Development Corporation Ltd a Govt of India Enterprise and North-East Trade Expo(NETE)Promotes handicrafts& handlooms by organizing exhibitions, crafts Bazzars (CB) all over the country with the active participation of artisans and weavers.

**STRNGTH IS**---Overall the Handicraft and Handloom market of the North East has the potential to develop and grow in future. The Corporation has established strong linkages with artisans and weavers of the North Eastern states:

i. Through Training programmes & skill development workshops & seminars it has

established goodwill in the sector

ii. Through Welfare schemes like thrift fund, group insurance and Health schemes to Weavers providing financial assistance for the treatment of various diseases like Asthma.T B,Inflamation of respiratory system, cost of testing eyes, Spectacles, Maternity benefit to Women, supply of drinking water etc.

#### WEAKNESSES are----

- i. Manpower in excess of requirement.
- ii. Lack of Professionals in strategic areas of marketing finance is also a great concern.

## OPPORTUNITIES in the form of-----

- i. Availability of abundant and unique local raw materials.
- ii. Availability of skilled labour in the region with indigenous knowledge.
- iii. High potential for empowerment of women, youth & differently abled people
- iv. Increasing emphasis on product development and design up gradation.
- v. Govt. support and interest in preserving the traditional crafts and textiles :

### These threats are also reflected but can be overcome.

- i. Lack of adequate infrastructure, innovation and technology up gradation.
- ii. Decentralized, Unstructured and individualized production system, distribution and marketing in the light of globalization.

**Threat perceptions** - from power looms and mills is more in states like Andhra Pradesh, Tamil Nadu, UP and Karnataka where there is commercial production and also has the presence of mills and power looms. It is more in the urban households (40.3%) than in the rural households (13.1%). Threat perception is very low in North eastern states because of low penetration of mills and power looms in these states.

The office of the Development Commissioner for Handloom has been responsible for Issuing photo Identity Cards (PIC) to genuine Handloom Weavers and implementing various schemes for the promotion &development of the HANDLOOM SECTOR which relate to:

- i. Employment generation
- ii. Composite growth oriented package
- iii. Modernization and up gradation of technology
- iv. Infrastructural support

- v. Input Support
- vi. Marketing Support
- vii. Development of exportable product
- viii. Welfare
- ix. Research and Developments.

All the schemes are weaver oriented to enhance productivity, income and socio economic status of Weaver by upgrading their skills and providing essential inputs.

*Ongoing Schemes and Programmes:* Deendayal Hathkargha Protsahan Yojna for North Eastern states, Sikkim & JK catering to the needs of handloom sector both at micro & macro level.

National centre for Textile Design NCTD to promote traditional & contemporary designs & to meet the changing market demands and furthering growth of Textile industry& Handloom sector. NCTD has been setup in Handloom Pavillion, Pragati Maidan, New Delhi having on line& off line service. National Handicrafts and Handloom Museum in Pragati Maidan serves as a RESOURCE CENTRE. Enforcement of Handlooms Reservation Act1985,aims at protecting millions of handloom Weavers from the encroachment made on their livelihood by the power loom & organized mill sector.

In order to boost the textile sector in the NE region, the Government of India has approved a project- based strategy for the North East Region under an umbrella scheme by name "North East Region Textile Promotion Scheme". This umbrella scheme will be implemented in the North East Region in addition to the regular schemes of the Ministry. The expenditure under this scheme will be met from the 10 per cent budget outlay being earmarked for the North Eastern States. Planning Commission has allocated a provision of Rs. 1038.10 crore for NERTPS in the 12<sup>th</sup> Plan. The scheme was approved by the EFC on 8<sup>th</sup> April, 2013 and CCEA on 7<sup>th</sup> November, 2013.

## 6. Conclusion

Steps should be initiated for successful transition from Cultural Entrepreneurs to Commercial Entrepreneurs such as inculcation of the following characteristics: self-confidence and optimism, calculated risk, positive response to challenges, knowledge of markets and market forces, independent mind, dynamism, creative and energetic. Innovation is also required for translation of creative idea into a useful application which involves analytical planning, resource organization, implementation and commercial application.

Since, the North-Eastern states have a predominantly female (99%) adult work force, attempts should be made to help them with the following: bank financing, personal independence, job satisfaction, confidence building measures, technical education.

State intervention in the form of financial assistance as well as various development and welfare schemes have helped it withstand the pressures and competition as a result of economic and technological developments in the age of Globalization. As a result, North Eastern States are witnessing a slow but gradual transition from Cultural Entrepreneurs to Commercial Entrepreneurs.

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