

The Problems Faced by Indian Artisans

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Abstract— This research paper aims to introduce the contribution of Indian artisans in preservation of culture and the economy, study the problems faced by them and the measures taken by the government to eradicate the issues. The Indian handicrafts industry is the second biggest employer of workforce, right behind agriculture. Artisans are regarded as the vanguards of Indian culture. Handicrafts is one of the major exports of India, and is a badge of pride for Indians. All this considered, artisans have been struggling to make ends meet, as competition from cheaper, machine made goods and exports increases. The government has come up with various schemes to protect the interests of these artisans and their craft.

Index Terms— Indian Artisans, Handicrafts, Employment, Culture, Modernisation, Relevance, Economy, Government, Schemes, Solutions, Persisting problems.

I. METHODOLOGY

This research paper was completed and compiled with the help of secondary data from articles, surveys and other books and papers.

II. INTRODUCTION

According to the International Labour Organisation's 2016 update on the India's Labour Market, 82% of the Indian workforce was employed in the unorganised sector. The handicraft's sector is one which is engaged with the production of fully or partially, hand-made goods. The Indian Handicraft industry has an adorned past. India's craftsmen were famous all round the world for the details and quality of their work. Indian handicraft constituted a great part of Indian exports in the past. This was before the British Colonisation of India, thereafter the handicraft Industry was almost diminished.

Today the handicraft's sector is one of the biggest employment provider of the Indian workforce, second only to the agricultural sector. It is very much decentralised, owing to India's cultural and geographical diversity, and is spread over the country. It employs approximately 7 million people directly or indirectly. Since the introduction of the policies of liberalization, globalisation and privatisation in the 1990s, this sector has contributed greatly to the exports of the country, and is an important source for earning foreign exchange for the country and the balance of payments.

III. PROBLEMS

Even with such great contribution to the society and the economy, the economic status of Indian artisans is well below satisfactory. This in turn effects their marketing power and their buying capacity, hence forming an unending cycle. Some of the major problems faced by artisans are as follows:

A. *Illiteracy and information asymmetry*
Majority of the rural artisans are illiterate, therefore they are

unable to access government schemes, keep up with the changes in the market and their bargaining power with the middlemen is low. This results in them being underpaid and acquiring average quality raw materials for their goods. Along with this, their lack of knowledge on business makes it harder for them to compete with cheaper, imported goods present in the Indian markets.

B. Foreign Competition

There is a lot of foreign competition from other Asian countries as well. China is a particularly powerful rival. The handmade products manufactured in India are being manufactured in China by machines. China has the capacity and may manufacture in volume whereas India cannot manufacture thanks to the labour shortages. Further, Indian manufacturing also lack standardization of products. There is lack of proper infrastructure facilities in India and lack of awareness about new technology and industry trends in India. Along with this there are simplified trade procedures and trade incentive in China.

C. Non-availability of raw materials

By tradition, raw materials employed by artisans were widely available thanks to the jajmani system, which consisted of a reciprocal relationship between artisanal castes and therefore the wider village community for the supply of goods and services. It provided artisans with access to community resources. However, with the breakdown of those traditional structures, alongside competition from organized industry, artisans find it challenging to shop for quality raw materials at affordable prices. In the absence of raw materials, they are often forced to turn to local traders who provide them with raw materials against orders, albeit at high prices, or switch to non-traditional raw materials.

D. The lack of technology and skill improvement

Artisans usually pass on the occupation through generations. There are not many institutes that can help artisans improve their skills or help them bring about some sort of innovation in their production process. The industrial training institutes do not offer training which is related to an artisan's cluster's trade. Infrastructural facilities such as useful work spaces, storage spaces etc. are not available to many artisans.

E. Lack of demand

With the arrival of globalization and therefore the availability of cheaper and more varied products, crafts

face severe competition in contemporary markets. They are typically perceived as traditional, old-fashioned and antithetical to modern tastes. There are limited efforts to reposition the image of crafts and build consumer appreciation of the history and cultural identity related to handmade products. Currently, the sector carries the stigma of inferiority, and is viewed as merely decorative. This is compounded by the Government's treatment of crafts as a sunset industry, which has resulted during a lack of well-developed policies and programs to guard and strengthen the ecosystem for artisans.

F. Lack of funding

Craft producers suffer greatly from lack of capital and access to credit and loan facilities. Banks cite poor recovery rates, wrong utilization of funds, lack of selling facilities for finished products and lack of education on a part of the borrowers as reasons for the low proportion of loans made to artisans. In general, this forces artisans to borrow from their local moneylender or trader at high interest rates. The All India Debt and Investment Survey (2002) showed that the proportion of cash borrowed by rural households from money lenders rose by over 10% from 17.5% in 1991 to 29.6% in 2002.

Government schemes for Artisans

India gained independence in 1947 and since then the Indian government has created a number of institutions, schemes and welfare programs for the crafts sector. The Government setup the All India Handicrafts Board in 1952 to study the technical, organizational, marketing and financial aspects of crafts and design measures for improvement and development of crafts.

A number of institutions such as the Council for the Advancement of People's Action and Rural Technology (CAPART), the Khadi and Village Industries Commission (KVIC), the Small Industries Development Bank of India (SIDBI) and the National Bank for Agriculture and Rural Development (NABARD) have been involved in funding and implementing development work for artisans through different schemes.

The National Handicraft Development program is an umbrella program under which many schemes have been introduced and implemented by the government.

The Ambedkar Hastshipa Vikas Yojna: It was launched in the years 2001-02, with the view to mobilise rural artisans to self-help groups or training groups. These groups were based on aspects of forming and running community based enterprises for self-sustainability of artisans. The objective is to transform these clusters into self-sustainable Self Help Groups in a time period of approximately three years, through financial aid, job security etc. The Government aims to identify and adopt 90 clusters across the country which will also cover aspirational districts, women clusters, weaker section and export potential clusters

The Mega Cluster Scheme: It follows a mega cluster-based approach in scaling up infrastructural and production chains at handicraft centres which have remained unorganised and have not been able to keep up with

modernisation and other developments. The objectives include generating employment and improving living standards for existing artisans.

Handloom Marketing Assistance: It is one of the components of National Handloom Development Programme. In order to provide marketing platform to the handloom agencies or individual weavers to sell their products directly to the consumers, financial assistance is provided to the States or eligible handloom agencies for organising marketing events in domestic sphere and as well as overseas markets.

Urban *Haats* are set up in big towns or metropolitan cities to provide sufficient direct marketing facilities to the artisans and eliminate middle agencies. 38 such Urban Haats have been sanctioned across the country so far. One of the most widely recognised haats is the *DilliHaat*. It is an open-air crafts bazaar in the national capital modelled on a traditional village market where artisans from around the country can rent space and display their wares for two weeks at a time. It is set up in cooperation with *DastkariHaatSamiti*, a non-profit organization that works with artisans across the country. *DilliHaat* has provided artisans with market linkages and access to consumers. In addition, the Development Commissioners for Handicrafts and for Handlooms run a number of emporiums across the country, which are retail outlets for crafts from different regions.

In order to promote e-marketing of handloom products, a policy frame work was designed and under which any willing e-commerce platform with good track record can participate in online marketing of handloom products. Accordingly, 23 e-commerce entities have been engaged for on-line marketing of handloom products. A total sales of Rs.34.72 crore has been reported through the online portal (as of 31st December, 2019).

IV. WEAVERS' MUDRA SCHEME

Under the Weavers' Mudra Scheme, handloom weavers are given loans at concessional interest rate of 6%. They are also given margin money assistance up to a maximum sum of Rs. 10,000 per weaver, and credit guarantee for a period of 3 years. MUDRA portal was developed in association with Punjab National Bank to cut down delay in repayment of funds for margin money and interest support.

The Government organized *HastkalaSahyogShivirs* at more than 300 places all over the country for providing Aadhaar linked identity card, marketing facilities, facilitating to artisans through Mudra loan and enrolment of artisans under Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana and Aam Aadmi Bima Yojana for the welfare of artisans during the *HastkalaSahyogShivirs*.

To promote and increase education amongst artisans and their families the Ministry of Textiles has signed Memorandums of Understanding with Indira Gandhi National Open University (IGNOU) and National Institute of Open Schooling (NIOS). NIOS offers Secondary and Senior Secondary level education with specialized subjects on design, marketing, business development, etc. through open distance learning mode for handloom weavers, to make it more convenient for them. IGNOU offers continuing education programs through learning opportunities relevant

to the aspirations of handloom weavers and their children for career progression.

The Prevailing Problems

One of the shortcomings for the artisans is their classification on the basis of their jobs which make them eligible for different relief funds. For example, artisans which make agriculture related goods, tools are directly related to agriculture and thus are effected directly by the same adversaries as farmer households, yet they are not included in the schemes which provide relief to farmers. The *Pradhan Mantri Kisan Yojna* only provides for relief for landholding farmers.

The NDA Government's implementation of GST, had an adverse effect on the artisans. They bought materials for their craft at high tax rates while their end product, was sold with a lower tax rate. For example, to buy chipped or sawn wood (for basket making), artisans need to pay an 18% tax, while the processed wood item would be sold to the consumer at only 5% tax rate.

Though now, due to the 'Make in India' initiative, artisans' works are more in demand domestically, there still needs to be a great increase in their demand. There has been an influx of factory made duplicates of actual artisan's works in the market, and as the average consumer is unable to tell the difference, and the factory items are cheaper, duplicates are sold while the originals remain.

In an interview with Quartz, Jaya Jaitly, an Indian crafts curator mentioned how the demand of handicraft needs to be increased within the middle class. The schemes of the government such as Mahatma Gandhi National Rural Employment Act, aim at providing employment and income in rural areas. It does this by providing hundred days of guaranteed wage employment to rural unskilled labour. This has an adverse effect on the artisans as in times of economic instability or continuous losses, rural artisans give up their craft and focus on earning money. Artisans do not have job security, but this scheme offers job security, which is an attractive aspect of the scheme.

In addition to this, the mindset of consumers that handicrafts are decorative items needs to change, as it would help increase the demand for Handicrafts especially amongst the growing middle class of India.

V. CONCLUSION

In today's date, steps have been taken by public and private enterprises to help the artisans of the country, but this effort needs an upgrade. India is a developing country with a fast growing population. This makes the allocation of resources amongst various sectors very difficult, and too solely focus on one sector even harder. The Indian handicrafts sector needs reconstruction and reallocation of resources. The prevailing welfare schemes have helped improve the artisan's life greatly, but to make it more accessible and efficient, unbiased implementation of these is required. The ambiguity of classification of artisans makes it difficult for them to access welfare bonuses that might help them, and different crafts need different rules and resources for it to survive.

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