



JOURNEY OF KHADI AND VILLAGE INDUSTRIES: “LIVERY OF FREEDOM” TO “FABRIC OF LIVELIHOOD”

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Abstract

This article looks at the present status of Khadi and Village Industries and the challenges faced in this globalised world of free market economy and also suggest possibilities for corrective measures and improvement. India is an agrarian economy. Apart from agriculture, KVI play an important role in the rural economy. From centuries it is an integral part of village life. The KVI is significant in sustainable and balanced growth of a nation. It is an alternative to fight back rural unemployment and underemployment and deserve equal nurturing as we are nurturing the culture of Multi National Companies in our country. Gandhi’s humble spinning popularised charkha that was used as a non violent weapon of socio-political change, no matter the time has changed so as the symbol of change, that is charkha but the Gandhian spirit of Khadi that is self- reliance will always remain the vital theme of KVI which needs attention at the present time. Like a man cannot live in isolation similarly a country cannot live in isolation with the process of globalisation which is an important factor for its existence as well as development. It became equally important to remain the part of globalised world yet preserve and protect the indigenous and integral part and knowledge which still influence people’s life and holds an important place in socio-economic life, KVI is one such example. The paper analyse the contemporary status of KVI in the backdrop of globalisation and the challenges faced in the form of tough market competition. The simple fabric of Khadi is no more ‘Livery of Freedom’ or ‘Fabric of Freedom’ but it is still a ‘Fabric of Livelihood’ for millions of people. It is need of the hour to review KVI by associating it with globalisation rather than viewing the globalised market as

a threat to its survival. The objective of self reliant KVI which was a true spirit behind KVI since its conception needs revival. This could be achieved only through a whole new set of strategies which will equip KVI to take up the challenges rather than depending on subsidies and rebate.

Key Words: *Khadi and Village Industries, Globalisation, Livelihood*

INTRODUCTION

It was mid summer evening, when I was on my way back to home and took a rikshaw. The rikshaw wala was a middle aged man with filthy cloth and a sad wrinkled face, the hardship of life was clear on his face. It was a casual conversation initiated by him. He inquired whether I am a student as he noticed hump of books in my lap. I was initially not interested in answering but the sincerity in his question made me answer. I could not stop my curiosity to know the motive behind the question, so I probed. I could notice the proud father in the happiness of his voice when he said that his elder son is also a graduate. It evoked a feeling of surprise and dismay in me when he mentioned that he is a farmer and has his own small land in the north district of Bihar called Muzafferpur. He added that there is not much to do during the off season of farming and they are forced to live their life on a meagre amount of money. Hence he came to Delhi to support the educational expenses of his children and other household expenses. I finished my journey with a mixed feeling. I was happy to see the awareness regarding education in an illiterate person of rural India and equally sad to know the bitter reality that a farmer who provide us with food is leading the life of a labourer. It forced me to put my thoughts regarding the problem and the possible ways to come out of it. My mind flashed back to the solution suggested by the Father of the Nation ‘Mahatma Gandhi’, that is Khadi and Village Industries. This paper is an attempt to look into KVI (Khadi and Village Industries) with a magnifying glass with focus on their present status, bottlenecks and possible corrections. Before examining the contemporary state of affairs of the KVI in India, it is important to go back to the historical background to understand its linkage with the rural India and the rationale behind it.

Historical Background

India is primarily an agrarian economy. A large percentage of its population earn their livelihood by farming. Apart from agriculture, KVI play an important role in the rural economy. From centuries it was an integral part of village life; from prehistoric age to medieval period spinning and weaving were in practice. The Indian fabric was in high demand all over the world. The high quality of the cotton fabric and fine muslin ruled millions of heart. “Alexander the great took back from India some of the printed cotton as well as many of the finely woven silks which he considered comparable to those of the master – weavers of China.”ⁱ During the 17th and 18th century the Indian exports succeeded in placing it among the affluent nations of the world. It was during the pre-British rule that the KVI witnessed boom and the Indian economy as a whole. The Handicrafts sector which is the part of village industries enjoyed a better position in comparison to other village industries. The KVI had an advantageous position during the 17th and 18th century. Then came the period of Industrial revolution. It was a crucial phase and a turning point in the history of KVI. It changed the entire gamut of international trade and similarly, the fate of Indian KVI. As a result of colonisation, Great Britain found a potential market and provider of raw material in India. During the 19th century, particularly in the mid of 19th century, it became difficult for KVI to compete with the machine- made goods as the latter was cheaper and the former was expensive due to its labour intensive character. The Industrial revolution marked a paradigm shift as the place of home- made products was replaced by factories and men were replaced by machines. High tax rate for purchase of cotton is one such example. Y. A Panditrao rightly stated that, “At the beginning of the twentieth century village industry artisan became almost pauper. His age old linkages were broken.”ⁱⁱ Similarly the scenario changed for those involved in hand weaving and spinning. Khadi too had a long journey and a history of struggle for existence. In the words of Yovesh Chandra Sharma, “The story of the transformation of India from the biggest producer and exporter of cotton textiles (hand spun and hand woven) to the producer and supplier of cotton as raw material to the England cotton mills is long and sad.”ⁱⁱⁱ

The rays of hope emerged out of this political injustice in the hand of merciless power when Mahatma Gandhi united the nation to raise their voice against the exploitative and devastating British Government. Leaders like Bal Gangadhar Tilak, Bipin Chandra Pal, Mahadev Govind Ranade and Surendranath Banerjee had the single opinion that the reason of Indian poverty

and backwardness is destruction of KVI. It was the period of 1919 to 1921 when a great transformation took place in the history of Khadi when Gandhi launched Khadi Programme in 1919 and further by the establishment of Khadi production centre in 1921 at Kathiawad, Gujarat. Soon it became a symbol of liberation and identity of freedom struggle. It gained national identity when the All India Spinners Association was established in 1925 for the implementation of programme throughout the country in a decentralised manner. Rahul Ramagundam well explained it when he said, "If Khadi was to spread it could only be through decentralised channel. The All India Spinners Association founded in 1925 was an effort towards the creation of decentralised network. Gandhi called it a purely philanthropic initiative."^{iv}. The support of Gandhi for the regeneration of KVI is clear as evident in his letter to C. Vijayaraghavachariar, he mentioned, "I am now living with the staff of All India Village Industries Association. We are trying to reproduce, so far as it is at all possible for us, the village life, and we content ourselves with what village can produce."^v Gandhi's associates like J C Kumarappa, K. G Deodhar, Vinoba Bhave and Krishnadas Gandhi worked for the promotion and rejuvenation of Khadi. Others like K. B Joshi, Jashbhai Patel, Gajanan Naik worked for village industries. A major shift took place after 1947 when in the independent India, the slogan 'Khadi the livery of freedom' lost its voice and the planning commission laid more emphasis on heavy industries. The planning model in post independence era failed to acknowledge rural poverty as the central objective of development. In Jagdanand Jha's words "The Mahalonobis model of economic growth adopted in our successive plans has belied our expectation particularly in relation to employment generation and poverty reduction."^{vi}

Importance and Relevance of KVI in the Indian Economy

We can say that KVI is an integral part of the Indian economy. Though in recent decades, not much has been done to support its expansion or contribution to GDP (Gross Domestic Product). But GDP alone cannot decide the human development which is an important component of a balanced growth trend. As T. Krishnamurthy said, "Growth in GDP alone cannot bring justice and establish a peaceful society."^{vii} The very nature of the Indian economy, which is characterised by large percentage of rural India in its fold, the KVI has all the potential to prove as a major developmental engine for the progress and development of rural masses. As Kulwant Singh Pathania stresses that "total production of Khadi caters to less than two percent of the actual needs of the country. Yet Khadi has employed over two

million people and provided them with a considerable level of living wages.”^{viii} Hence it is clear that the KVI holds an important place in labour surplus country like India. KVI promotes self-reliance, cooperation and entrepreneurial abilities which are essential prerequisite to fight back rural poverty. Apart from farming as a source of income, KVI act as an additional source of income. It has a unique quality to project the culture, heritage and mastery of rural Indians. It preserves the local skills and crafts. It overcomes the limitation of large-scale industries and can be established in the most difficult and remote areas. KVI is sustainable as it is eco-friendly in nature. Keeping in mind the environmental aspect of the high pace development the question of sustainability cannot be ignored to ensure the balanced and safe development. This aspect of KVI makes it unique and an important area of research and development in this globalised world. According to World Commission on Environment and Development, “ In general industries and industrial operation should be encouraged, that are more efficient in terms of resource use, that generate less pollution that are based on the use of renewable rather than non- renewable resource, and that minimize irreversible adverse impact on human health and the environment.”^{ix} Its importance further increase due to the percentage of the women involved at all the levels of production. It thus contributes indirectly to women empowerment through economic independence. If we analyse the long term goals, we would find that KVI ensures a balanced regional industrial development. It empowers the artisans and rural people to have direct control over their produce. It thus encourages just social order. Jagdanand Jha presented the example of Japan and explained that “Ours is a welfare state and a socialist society. This is based on removal of inequalities and exploitation of man by man. This is possible only through KVI. It is for this reason that Japan conceived plans of small scale and tiny industries. It is crucial to realise the place that KVI holds in economy. There is need to bring balance in regional disparity due to industrial development through the progress and expansion of KVI. It is rightly cited by Avadhesh Kumar “It is time to recall that with the intervention of Khadi and Village Industries programmes much ice can be broken. But for this a closer analytical look on the present state of affairs of KVI is must.”^x

Present Status of Khadi and Village Industries

Before bringing the desired change in the state of affairs of KVI, it is important to understand as to where we stand today. To decide the future direction of development of village India there should be an analytical view regarding the present status of KVI.

KVI is considered to be the part of small industries. It covers a wide range of activities according to Khadi and Village Industries Commission “Village industry means any industry located in a rural area, population of which does not exceed ten thousand or such other figure which produces any goods or renders any service with or without use of power and in which the fixed capital investment (in plant and machinery and land and building) per head of an artisan or a worker does not exceed fifteen thousand rupees.”^{xi} These industries are highly diverse in nature and have their own instructional setup and working mechanisms. The problems and challenges faced are also diverse in nature. To be precise, while analysing the status of KVI, the paper would focus on the Khadi and Village Industries Commission (KVIC) which is the prime institution of development of KVI. It has a wide range of responsibilities, from the execution of development programme to financial power as well as research assistance for development of KVI. The irony is that KVIC is regulated by the central government yet it is not able to achieve its objectives and the numbers of achievements are much lesser than the numbers of failures in L C Jain’s words, “KVIC on its own cannot adopt such a strategy since the method of financing of KVIC itself by the government compels tedious procedures.”^{xii} Thus the goals and objectives of KVIC are not well formulated and often face negligence at the implementation level. The very two-tier delivery mechanism of the commission is at bay.”^{xiii} Also the figures presented and the limitation explained by M.R Rajagopalan give an unheard account in this free market economy. “At present, Khadi production is only 0.4% of the total textile production. It gives employment to some 12 lakh persons. To increase it to even one percent requires tremendous organisational steps.”^{xiv} They are dependent on subsidies and rebate from Khadi Commission or State Khadi Boards. Minoo R Masani rightly said, “The KVIC, which was recently castigated by the Prime Minister for leaning more and more on government resources and subsidies, does not seem capable of carrying out this enormous task, and there is no alternative agency in existence which can undertake it with competence and vigour.”^{xv} The very value of self reliance on which foundation of Khadi once stood is eroding gradually. In order to bring back the true spirit of KVI and improve its present status it is required to view their objectives and feasibility of its achievement in the backdrop of market challenges and formulate the future course of action. To analyse the present status of KVI it is important to study the development in the backdrop of an important influence on contemporary world that is globalisation.

KVI in the Globalised World

Globalisation is a process that has become well accepted, practised and developed phenomena. It has its influence on global politics, economy and as well as social life of a common man. From the cloth to food and even the water we consume is part of globalised world. The KVI is also not an exception; it has witnessed the impact of globalisation that has become threat for its survival. The world is shrinking under the umbrella of globalisation and clam to avail better opportunities. Why not this clam can be extended to KVI too? The question which is still in search of its answer is why globalisation is a threat to KVI? The question that further follows is how the phenomenon of globalisation can be converted to opportunity for KVI? If we analyse the process of globalisation it will not be difficult to conclude that industrialisation and development in the name of globalisation viewed rural areas as the hub to cater their need of raw material. It is rightly pointed out in the words of Nandini Joshi “In stark contrast, the process of the present high technology industrialisation vets increasing power and money at the top of the politico economic system and weakens the base. The self accumulating spiral of power and money prevents the benefits of even this economic growth from percolating down to the people at large.”^{xvi} Like the man cannot live in isolation so a country cannot live in isolation with globalisation hence it becomes important to understand and develop strategies to remain part of the process of globalisation yet protect the integral and indigenous knowledge of livelihood, KVI is one form of it. The wise economic planning keeping in mind the lowest of the low individual of the democratic India can lead to economics of all or I would rather put it globalisation for all. The KVI products are confined to the KVI outlets supported by subsidies and rebates. One can find rare international brand perfumes in multi branded stores but rarely find KVI products. The problem is also identified in eleventh five year plan document when it stated, “The sale of Khadi production is only through the departmental outlets of either the institutions or those of the KVIC or state KVI boards. The focus is on charity and appealing to the goodness of people’s hearts not on the value of the product itself.”^{xvii} Though the problem has been acknowledged but the corrective measures are witnessing the reverse in financial allocations “The outlay for industry and minerals is Rs 46, 922 crores. Out of this Rs 6334 crores is the total outlay for the entire village and small industries sector or a mere 7.4%.”^{xviii} Due to well coming of all most all the multinational corporations the allocation of our resources are diverted towards their benefits such as agricultural land and raw material. The great

economist E F Schumacher said, “One of the most fateful errors of our age is the belief that the problem of production has been solved. The advantage of big machine is held out as yielding large production with few workers and increase in leisure.”^{xix} KVI’s weak brand building methods confined in few fashion shows as the only promotional tool is facing tough market competitions. The KVIC has yet to understand the importance of packing and presentation which is mantra of contemporary marketing techniques. In the words of Geetanjali Parikh, “Marketing of Khadi would not have been a problem if the changes in consumption pattern and preferences were not so fast and the globalisation had not influenced the product mix of the markets so significantly.”^{xx} KVIC should appeal to the government to meet their advertising expenses on different media sources with special emphasis on TV as the cost for the 30 seconds commercial add on TV is approximately Rs2 lakh which poor KVI could not meet. The support thus provided will be more sustainable than the subsidies provided. As far as export is concern, free market is the slogan of global trade. The plight is that the export effort for the KVI products are still exploring possibilities and often under taken on experimental basis with few exceptions. However an initiative taken by an American in Indian setting worth acknowledgement, that took the shape of the most loved and recognised brand of national and international market called Fabindia. John Bissell revived the handloom in India and written an entire new story and fate of Indian handloom industry. He managed to expand the export and trade of Indian handloom with regular research on national and international market and product upgradation accordingly. The love of John for India and his effort for revival of Indian handloom is clear in the words of Radhika Singh when she said, “The date was 16th August 1958, and the boss, Lakshmi Jain, was to be proved wrong. John Bissell stayed on. In fact, he never left. Two years later he started a company called Fabindia which slowly became synonymous with the revival of handloom in India.”^{xxi} Gandhi’s humble spinning popularised charkha that was used as a non violent weapon of political and social change in colonial India. But the time has changed so as the symbol of change, that is Charkha. It is time to realise the need to separate this act of spinning from Gandhian Socio-political weapon and revise the theme of KVI holistically as a means of livelihood and an alternative to fight back rural unemployment. It is the need of hour to establish the association between KVI and globalisation rather than perceiving it as a threat to its survival.

Suggestions

There is a need for improvement in the implementation of the programmes to ensure that the benefit should reach those, for whom it is meant. The monitoring agencies should be decentralised and should be outsourced to voluntary organisations. Avadhesh Kumar explains that the “central initiatives on development are dependent on the state’s ability to ensure that the schemes are able to reach target audiences.”^{xxii} The change is needed in the area of financial support for KVI which could not be achieved only by dependence on banks but the fund raising activity. The KVIC itself can be revamped as fund raising agency. The role of Panchayat cannot be overlooked as it is the grassroot level organisation that understands the needs and difficulties of rural masses. It should be empowered to take up the responsibility of KVI as “The self sufficient village economy is an alternative solution and in this context the role of institutions in the rural sector like the village Panchayat and rural multipurpose co-operatives can play a vital role.”^{xxiii}

Most of the plans are formulated by the urban intellectuals who do not understand the rural settings. It is thus important to make them understand the KVI in the backdrop of rural masses and their needs. To bring self reliance in the KVI sector, it could be linked with self - help groups. The self- generated SHG funds could be utilised for production. To ensure the sale of production, more and more voluntary organisations should come forward. They should work for product betterment and should work to create market opportunities. The number of Khadi outlets should be increased at the same time and it should adopt new marketing techniques. The national and regional channels could be used to advertise KVI products. The cost of publicity could be covered by the government.

Conclusion

KVI play a vital role in the progress and development of country’s economy at large and rural economy in particular. India is country with large population and majority of them are rural based. The utilisation of human capital can bring radical changes in the graph of prosperity. One way to achieve this target is KVI. The features of KVI are in consonance with the social, economic and physical features of India. But the irony is that we still have this popular notion that the root to success travel through big industries and fast urbanisation. In this race we have left behind the eco- friendly and sustainable KVI. The need is to identify the available possibilities and also adopt new strategies and action. The recent example is National Rural

Employment Guarantee Scheme. It is an example of new strategy adopted by the government. It has neither utilised the potential of the people nor given direction to it. The very nature of the programme is making the rural masses labourers, while many of them have hidden skills which have not been identified. There is a need to recognise the age old skills and work which still can be revived to suit the need of villagers such as KVI. There are a number of ways of improvements but a sincere effort is needed to bring positive change. The KVI can rise through such integrated effort. There is need to revisit and revive the Gandhian spirit and possible way to establish positive and progressive relation between KVI and globalisation.

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