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Vanishing murmurings of handloom shuttles: Perspectives on the development of handloom industry with reference to Kannur district

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Abstract

Handloom industry was one of the ancient and the most important industries in terms of employment in India. The protective and developmental measures adopted after independence and the inherent strength enabled the industry to survive several crisis and play a meaningful role for several decades. However, the contemporary development is that the industry is on the decline. At the same time, a major boost to production and export is being contemplated by the central government. In this context, this paper attempts a reality check on what is happening to the industry at micro level with reference to the handloom industry of Kannur district, which was an important centre for production and export of handloom cloths in the country. The panel data of sample based study of handloom units of the district in 1977-78 and 1990, an in-depth study of Edakkad village of Kannur district in 2017 where handloom industry provided sustenance to a majority of workers and secondary data formed the basis for the study.

It is noted that the district's industry dominated by the private sector underwent organizational changes and the shift was from factory-based production organization to more disorganized production organization. By 1970 there were three tiers of units undertaking work on sub-contract below the former factory units. Still, the industry was at its zenith of glory in the 1970s as Kannur crepe was a hit in the western markets. However, later the industry weakened and is now on the decline. While the problems of the industry are well documented an examination of the specific reasons for the steep decline of the industry of the district reveals that low wage and acute labour scarcity, the unviability of operation of sub-contracting units, unforeseen financial loss due to natural calamity and loss of segmented markets as some of the problems of the region. The industry's decline is not a regional issue

but is state and nationwide phenomenon. In this scenario, it is open to doubt whether the handloom industry can be geared to make a quantum jump in the production of cloths as currently envisaged by the central government.

Introduction

The handloom industry of Kannur is centuries old. It was also the most important industry of the district as it provided livelihood to the vast majority of the population in many villages in the past. The impeccable quality, elegant designs, characteristic weaving and policy support of the government enabled the industry not only to survive and develop even when faced with several adversities. The 1970 - 80 decade is distinct in the history of Kannur handlooms being at the pinnacle of glory. However, later evidence indicates that the industry weakened and started declining in the following decades. In fact, in a village of the district where handloom weaving was the mainstay of the majority of workers in the 1960's the industry is now almost extinct. Paradoxically the central government has recently constituted a Working Group to submit a blueprint for doubling the production of handloom products from the level of Rs. 60000 crores to Rs. 120000 crores and raise the export of handloom products from Rs. 2500 crore to Rs. 10000 crores in three years (Malayala Manorama 2021). In this context, a reality check on the industry's current status assumes significance. This paper is an attempt in this direction as on examining briefly the important development phases of the industry in the district, portrays the course of development of the industry in a village stretching for about six decades from 1960 and briefly comment on the prospects of the industry in the country.

The data

The study is with reference to primary and secondary data. For an in-depth study the Edakkad village of Kannur district was selected. There were a few reasons for the selection of the village. In the economic and employment structure, the handloom industry dominated and provided sustenance to majority of workers in the village in the 1960's. Further, a detailed description of the handloom industry, the socio-economic conditions of handloom households, and the village's overall social and economic structure in the early 1960's was available in the village monograph published by the Census organisation. The report provided materials for depicting the status of the industry in the 1960's. A study covering various

aspects of the industry of the district was conducted in 1977-78. For the study, five panchayats, including Edakkad panchayat ² with the highest handloom concentration, were selected. A sample of 182 units of the selected panchayats were selected by stratified random sampling method to cover various size classes of units in terms of looms and categories such as private and cooperative sectors. By periodic personal visits, the operational details of the sample units for one year were collected in a questionnaire. The same units were revisited in 1990 to assess the changes.³ In 2017, we conducted a study on the socio-economic conditions of the population and economic structure of Edakkad village for which 281 sample households were systematically selected and interviewed on personal visits with a questionnaire.⁴ An enumeration of all household and non-household enterprises of the village was also conducted. Being a native of the village, the author witnessed the developments in the village stretching for about six decades from the 1960's and better placed to collect reasonably accurate data. The relevant findings of these studies are cited to portray the course of development of the handloom industry. Thus primary surveys, the village monograph, and visual observations were supplemented by secondary data and detailed fieldlevel discussions.

Origin and development of handloom industry

In the region, weavers were traditionally Chaliyas. Though there are several versions as to the origin of the Chaliya community, the people in the region claim that they are the descendants of Salya, the Sage (Superintendent of Census Operations 1966). The childless Sage prayed to God Siva for children, and God appeared with two children in his two hands. The one on the left hand was the forefather of Edangai (leftist faction) and the one on the right side Valangai (rightist faction). These two factions, which are found in many parts of east coast communities, exist only among the Chaliyas of the west coast. Evidence indicates that the Indian cotton export flourished in ancient India (Buch 1979:11). On the importance of the industry in the region and its distinct features Renaudot, an ancient writer, commented, "in Calicut (Calicut and Kannur previously belonged to the Malabar region) garments are made extraordinarily that nowhere else are the like to be seen. They are most part mound

¹ The study was carried out in connection with the doctoral research work of the author.

² The Panchayat area corresponds with the village area.

³ The study was sponsored by the Indian Council of Social Science Research, New Delhi to assess the growth of handloom industry with reference to the panel data.

⁴ The study was conducted with the Senior Fellowship of the Indian Council of Social Science Research, New Delhi which was affiliated with the Institute for Social and Economic Change, Bengaluru.

woven with degrees of fineness that it may be drawn through the ring of a middling size" (Krishnamoorthy O S 1971:72). Marco Polo, who travelled extensively through Asia in 1290 AD, stated that many households in this part used to prepare cloth with the help of family members using rudimentary tools. This home-based activity changed by the middle of the nineteenth century with the entry of Basel Mission in the region. The Mission in 1844 brought frame looms from Germany and established a few handloom factories in the region in 1852. The social reform movements initiated by Sree Narayana Guru and the activities of Vakbadananda led to the gradual adoption of industrial activities by other communities, predominantly the Thiyyas (Other Backward Community) as workers and owners of units (http//:dsource.in/resource/land-looms-and-lore-Kannur/introduction). Thus, the owners of units consisted of the Chaliya community followed by the Thiyya community and they started establishing factory-type units in the district. There were units with more than 300 looms in the district in the past. Implicitly the small household units co-functioned with large factory-type units. A setback to the factory-based production occurred with the passing of the Factories Act in 1948. The fixation of minimum wage in the nineteen fifties further weakened the factory-type organization and paved the way for disorganization of production. By the late 1960's the process was more or less complete as statutory regulations were enforced strictly in the case of traditional industries. Accordingly, over the year's factory-based production declined, and in its place, many small and tiny units emerged for production of handloom cloth. Apart from labour unemployment, this opened avenues for exploitation of the labour. The Kerala State Handloom Development Corporation was established in 1968 to bring under its fold the unemployed weavers and arrest the exploitation of labour. Notwithstanding this, the private sector factory units dismantled the main production activities. As observed in the 1977-78 study, three tier decentralized units executed the main activities of winding, warping, and weaving handloom cloth in the private sector. At the top are former factory units, some of them exporting units. The units gather production orders directly from abroad or canvass orders through exporting houses based in major Indian cities or commission agents. The main production activities in-house are maintained peripheral, some of them in developing sample cloths to explore markets. The bulk of the orders are passed on to scattered units with a sample cloth or as semi-processed raw materials, mainly dyed yarn. Under them work many units, some units with facilities from dyeing of yarn to cloth weaving, some units with only warping, winding and weaving facilities and others with only small pirn winding and weaving. The last category is very tiny units, mostly homebased, gathering work from the second category. In suitable form, work orders are made

available. Many second category units also organized production on their own by canvassing orders through commission agents. Most of the last two categories were former factory workers induced by the factory owners to set up their own units by offering looms and accessories free or at nominal cost. They gave up the factory job under the illusion of becoming owners of handloom units. Thus over the years, a four-tier decentralized production organization came into existence.

Even in this fluid state, the industry witnessed a major boom by the late 1960's with the introduction of a product called Kannur crepe (the fabric with a crimp appearance). It was a hot cake in the western countries and brought about unprecedented prosperity. In the history of development, the industry was at the zenith of glory. The de-centralised production units further expanded the production base. Some new units emerged to meet the export demand leading to the acute shortage of labour and pronounced wage rise. Several workers shifted from other traditional industries to handloom weaving. The margin enjoyed by the units was also high, and all industry stakeholders shared the prosperity. This also led to the expansion of hotels and restaurants, transport, construction, demand for consumer items etc. This developmental effect was felt in several other handloom areas including the neighbouring state of Tamil Nadu, as work orders were passed on to them by establishing links. This was also a strategy adopted by the main units to arrest wage rise. Thus, the Kannur handloom industry, dominated by the private sector⁵ in the 1970 decade came to occupy a much more pivotal role in producing and exporting handloom products. It is estimated that accounting for hardly 2 percent of total handlooms of the country (Estimate's Committee 1977-78:211), Kerala rolled out nearly one tenth of the total handloom output of the country (Indian Institute of Foreign Trade 1975:195). The estimated export was nearly third of the total handloom exports of the country (Nair 1977). Kannur accounted for a large share as the district accounted for 44.60 per cent of total looms in the state in 1976 (Directorate of Handlooms 1976:85-86) and is estimated to have contributed 98 percent of total handloom exports of Kerala (http//:filmingindi.com/blog-post/Kannur-the-handloom-city-of- Kerala-India/). The district's estimated daily output of handlooms was placed at 5 lakh meters daily then (District Planning Office 1980:44). Kannur taluk has the largest concentration of looms and units within the district. The Taluk accounted for 46. 29 percent of handloom units and

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⁵ In the total looms of the state under cooperative fold in 1984 the share of Kannur district where concentration of looms was highest was only 9.18 per cent (See Director of Handloom 1986:8).

56.67 percent of total looms of the district (Directorate of Handlooms 1976:85-86). Implicitly most of the production and export of Kerala originated from Kannur taluk. The major products of the area are exported to UK, USA, Germany, Italy, and France. The Kannur handloom product even figured in the bedspread collection of the US President (Times of India 2014). The town figured as one among the four export centres of India besides Karur, Panipat, and Varanasi in the country. The Kannur town also once came to enjoy Town of Export Excellence of Government of India (filmingindi.com/blog-post/Kannur-the-handloom-city-of- Kerala-India/).

To some extent, the institutional infrastructure facilities set up in the area enabled the industry to emerge into prominence. As early as the 1960's a Polytechnic with a textile technology course and a cooperative spinning mill were set up. In 1968 the Kerala State Handloom Development Corporation came into existence with headquarters in Kannur. Many weavers were brought under cooperative fold by promoting several primary cooperatives societies with an apex body known as Hantex. Setting up two industrial-type cooperative units with all in-house production facilities in Kannur Taluk was a unique venture. The Institute of Handloom Technology and a Weaver's Service Centre were other notable institutions functioning in the Taluk. However, the tempo of growth the industry could not sustain as in the later decades, the industry started declining.

The decline of the industry

To depict the declining trend, first we consider the result of our panel data of 1977-78 and 1990. The data revealed, out of 182 functioning sample units in the 1977-78 study, 44 private sector units (24.18 percent) in 1990 were reported as closed permanently, and the marketable assets were disposed of or the woods were used for other purposes. Three fourths of units were closed in the post-1980 decade. All closed units belonged to the dependent category. In the working units also there was a decline in the number of looms. Among the working units, the decline in loom was 23.64 percent. Though all categories of private units reported a decline in looms, the largest decline in looms was among the second and third tier categories undertaking piece works. In the cooperative sector, the decline in looms was very marginal, 0.86 percent. Among the factory units, on average, 15.6 looms per unit declined. The declining trend is further evidenced by our village-specific study.

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⁶ This includes the looms of present Kasargod and part of Wayanad districts which were carved out of the Kannur district later.

In the economic structure and employment of Edakkad village, the handloom industry dominated in the nineteen sixties. The Kuttikkakom desom of the village was mainly a Chaliya theruvu (street) as there was a large concentration of handloom units and weaver households. It was one of the important handloom centres of the district historically, as many units within and outside the village were provided with work orders by a few large units of the area. On all Saturdays afternoon, the accounts were settled, and heavy crowding took place in the area giving the impression of a festival. A temporary market also functioned on the day. In addition, there were units dispersed throughout the village, mainly owned by Ezhava community. Thus the murmurings of the shuttles were audible everywhere in the village in the daytime. Most of them were private individual units. The size of the units in terms of employment ranged from more than 100 workers to only two or three persons. As per the 1961 census, out of 52 handloom units in the village, 22 provided regular employment to 10 or more persons, 24 between 5-9 workers and others less than 5. A few households controlled the industry. The large units sub-contracted works in a suitable form to small units. Units employing 1 or 2 looms operated within the premises of the houses were hardly better than wage earners. Most of them were fly shuttle looms, and very few pit looms were reported. The chief products of the village were coloured lungis, shirting, very fine varieties of bedspreads, and furnishing cloths. The products were able to withstand the competition of mill products and found markets even outside the state and country. Some of the products enjoyed great demand among the plantation labourers of Bengal and Assam. In marketing, the commission agents acted as intermediaries. In the industrial sector, nearly three fourth of the income of the village was generated by the handloom industry. In different capacities, the handloom also employed about 50 per cent of the total workers of the village (Superintendent of Census Operations 1966:127). By the middle of the nineteen fifties, two handloom cooperative societies were set up, and one was the industrial type cooperative unit with 127 looms. Also, the Institute of Handloom Technology and the Polytechnic was established in the village.

The industrial profile of the village in the district in 1961 attests to the dominance of the handloom industry (Table 1). Observably, the handloom industry accounted for 55.32 per cent of total units, followed by tobacco products 21.28 per cent and cotton spinning 9.57 per cent. Altogether the textile related and tobacco industries (mainly beedi industry) dominated, accounting for 86.17 per cent of total units.

Table 1: Industrial profile of Edakkad village in 1961

| Type of industry | No | % |
|--------------------------|----|--------|
| Food processing | 2 | 2.13 |
| Edible fats and oils | 3 | 3.19 |
| Tobacco products | 20 | 21.28 |
| Cotton spinning | 9 | 9.57 |
| Handloom | 52 | 55.32 |
| Textile garment | 3 | 3.19 |
| Hardware, engg. products | 1 | 1.06 |
| Jewellery | 4 | 4.26 |
| Total | 94 | 100.00 |

Source: Superintendent of Census Operations (1966:136)

In this background, if we look at the later developments of the industry, the evidence indicates that the decline of industry in the village was accelerated. Even in 1977-78 it was observed that only one factory unit functioned in the village and all exporting units were located elsewhere. By 1996 beedi rolling emerged as dominant in employment, accounting for nearly three-fifth of total employment, followed by power loom units and a steel mill (Table 2). The handloom industry turned out to be of peripheral importance employing 4.29 percent of total workers. The plight of handloom cooperatives too ran parallel as while one weaver's cooperative society winded up the activity, the other industrial-type cooperative unit considerably downsized the handloom production. In our 2017 Edakkad village study, we did an extensive search for handloom units. It was found that the handloom activities have become almost extinct as we could identify only two units, one each in the private and cooperative sector. The private sector unit operated five looms, and the same was working for the Khadi Board. In the surviving industrial type handloom cooperative unit, only five looms were working, and thus in effect, in the entire village, only 5 handlooms were producing cloth. Further from the listing of establishments of the village, it was found that there were 81 industrial units, out of which two were handloom units. None among the workers of our sample households belonged to the handloom industry. Manifestly handloom industry that provided sustenance to most village workers in the nineteen sixties is almost extinct now.

Table 2: Distribution of units and workers by nature of industry in 1996

| Type of industry | No of units | % | No. of workers | % |
|------------------|-------------|------|----------------|------|
| Flower mills | 14 | 5.02 | 14 | 0.90 |

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| Powerlooms | 93 | 33.33 | 161 | 10.31 |
|-----------------------|-----|--------|------|--------|
| Handlooms (private) | 1 | 0.36 | 5 | 0.32 |
| Handloom cooperatives | 1 | 0.36 | 62 | 3.97 |
| Hosiery | 9 | 3.22 | 20 | 1.28 |
| Welding | 9 | 3.22 | 30 | 1.92 |
| Workshops | 7 | 2.51 | 98 | 6.27 |
| Leather | 2 | 0.72 | 40 | 2.56 |
| Steel company | 1 | 0.36 | 85 | 5.44 |
| Beedi rolling centres | 119 | 42.65 | 925 | 59.22 |
| Others | 23 | 8.24 | 122 | 7.81 |
| Total | 279 | 100.00 | 1562 | 100.00 |

Source: Edakkad Panchayat (1996:21)

The problems of the industry in the area

While the industry's problems, in general, are well documented, we outline some of the regional-specific problems of the industry.

One of the primary reasons for the decline of the handloom industry in Kannur is the developments in the labour market. There was an acute shortage of labour for traditional occupations, especially for industries like handloom. One of the reasons is the wide disparity in the wage rate. Over the years the disparity was on the rise and we found that in 2017 for a casual male agricultural labour the ruling wage rate was Rs. 850 and female Rs. 500 with two times reasonable food provision. In construction for male labour the daily wage is above Rs. 1000. For all other casual occupations, the daily earning was not less than agricultural labour. On an average, a handloom weaver in the sub-contracting category executing most of the production activities in handloom industry is able to earn in the region of Rs. 150 in 2017 for 8 hours of work. Even in the cooperative and factory sectors where statutory wage is paid the labour earning is far less and not comparable to other sectors (except beedi rolling work). Given the low wage, it is doubtful any male labour was attracted to the industry in the past few decades. Traditionally weaving was exclusively done by male labour, and for a brief period, female labour filled the gap. This also soon evaporated. Thus we have found that most current male workers are in the old age group of 65 plus and females in the upper middle age group. Further, there was sustained aversion to manual work among the new entrants in the job market, especially males, and this also led to a shortage of labour for traditional industries. The Gulf migration can also be cited as one of the indirect reasons for this labour market development. Migration no doubt generated beneficial effects. Nevertheless, it has got

its adverse impacts. A profound influence among the youngsters and the parents is generated, and their aspiration boils down to Gulf migration. This has been considered as a fast safety net for realising economic betterment. Thus even educational advancement often got side lined besides labour supply to manual works. Further, given the shortage of labour, the remittance induced spending for construction activity led to a steep rise in the wage rate for construction labour. In the scenario, on the one hand, the capable male labour of traditional industries shifted to construction jobs and, on the other hand, created wide wage disparity. Some activities like agriculture and local construction have no mobility and were forced to absorb the shock. Our finding is that though for a few years, the paddy farmers absorbed the shock for a brief period later, they abandoned paddy cultivation. Due to labour scarcity and high wages in garden land development, works are currently being compromised. However, the traditional industries like handlooms' pronounced wage hikes cannot be absorbed as they have to compete with the products of other places. In this predicament, the only option was first to downsize the activity in tune with the availability of labour and then quit gradually. This was the course of development of the handloom industry. This trajectory of change is not confined to the village. It is witnessed throughout Kerala in various degrees.

Another reason is the emergence of a situation in which the operation of the subcontracting units became unviable. Over the years the margin enjoyed by the units was getting squeezed due to competition for work, mainly from Tamil Nadu. Thus the rate for subcontract got aligned with the rate at which the work orders can be executed from Tamil Nadu where the wage rate was very low. In this predicament wage too gets compromised. We found that in 1990 the cooperative and factory units following statutory obligations paid on an average Rs. 32 for weavers. Whereas as the average earning of a weaver in the sub-contracting category was Rs. 15. Thus on the one hand labour became scarce and on the other hand the operation of the units turned out to be unviable forcing the owners to quit the industry. As mentioned above, the panel data revealed that all the closed units belonged to the sub-contracting category. The plight of a unit may be cited. Elimban Textiles of Muzhappilangad panchayat was started as a partnership firm in 1971 with nine looms and other allied facilities, including dyeing managed by one of the partners, Dasan aged 29, at the time of our study in 1977-78. For main works, hired labour was employed. The female family members did the ancillary work of pirn winding. Dasan also actively participated in all the main works. In the 1990 study, we noted that the unit's operation came to a permanent halt in 1985. All the looms were damaged and used as wood. Dasan took up the job of the driver in a private bus. The female members of the household then undertook winding works available in the vicinity to augment the household income. The reason cited for closure was the un-remunerative price on the sub-contract works.

A natural calamity associated financial loss of units also affected the industry. To many factory units, an important order source was from exporting houses based in Mumbai. Around nineteen-eighties, most of the clothes sent by several units were damaged in flooding leading to substantial financial losses. While some units unable to withstand the crisis closed permanently, some slipped into the category of dependent units. The experience of a firm is testimony to this development. In the 1990 study, we noted that till 1980 Vinayaka Textiles of Kanhirodu Panchayat (one of our sample units) functioned independently by canvassing orders through commission agents of Mumbai-based exporting firms. The cloth sent to Mumbai worth Rs. 3.5 lakhs got damaged before taking delivery by the exporting firm. As the exporting firm refused to take delivery of the consignment, the firm was compelled to recall the goods. Due to ignorance, the consignment on return was opened without informing the insurance firm. Citing this, the insurance claim was denied. The firm was forced to sell the goods in the local market at throw-away prices. As the bank credit availed for the consignment could not be repaid, the issue went to Court. The Court finally ordered for the attachment of the firm's property, and after that a compromise was struck with the bank by which the firm agreed to remit monthly Rs. 2000 to the bank. Unable to withstand the loss, the firm's status slipped to the sub-contracting category of units.

During the boom period, profit greed led to widespread compromise on the quality of products. One strategy was to produce on power looms and market as handloom products. Also, several units shifted their production activity to Tamil Nadu where labour cost was too low and compromised on quality. During the field work we noted that independent units experienced cancellation of orders very frequently citing quality problems. Such risks were also forced to be shared by the sub-contracting units.

For Kannur handlooms, there was a segmented market given the product quality. With the introduction of a crepe variety of cloths, the private units, in particular, more or less fully engaged in production of crepe variety of cloths bypassing the traditional market. Over the years, the traditional markets were lost, and the crepe variety associated boom also vanished. Here it is pertinent to note that the scope for skill development and technology transfer became easy with the establishment of institutional infrastructures like Institutes of

Handloom Technology, Weavers Service Centres, and Common Facility Centres in various handloom centres in the country. This also led to the loss of the segmented market.

Prospects of the industry

Given the proposed target set for handloom production, a brief comment may be made on its prospects. Some facts attest that the scenario depicted above is not a region-specific issue but a state and nationwide phenomenon. The difference is only in the magnitude of the decline, the decline being sharp in Kerala. While in 1984, the total number of handlooms in the state was placed at 95000 (Director of Handlooms 1976:4) by 2019 the number of looms in the state is reported as 10728, 88.71 per cent decline (Development Commissioner for handlooms 2019:143). As per the 2019 Handloom Census, the share of Kerala in total looms of the country and workers turned out to be minuscule, 0.39 per cent and 0.62 per cent, respectively. The state no longer figure as a significant handlooms cloth producing state. Coming to the all India level, it is estimated that in the early nineteen nineties, there were 39 lakhs handlooms employing 84 lakh persons (Hindu 1993). Against this, the latest all India handloom census reports the total looms as 27.01 lakhs and workers as 35.22 lakhs). Over the years, the decline in handlooms was 30.74 per cent and workers 58.07 per cent. The census also reports the average household income of the majority of handloom households (67.1 per cent) from all sources as Rs. 5000 with an average employment of 206 days in a year and 1.12 handloom workers per household (Development Commissioner for Handlooms 2019::17,18). This works out roughly Rs. 170 as the daily earnings of a handloom worker. In this predicament It is doubtful any new labour will be attracted to the industry. The scope of raising the person-days of existing labour is marginal given the current average annual employment days. Besides, there is the question of additional capital requirement, and here private investment is hardly attractive. Given the scenario, it is doubtful whether the industry can be geared for a major quantum jump in production.

Conclusions

The handloom industry is one of the most ancient and important industry in terms of employment in India. After independence, several protective and developmental measures were adopted, and the industry continued to play a meaningful role for several decades.

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⁷ In the list of significant handloom production states in 2019 Handloom Census Report Kerala state is not included.

However, the contemporary development is that the industry is on the decline. This paper depicts this development course of the industry with reference to Kannur district where there was highest concentration of handloom in the state. The results of a panel data of handloom industry of the district in 1977-78 and 1990, an in-depth study of Edakkad village of Kannur district in 2017, and secondary data formed the basis for the study. Even in the ancient era the district was known for production and export of handloom cloth. The Basal Mission pioneered in introducing technical and organisational change in the industry in the mid eighteen fifties by importing frame looms and setting up of factory units. Thus over the year's frame looms became more popular and many factory units also emerged. However, the industry got more disorganised in the post independent period as a result of the enforcement of Factories Act and minimum wage legislation. Thus in the private sector which is dominant in the district under the factory units a three tier set up emerged for executing main production activities. Still the industry of the district came to play a vital role in the production and export of handloom products of the country in the nineteen seventies as it is estimated that nearly a third of export of handloom products originated from the district. However, the industry weakened later and over the years was on the decline. The available evidences also indicated that this declining phenomenon is not only region-specific but state and nationwide. In fact, the decline is more accelerated in the state as the state now even does not figure as a significant producer of handloom cloth in the country. While, the industry's problems in general are well documented, an examination of the specific reasons for the industry's steep decline in the region reveals acute labour scarcity, low wages, unviability of operation of units, unforeseen financial loss and loss of segmented markets as some of the region's problems. In this scenario, it is open to doubt whether the handloom industry can be geared to make a quantum jump in the production of cloths as currently envisaged by the central government.

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