

**The Values of Craft**  
The Indian case  
**De waarden van ambacht**  
**De casus van India**

Thesis

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# Introduction

## Motivation

**Culture** has always fascinated me. After all, being an Indian, I come complete with a wealth of heritage. This has provided me with a sense of identity, value and security about who I am. My ideal day would include experiencing **culture** in one form or another. I am fascinated by the diversity of traditional knowledge and skills that is on display at festivals, fairs, religious ceremonies and social occasions such as marriages. At such events, India's rich heritage of is on display. It gives me an opportunity to re- discover **traditions** and **practices** that have become obscure to me owing to my urban upbringing with a modernist outlook.

This wealth of heritage exhibits the depth of traditional knowledge and skills that are still in practice across India. The celebration of these traditional practices also helps me to discover the underlying values of being part of Indian society. One of the most visible forms of traditional knowledge and skills, is **crafts**. It can be seen in the exquisite saree worn by women or the beautifully handcrafted jewellery that is on display during festive occasions. I also enjoy the experience of the musical instruments played during these rituals as they enhance the sanctimony of the occasion. Craft can also be seen in the use of traditional earthenware, handmade by potters in India that amplifies the experience of the culinary prowess of the community.

At times like these, I get to experience the richness and depth of our culture and traditions through their practitioners and the products that they make. These people, along with others, belong to the **craft** traditions in India. These repositories of skilled traditions provide the raw materials for the celebration of such occasions. However, each of these encounters, leads me to pose a host of questions. For instance, who are these people creating these craft objects, **how are they skilled** and **who trains them**? I also dwell on the many questions surrounding the traditions that inform and feed their learning process. There are also questions about what the significance of the craft is and other such forms of traditional knowledge and skills in our lives and whose job it is to create the right environment for this sector to **flourish**.

Is it the job of the government? Or is it just a matter of supply and demand, and the prevalence of the market logic that leads to the survival of the fittest? Do we have a role to play in this story or are we passive viewers whose interest in crafts and other forms of traditional expressions has to be stimulated and, if that is the case, then **why, how and by whom**?

## Understanding heritage

The question is an economic one and has social undertones. To find an answer, one possible approach is to use cultural economics. This starts with an exploration into the economics of heritage. I started to get a better idea of the topic after attending a summer school on cultural economics in Deventer, The Netherlands in the late summer of 2008. The two-week course was a summer intensive programme that exposed me to the core concepts and ideas around the relationship between culture and economics. While attending the summer school, I was doing my PhD at Queen Margaret University, Musselburgh, U.K. Enrolled at the school of Business and Enterprise, the subject of my thesis was to expand on the **economic value of heritage** in instances of **adaptive re-use** of palaces and forts as **heritage hotels**.

While, the subject initially comes across as being very straightforward, in its application, it was nuanced. The objective of the thesis was to gain a more pragmatic and perhaps more holistic view of the term value in line with Klamer's plea to widen our perspective on the term. (Klamer, 2003, p. 207). The aim was to encompass the various values that culture produces<sup>1</sup>.

At the summer school, I realised that the theoretical lenses of standard economics could be a possible framing to use. They provided tools for the measurement of direct benefits such as the value of quantitative measures of commercial or residential space, circulation of tourists traffic and so on.... However, in order to measure values that are associated with non-economic values<sup>2</sup>, there were limitations.

To further understand what cultural economists say about heritage, I needed to understand the international evolution of the term heritage<sup>3</sup>. Since the end of Second World War, the various conventions that UNESCO has issued have helped us understand the nature of heritage. In the beginning, heritage was understood to be **tangible** and further categorised as movable and immovable, then it expanded to **natural** heritage and later became **intangible** cultural heritage.

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<sup>1</sup> During this period, the work of David Throsby was influential with the notion of cultural capital and how we should pay attention to it. (Throsby, 1999, p. 6) his later work title 'Beyond price' was also influential

<sup>2</sup> By non-economic values I mean not monetary values

<sup>3</sup> Defining heritage helps frame the economic problem.

Tangible heritage is recognised under the **Convention for the Protection of the World Cultural and Natural Heritage 1972** in Article 1 as “*monument, group of buildings or site of historical, aesthetic archaeological, scientific, ethnological or anthropological value*”. Natural heritage is defined in Article 2 as “*outstanding physical, biological and geological features; habitats of threatened plants or animal species and areas of value on scientific or aesthetic grounds or from the point of view of conservation*”. (UNESCO, 1972, p. 2)

Prior to the 1972 convention, the intervention of national governments was limited to making inventories of monuments and objects of moveable heritage and, in certain other cases, lists. The approach was limited to protecting and preserving them. The 1972 convention expanded the scope of such protection and conservation of a site. It was also unique, to the extent that, it considered natural heritage as being important<sup>4</sup>. The convention resulted in the world heritage list which duly deliberated the term outstanding universal value<sup>5</sup>.

The international deliberation on heritage provides the context within which economists study it. As a result, the understanding of cultural economists has been mirroring the international developments that have been shaping the heritage sector. This is reflected in the definitions that cultural economists consider when approaching the economics of heritage. **Cultural economists** acknowledge the evolution of the notion of cultural heritage and how this has affected public heritage policies.<sup>6</sup> Hence they have provided various definition of heritage. Peacock suggests that “*A large proportion of artefacts are not produced with the idea of reminding us of our past ... they become identified as heritage goods usually by archaeologists and historians who have obtained some form of official recognition or public acceptance of their status as experts in determining their artistic or historical significance. (...)*” (Peacock, 1995). Klamer refers to “*.....Objects, structures and other products of culture and individuals that have been passed from previous generations to the present ones and are valued because they are representative of a particular culture and are, at least partly, valued because of their age*” (Klamer,1999,p.25). This definition of heritage places emphasis on a broader notion of the term value as it has space for both use and non-use value embedded within it. It is, however, limited in its application to that of built heritage.

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<sup>4</sup> It was, however, added later to the convention

<sup>5</sup> Meskell provides an interesting commentary on the evolution of the convention over the last 40 year (Meskell, 2013)

<sup>6</sup> See for example Benhamou (2013) and Rizzo and Mignosa (2013). (2013)

The next evolutionary stage in the international understanding of heritage took place as part of the 2003 October meeting of the UNESCO general conference. It saw some 120 member states vote for an international convention to safeguard **Intangible Cultural Heritage**. It described **Intangible Cultural Heritage** as a list that included items such as oral traditions and expressions, performing arts, social practices, rituals, knowledge concerning nature, traditional craftsmanship and a proclamation of masterpieces. It is understood to be culture that is practiced as **part of daily life**. However, the convention does not give a concrete definitive definition of what intangible cultural heritage is. It explains it as ‘..... *transmitted from generation to generation, is constantly recreated by communities and groups, and provides them with a sense of identity and continuity, thus, promoting respect for cultural diversity and human creativity.*’ (UNESCO, 2003, p.2)

Before the convention, Intangible Cultural Heritage was understood to be the underlying spirit of a cultural group, or as folklore, way of life, community based culture, ethnographic culture, living heritage and so on. These are now understood to be grouped under the banner of Intangible Cultural Heritage and categorised in the groups given in the table below.

Table 1: Examples of Intangible Cultural Heritage adapted from the document

<b>I. C. H Category</b>	<b>Description</b>	<b>Example</b>
Oral traditions and expressions	Epics, tales, stories	Kyrgyz epic trilogy
Performing arts	Music, song, dance, puppetry, theatre	Kutiyattam Sanskrit theatre
Social Practices, rituals	Religious gathering, Festivals	Novruz
Knowledge concerning nature	Folk medicine, folk astronomy	Equitation in the French tradition
Traditional Craftsmanship	Tools, clothing, jewelry	Craftsmanship of Alencon needle lace making
Proclamation of Masterpieces	Proclaimed under Masterpieces of oral and intangible heritage 2001	91 Elements

Source : (UNESCO,2003,p.2)

Intangible cultural heritage is understood to be experiences that are aesthetically or conceptually elaborate. The convention focuses on ensembles of action that people name as **traditions** and regard as meaningful and **not merely as utilitarian actions**.

The convention views heritage as something **shared** in, and **symbolically identified** with, a **cultural community**, and traditional in that it is **socially transmitted** from one generation to another. (Kurin, 2004, p. 69)

The biggest shift from our previous understanding of heritage is captured by Vecco (2010, p. 321) she described the shift as

*‘From a purely normative approach, one went to a less restrictive approach, one based on the capacity of the object to arouse certain values that led the society in question to consider it as heritage and therefore, to a further step in which heritage is no longer defined on the basis of its material aspect. This development has also made it possible to recognise intangible cultural heritage, which was ignored for a long time, as heritage to be protected and safeguarded.’*

This convention was concerned about the human system that has formed owing to the social interactions of human beings. The convention calls for its member states to make inventory lists of their intangible cultural assets.

The rationale behind the convention was to draw attention to these systems, which were at risk of becoming homogenised owing to modernity, globalisation, industrialisation and the drive for efficiency.

What do economist say about intangible cultural heritage?

The exploration of the economic aspects of traditional knowledge and skills which was the object of our curiosity at the outset of this thesis is, after all, an offshoot of an effort to develop an economics of intangible cultural heritage<sup>7</sup> (I.C.H) and to develop a sense of the value that it represents.<sup>8</sup> It has been pointed out by economists such as Snowball (2013) that there is a need to have a total view of heritage to include both instrumental and intrinsic values into account when assessing the value of heritage<sup>9</sup>. This need is even more pronounced when we attempt to understand the value of intangible cultural heritage given its abstract nature and has been recognized as an issue that needs to be addressed.

In the introduction to this thesis, I indicated that I wanted to focus on crafts. I used this as a means to approach intangible cultural heritage. The intent is to understand the significance of traditional knowledge and skills for economy and society. The intellectual curiosity towards the subject is accentuated by the specificity of Intangible Cultural Heritage. The first feature of this form of heritage is that it must have a societal and social base to be meaningful. The second feature of I.C.H is that it allows for a much broader articulation of the notion of values to be significant. Economists, however, do not appear to have found a framework to approach the subject other than the application of standard economic framing. This leads me to understand that there is a gap when it comes to an economic understanding of intangible cultural heritage and what economist say about it<sup>10</sup>.

The question is, **should economist be interested in alternative framings?** And, if so, **what unique insights can they offer** that grab the attention of the policy planners and practitioners alike. These were the questions that I asked myself, and I had an opportunity to research them.

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<sup>7</sup> By this time, two things had happened, one was that I realised that there was a research gap in the field of the economics of intangible cultural heritage and secondly that, approaching this subject with the appropriate framing, would provide the means to unlock the term “value” which could have consequences for the understanding of intangibles of heritage as understood by intangible values being produced by a site and also as understood by the 2003 convention. The second thing that happened is that I had to abandon my PhD at the school for business and enterprise (which was having a standard economic framing) and work with Arjo Klammer at Erasmus University who was at that time working on a new theoretical framing for economics with the “Value based method “.

<sup>8</sup> See Greffe and Cominelli (2013)

<sup>9</sup> Snowball (2011, p. 175) further states that culture provides many forms of value where in instrumental values such as market values are easy to measure while the intrinsic values are more difficult to quantify.

<sup>10</sup> The general understanding about tangible heritage by economists is studied as a case of supplier induced demand, Public goods, Externalities, Merit goods (Blaug, 2001) , (Towse, 2002)

This became possible when Professor Arjo Klamer<sup>11</sup> agreed to act as my supervisor for my PhD at the Erasmus School for History, Culture and Communication, Erasmus University.

The literature surrounding intangible cultural heritage is generated by two major groups of contributors<sup>12</sup>. One group is that of historians, anthropologists, archaeologists, art historians, designers and sociologists. They are what are known as culturalists following the categorisation coined by Klamer and Zuidhof. They are preoccupied with cultural values and the discourse around the nature of heritage (Klamer, 1999, p.23).

The other major group of stakeholders can be labelled as administrators and bureaucrats who are delegated with the responsibility to **implement policy**. Apart from these two groups, there are grass root organisations that work with the communities who are the other players in this intangible heritage game.

The economist is not usually part of the decision-making process and is generally not asked for an opinion on how to manage the heritage asset in question. This is also true when dealing with Intangible Cultural Heritage. However cultural economists have been trying to pay attention to the topic.

In fact, intangible heritage has started to be analysed also by cultural economists (see for instance Greffe and Cominelli, (2013); Goto, (2013)). The focus of our current research is on exploring and possibly expanding to this literature using a new framing to explain aspects of Intangible Cultural Heritage through the unique case of crafts in India.

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<sup>11</sup> Arjo Klamer is professor of The Economics of Arts and Culture at Erasmus University, Rotterdam, the Netherlands.

<sup>12</sup> Here, I mean the general discussion surrounding the capture of cultural heritage and its importance to society.



## The case of Crafts in India

At a 2010 Christmas seminar held at prof. Klamer's house, we discussed Richard Sennett's book entitled "The Craftsmanship" (Sennett, 2008). The seminar discussed questions about crafts and craftsmanship. We focused on what is the role and space of crafts in today's modern knowledge economy and what its status is. This was also the question that we wanted to investigate with a research grant that we got from two Dutch organisations that were dealing with crafts in The Netherlands. The Creatif Vakmaan and the H.B.A they were quasi-public bodies that were asked to substantiate their role for the crafts sector in the Netherlands. After the seminar, we understood that there was a need to study crafts in greater detail. We embarked on a research project which was to be a prelude to what was to become my PhD research<sup>13</sup>. The study was to explore the craft economies of England, Japan, Germany, China, India, Italy and Holland.

I found that Craft and craftsmanship have traditionally been identified with objects and capacities related to a specific culture representing its habits, traditions, skills, and folklore. This view has characterised the Western approach to craft, putting it in a subordinate position with respect to the arts.

This difference has not necessarily characterised the vision of craft and craftsmanship in Eastern countries, where craft occupies a critical position next to the arts (especially in Japan). The perception of crafts varies within Western and Eastern societies as well. The position of craft in Japan is not the same as in Malaysia or Vietnam. Similarly, the way of conceiving craft and dealing with it, presents a number of differences across Western countries (e.g. US vs. UK or Italy vs. Germany). In different periods, craft has attracted the attention of policy agencies, museums, designers and private institutions. This has led to its 'revival' (Luckman, 2015, p. 12). The first time this took place was with industrialisation and William Morris' *Arts and crafts* movement. The wave of a second revival took place in the 1960-1970's with the hippy movement.

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<sup>13</sup> The crafts research Group that includes Prof. Kazuko Goto, Asst Prof. Anna Mignosa, Lili Jiang, Thora Felljested and me, and was led by Prof Arjo Klamer.

Finally, we are now witnessing a third revival characterised by the spreading of the DIY (Do-it-yourself) movement and the turning to craft as a source of income in times of economic crisis. At the time when I was researching the **crafts economy in India**, I realised that Crafts in India along with China and other Asian countries play a dominant role in the global handicraft market and is expected to remain so for the near future (Barber, 2006, p.9). Crafts in India represent a \$7 Billion Industry (Jitendra, 2012). It is the second largest employer in rural India after agriculture. However, India faces a paradoxical situation when it comes to crafts. There is a high degree of governmental involvement in the sector, which is also accompanied by a sense of pessimism surrounding the sector by perceiving it to be a 'sun set sector'. While this argument might have been true in the shortage economy of India, this does not reflect the aspiration of a young, resurgent India and certainly not if one views crafts in India in light of the third wave of crafts revival. The government institutions have an inertia that must be overcome before a satisfactory solution to the paradox is found.

One of the unique features of the crafts sector in India that sets it apart from the rest of the world is the prevalence of the caste system and the role it plays as an institutional feature. Castes have been institutionalised in the Indian system of crafts. First as sherins, or guilds formed to organise the society. Over time, this became diluted to a rigid social stratification of society. The Craftsmen in India belong to the Scheduled castes, scheduled tribes, other backward castes, minorities and women and this constitutes a substantial chunk of the Indian population in India.

In trying to research crafts in India, I realise that there are conceptual problems. As we have stated before, there is a difference in the perception of crafts between east and west. This difference is nuanced when we consider countries within the Asian context. There are two reasons for this

- Institutional specificities of traditional societies
- History of Economic growth and the current state of the economy

Both are true in the case of India and, as stated before, castes are a unique institutional feature. India is now considered a middle-income country and that means that India is, and has been, undergoing structural shifts within its economy and this has an impact on the way employment in the crafts sector is perceived. However, the paradox is that crafts exist in India and they are in abundance leading to many unanswered questions as to why this is the case.

What is this thesis about?

My thesis is, therefore, a composite of three distinct issues that are the result of my motivation to conduct this research.

The thesis starts by trying to find the answers to a host of questions that have been put forward in the introduction. The questions are related to understanding the role and relevance of traditional knowledge and skills in our lives. Therefore we elect crafts as the subject of our study.

To understand the role, relevance and significance of crafts (and other forms of traditional knowledge and skills) to economics, economy and society, we are in search of an appropriate framing from cultural economics. The idea, at this point, is to investigate the tools and methodologies on offer. We apply standard economics to heritage to answer our questions. What we find is that Cultural economists have only recently started to pay attention to the economics of intangible cultural heritage. This thesis is then an effort to add this growing interest among economists to the issue. The effort in the thesis is to undertake the investigation by questioning the appropriateness of the current economic lenses used when trying to make sense of this aspect of heritage.

This, therefore, leads to a set of issues when trying to define the theoretical underpinnings from where we are to conduct this research. We question if there is a need for an alternative framing to make sense of the economics of intangible cultural heritage.

The research project undertaken in 2010 makes us focus on India as a case. The effort is to research the significance of traditional knowledge and skills through a framing to understand the economics of intangible cultural heritage. By doing so, the aspiration of this thesis is to answer the questions that have been raised in the introduction to this thesis.

The thesis will investigate the role of the government as well as the market for intangible cultural heritage. We will try to access and make sense of their impact on choices made by producers and consumers and how it impacts on intangible aspects of cultural heritage. The investigation will refer to different economics perspectives in the hope that this would bring about a new approach to the economics of intangible cultural heritage. The hope is that this approach will lead to new insights and foster new developments in the economic understanding of cultural heritage.

To carry out the investigation the thesis will examine various cases to form a conceptual idea of what can be an appropriate lens to understand the economics of intangibles of cultural heritage. The cases will draw up on a range of sources including governmental reports, project documents, illustrative materials (e.g., newsletters, articles, and other publications that form part of an organization's history) and site observations as a means of understanding the intangibles of crafts in India. The merits of such an approach is advocated by various authors such as Yin (1981) (2011) who have recommended it as a viable methodology for research.

The topic at hand is complex and has various issues that need to be addressed. For this purpose I elect to move away from being reductive and to employ an approach that that enables me to make sense of the complex phenomena of intangible heritage and the economics there of studied through crafts in India.

The very nature of the topic compels me to employ a means where some degree of interpretation<sup>14</sup> through field experiences and triangulation is required. This I try and do being an Indian and belong to the cultural metaphor thereof.

This investigation will be carried out in seven chapters. The first chapter of the thesis will take a closer look at the world of crafts in greater detail in order to motivate our understanding of the broader context within which crafts in India exist.

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<sup>14</sup> The use of "I" is a conscious decision. Its use holds merit as the complex nature of topic warrants it. The attempt is not only to make the text more accessible but also to make the readers reflect on what they are reading and partake in the process of interpretation as the thesis is conceptual.

The second chapter will further probe the market for crafts in India with the lenses of standard economic thinking. I will try to make sense of some of the paradoxes that are presented in the first chapter. The third chapter will further try to problematise the investigation by making an assertion that, in order to better understand crafts and their intangible culture heritage, we need to change our lenses. The value based method for economics is positioned as a new school in heterodox economics as lenses through which we could further our investigation. The fourth chapter starts the process of changing the lenses by first trying to develop a greater understanding of crafts in India using the culturists perspective.

This move hopes to enrich our world view of the role and significance of crafts and their intangible cultural heritage in our daily life. It also makes us question why features of intangible cultural heritage are not visible when viewed through standard economic lenses. The fifth chapter tries to setup the context within which the value based method for economics came into being as an alternative framing to understand the world of crafts. In light of the new framing, we will try to re-interpret the world of crafts in India. The sixth chapter takes the process of re-interpretation further by trying to understand how we valorise the crafts. The role and relevance and realisation of values is further explored in the process of production and consumption of crafts using the value based method in the seventh chapter. The conclusion of the thesis gives us the outcome of the process of this investigation by listing key insights of the nature of intangible cultural heritage. The thesis goes further by conveying messages to the stakeholders about what kind of attention needs to be given to the world of crafts, and why.

# Chapter 1: The World of crafts

## 1.1 Introduction

My investigation into the crafts sector has been a process that took me through the rabbit hole. Much like Alice in Wonderland, I find myself with experiences and narratives that form a cohesive story about this sector. The seven-nation research of craft economies was a unique experience for me. It refined my view of the world of crafts and encouraged my curiosity about this sector. It made me investigate the relationship between, culture (heritage), the economy and society. The exploration of the crafts sector provided me with the opportunity to study the dynamic and semiotic relationship between culture and the economy<sup>15</sup>.

In the Asian context, the three countries that were chosen for comparison were India, China and Japan. The similarities in these three countries were that they are all ancient civilisations, have very distinct cultures and practices, and are traditional societies. However, of the three, India and China are emerging economies, where China is leading in the manufacturing sector, while India enjoys favourable position in the service sector. Japan on the other hand is one of the most advanced economies in the world and enjoys a reputation as being a leader in Hi technology and precision work.

This is in contrast to the other countries that were part of the research. While Germany, Italy, the U.K and the Netherlands are all advanced economies, Italy bares the distinction of being the most traditional of this grouping. Germany has the reputation for engineering while Italy is well known for design and Art.

The U.K, on the other hand is / or rather was the only country to have crafts as part of its idea of the creative economy in the DCMS model (Potts, 2008). Germany, Japan, Italy, India and China are well known for craft production, though they differ on an important point. India and China are recognised for selling crafts objects while, Germany, Japan and Italy sell the idea of quality, precision and the intangibles of craftsmanship.

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<sup>15</sup> Details about this is covered in the motivation

During my research, the question that would often be in the back of my mind was

- Is it the state of economy that shapes the crafts sector or is it the culture within which it (crafts) has evolved and grown that decides its shape or form? In other words, are crafts influenced by the economy or does culture play a much bigger role in this entire process?

My instinct as a researcher suggested that I needed to investigate this question to understand the role, significance and contribution of crafts to society. However, this question was for later analysis and not something that I had to do at that moment to conclude the crafts research project.

## 1.2 The world of handwork and Crafts Culture

The experience of having a wide perceptive on the crafts economies of all these countries provided me a context within which I tried to make sense of the status of crafts in the world today. While the ambition was to compare the various economies in absolute terms, the differences and specificities of the whole context within which crafts has grown in each of these societies makes such a comparison difficult. Instead, what we decided was to imagine a composite image of what the world of crafts looks like. When we tried to bring together all of the craft economies, we found that the world of crafts has two main subdivision. **Utilitarian crafts** and **Creative crafts** both come under the umbrella of **handwork**<sup>16</sup> (Klamer, 2012 ).

There is a clarification to be made at this point we need to understand that hand work can be unskilled and skilled. In crafts, both these forms of handwork exist, however, the feature is that the notions of quality and craftsmanship is more often associated with skilled handwork then unskilled handwork.

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<sup>16</sup> The bifurcations in the world of handwork was as observed as a result of the seven nation study of crafts. (Klamer, 2012 )

For greater clarification, the gradation of those who move from unskilled work to skilled work both in utilitarian crafts and creative crafts had to be explored. Let us try to understand what we mean by utilitarian crafts. In the research (Klamer, 2012), it was clear that it as those vocations which require considerable skill, experience and craftsmanship in work and execution but are mostly non aesthetic and more utilitarian in nature. This kind of work is done by plumbers, carpenters, brick layers, masons and so on..... In the case of creative crafts, the progression is seen from being unskilled to learning traditional crafts and after years of training maturing into a contemporary craftsman. After that, the career development forks out to craftsmen entering the realm of design or art where the lines between what is traditional and what is new, either in technique or the design aesthetic, or material and or medium used is usually blurred. In these cases, the craftsmen are highly skilled. This **composite image of handwork** helps us to form our sectorial view about the world of crafts. It encompasses all its constituent elements while paying attention to skill and output as a means of distinguishing between groupings.

During the research process, looking at the status of crafts in all those countries, it was felt that crafts needed a nurturing environment around them. Crafts is in the need for a culture around it. This was termed as crafts culture and has to be supported with idea policies, education and organisation.

Table 2: What kind of attention should crafts have?

<b>Paying attention to the world of Handwork</b>	<b>Current Industrial Logic</b>	<b>A new Ideal logic</b>	
Crafts Culture	Policies	Formulated for production and consumption	???
	Education	Focused on an industrial view of the world	???
	Organisation	The system is designed for consumption as a means of valorisation	???

Source: Own elaboration of the author



One major point that remained unclear was the purpose of crafts and their usefulness in an industrial society. It was clear that crafts have more meaning to society as a shared good. However, the economic ideology of being in the industrial society is unable to position the usefulness of crafts beyond production and consumption.

Even though we understand that crafts culture is an identification that crafts need our attention, we still need to ask the key question, i.e. what kind of attention do crafts require. This connects with the broader question that I asked earlier about the relationship between culture, economy and society. Research of the craft economies in seven countries yielded two key insights.

- The first was about how to view the world of handwork.
- The second was, that for crafts to survive, we need to pay attention to them and so there is the need to develop crafts culture

There is still a need for us to explore certain important questions. First, we have to consider what is the end outcome of a nurturing environment that we build around crafts with the construction of a crafts culture. In other words, how should we valorise crafts? One has also to contemplate if the current industrial logic is the right way to understand the economy of handwork where valorisation is reduced to supply and demand. In the next segment we will explore the two framings that surround our understanding of the crafts sector today.

### 1.3 Crafts: A sector between two framings

To further our investigation, we need to understand how crafts as a sector is framed. I am inclined to consider the claim of Vencatachellum<sup>17</sup> (Vencatachellum, 2016, p.2) who alerts us to the fact that crafts as a sector is largely between two framings.

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<sup>17</sup> Indrasen Vencatachellum is the Coordinator of the 'International Network for Crafts Development' (RIDA) and an independent consultant in crafts, design, and creative industries. Born in Mauritius, he received a Master of Arts degree at the Sorbonne in Paris before serving as Director of Cultural Cooperation at the African Cultural Institute in Senegal. From 1988 to 2008, he was based in Paris as UNESCO's Director for the Programme to promote crafts and design, during which time he launched the first 'Ten Year Plan of Action for Craft Development' and created the UNESCO Craft Prize to reward creative artisans. He has organised many international symposia, training workshops and touring exhibitions for artisans and designers. In addition to advising a broad range of international clients, he has edited practical guides for policy makers, promoters, and cultural entrepreneurs on crafts, craft trade fairs, and artisans and design.

The first is the cultural **heritage framing**; it draws its legitimacy from the UNESCO ‘Convention for the Safeguarding of the Intangible Cultural Heritage’ (2003). Article 1 of the Convention explains ‘intangible cultural heritage’ as being the “practices, representations, expressions, knowledge, skills – as well as the instruments, **artefacts** and cultural spaces associated therewith - that communities, groups and, in some cases, individuals recognise as part of their cultural heritage (...).” and specifically includes **traditional craftsmanship** among the concerned domains. Vencatachellum further explains that UNESCO defines intangible heritage as:

- being transmitted from generation to generation
- being constantly recreated by communities and groups, in response to their environment, their interaction with nature and their history;
- providing communities and groups with a sense of identity and continuity.

Based on this contemplation, Vencatachellum surmises that, while **craft** items are tangible but the **knowledge and skills** to create them are **intangible**, this view is also shared by others like Kurin (2004,p.70). Therefore, it is important to research and document traditional craft techniques, especially those in danger of disappearing.

**Creative industries** on the other hand form the second framing where the term “creative industries” is used instead of that of “cultural industries<sup>18</sup>”. The focus of this categorisation accounts for not just means for production and distribution but also the creative elements that are vital in this process. A commonly quoted definition is that used by the United Nations Conference on Trade and Development (UNCTAD):

*“Creative industries can be defined as the cycle of creation, production and commercialisation of products and services that use knowledge and intellectual capital as primary inputs. They deal with the interplay of various subsectors ranging from traditional crafts, books, visual and performing arts to more technology-intensive and services-oriented fields such as the music and film industries, television and radio broadcasting, new media and design.”* (UNCTAD, 2008, p.1)

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<sup>18</sup> Cultural industries, those industries which produce tangible or intangible artistic and creative outputs, and which have a potential for wealth creation and income generation through the utilisation of cultural assets and production of knowledge-based goods and services (both traditional and contemporary). What all the cultural industries have in common is that they all use creativity, cultural knowledge and intellectual property to produce products and services with social and cultural meaning. ( UNESCO, 2005, p. 1) (Caves, 2000)

By pointing out this definition, Vencatachellum (Vencatachellum, 2016, p.3) gives its implication for the crafts by stating that Creative industries have their origin in **individual creativity, skill and talent**. Creativity, he informs us, is the only resource that is uniformly spread all over the world, whether in developing/developed countries, among rich/poor or men/women. The problem he laments is that of providing a favorable environment to stimulate, develop and promote the creativity of craftspeople. The solution put forth by him calls for an effort from all the concerned partners: government institutions, the private sector, NGOs and crafts associations. The effort should be to develop innovative crafts projects that link the crafts sector with other sectors of the creative economy. He further points out that one of the key characteristics of the Crafts sector is its capacity to provide employment and income generation with comparatively less investments than other sectors, such as Agriculture or Tourism. He attributes the increasing interest of some international cooperation agencies to *support* crafts as a creative industry, namely the European Union, the World Bank and the UNDP due to this feature.

Becoming aware of these two framings has alerted me to the fact that each of these framings is responsible for their producing their own rhetoric. In answering the call to pay attention to the handwork sector, the framings are used as arguments to push forward policies and recognition for the sector. However, the key question remains why should we pay attention to this sector? And why is it important to safeguard the intangible cultural heritage that is produced by crafts? Why should people pay attention to the creative productions that are created from the crafts sector? What makes them unique?

#### 1.4 The Indian Case

During my initial exploration of the crafts economy in India, I researched through various reports, government documents, articles and papers on the status of crafts. This helped me to form an initial picture. While researching the crafts economy of India, there were certain questions that were put across to build a picture of the status of crafts in the Indian economy and society. This proved to be problematic as there seems to be considerable confusion about what the crafts sector in India is? And this was not withstanding the fact that I already had a host of other questions which I have been trying to explain above. Being an Indian, I thought it might be a good opportunity to answer the above question while trying to gain more clarity about the crafts sector in India.

Consider the paper by Ashoke Chatterjee the *Crafts sector: Crises and Opportunity* where he starts his essay with the following characterisation of crafts in India.

*“An Industry that offers employment to millions dispersed in primarily rural locations, has immense export potential, a low carbon foot print, offers a huge social and political safety net. Does India place it at the top of its planning agenda? Or does it relegate it to the back burner as we say, a ‘sunset activity’ not in keeping with super power aspirations? No prizes for the correct answers.” (Chatterjee, 2010, p.74)*

He further describes the status of the sector and argues his case for how the crafts sector is important in India<sup>19</sup>. He makes these arguments because crafts in India has a long-standing tradition and is deeply embedded in all that is fine about Indian society. It has, in the past, provided for the projection of the national image of India through craft objects that exhibit diversity of skill traditions.

Even though the Indian craftsman is frugal in his use of tools, his work is fine and this is often highlighted as one of the features of the skill traditions in India. The contribution of the sector to India is at present understood to be an economic one and limited to what is earned through exports which stands at 3,230.77 million USD and as a subject of welfare. (Chatterjee, 2010, p76)

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<sup>19</sup> The craft sector in India is practiced by women, dalits, minorities and tribal groups

Officially, the major chunk of the crafts sector is under the jurisdiction of the office of The Development Commissioner of Handicrafts, while the handloom is under the control of The Development Handloom Commissioner<sup>20</sup>. These two offices are under the Textile Ministry of the Government of India. The budget and targets for the sector are set by the Government of India under the planning commission. In the eleventh plan<sup>21</sup> (2007 – 2012) the investment for the sector was at \$278.77Million<sup>22</sup>, this is a major boost from the \$69.84 that was planned under the tenth plan (2002 – 2007) (Chatterjee, 2010, p. 80). It was predicted that by the end of the 11<sup>th</sup> plan there would be a growth of 18 percent with a target to grow from 1.4 to 2.8 in India's share of handicraft exports globally. While the growth target for the handloom sector under this plan will be up by 12 percent from 707.69 million USD in 2006-2007 by the end of the planning period. These were the quantitative measures of success for the sector by 2012 (Ministry of Textiles, 2011). The Khadi and Village Industries Commission<sup>23</sup> KVIC) is the other organisation that has a substantial stake in the craft sector in India. It represents the hopes and aspirations of the enterprises in rural India and it services the needs of the sector in those areas.

There is, therefore, a confusing situation of jurisdiction as there are overlaps between what the KVIC and D.C Handicrafts and Handloom covers. KVIC is active in pottery, leather, handmade fibre, handmade paper, carpentry and black smithy. Apart from this, Khadi became the exclusive domain of the KVIC with DC handloom not covering this subsector. This kind of administrative overlap is a common occurrence and has been cited as one of the problems for effective policy formulation.

While no one argues a case against the skill, determination and craftsmanship of the Indian, he/she struggles to find a place in the knowledge economy of India today. In the planning documents of the government, crafts is a sunset sector where the policies and programmes are geared for welfare. On the other hand, the measures of success are realised by a rise in employment figures and the contribution that it makes to the economy.

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<sup>20</sup> The handloom sector in India is considered important. This handmade sector produced 6,900 million m<sup>2</sup> in 2011-12 which is said to be 25% more in than 5,493 million m<sup>2</sup> of cloth produced in 2003 -2004. This sector is said to include 2,377 million handlooms and employ 4,331 million people, of whom 77.9 percent are women, and 28 percent belong to Scheduled castes and Scheduled tribes. (Raju, 2014, p.309).

<sup>21</sup> The actions and plans of the government are reflected in the Planning commission of India. The five-year plans are the documents where the government takes stalk of the current situation of the sector and makes plans and projections of what can be achieved during the planning period.

<sup>22</sup> 1812 crores INR converted to USD at the conversion rate of 65 INR to USD

<sup>23</sup> The KVIC is officially part of the Ministry of Micro, Small and Medium enterprise

The paradox that troubles me is that, while we celebrate crafts of India on glossy paper documents that boast of its macro level success, we are simultaneously confronted with news reports on the plight of craftsmen.

The Craftsmen reach out seeking help and aid from the government. Whereas the government expects a lot from them in terms of economic performance in export earnings and domestic consumption with targets sets in the planning documents. It seems that the government approaches the sector with outlook view to expanding the market for crafts. The logic is that the rise in income of the craftsmen will improve their condition. Therefore, the policies that are formulated are geared towards increasing production and consumption of crafts.

It seems that the policy makers have yet to realise the fact that their leaning towards affinity to numbers (number of projects, and welfare programmes) has not built a sense of optimism towards their future in the mind of the Indian craftsmen.

### 1.5 The Jodhpur consensus

In 2005, conclave meeting was organised by UNESCO in India. It was entitled **“Asia Pacific creative communities: Cultural Industries for local economic development”**. It was organised to debate on the idea of cultural industries and to lay the path forward for the sector<sup>24</sup>. This enquiry into understanding the cultural industries and its contribution to the creative economy has served as a reawakening for the interest in the crafts economy of India<sup>25</sup>. In May 2005, under the auspices of the planning commission of the government of India, a task force was setup to explore the notions of cultural industries and creative economy in India.

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<sup>25</sup> It also makes the developed countries take stock of the skills that they have lost over the decades

**The task force for creative and cultural industries** was led by Rajeev Sethi<sup>26</sup> and was chaired by Montek Singh Ahuwalia<sup>27</sup>. The task force states

*“that India is in an enviable position when compared to most developed countries which have already lost their traditional skills and are trying to revive what is left of their heritage while simultaneously capitalising on the creative design - led industries. In contrast, India boasts of approximately 145 – 175<sup>28</sup> million practitioners”*

*(The Planning Commission, Government of India, 2005, p. i)*

These practitioners have a large variety of living, skill based traditions. Adding to this, India boasts of a growing design and media industry that can be harnessed to reposition our traditional knowledge and make inroads into the global market (Similar to the solution given by Inderasena in the previous segment)

The ambition of the project was to position the creative and cultural industries as a leading sector. In setting the tone for the task force, Motek Singh Ahuwalia acknowledges that the broader sector of cultural industries is ‘unorganised’ (The Planning Commission, Government of India, 2005, p.5). However, it still possesses an enormous potential in skill that needs to be harnessed with the right linkages to the formal economy.

The report makes a compelling argument that the negative aspects of the cultural industries (See table 3) are actually what can be used to pave a way for the development of the sector.

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<sup>26</sup> Rajeev Sethi is a well-known Indian designer, scenographer and art curator. He is known for his outstanding designs across the world. In 1986, he was awarded the Padma Bhushan, India's third highest civilian award, given Government of India

<sup>27</sup> Montek Singh Ahluwalia is an Indian economist and civil servant who was the Deputy Chairman of the Planning Commission of the Republic of India, a position that carries the rank of a Cabinet Minister.

<sup>28</sup> This number is not limited to crafts but also extended to other traditional art forms and other traditional Knowledge. In the later part of the report on page 18 of volume I, we also encounter the figure of 225- 255 Million skilled / potential practitioners )

Table 3: Arguments and counter Arguments about the relevance of the sector for traditional knowledge and skills

<b>Current View of the Traditional Sector</b>	<b>Arguments to reposition the sector</b>
<ul style="list-style-type: none"> <li>- Decentralized Production Practices</li> <li>- Largely Self Organized</li> <li>- Micro capital and services</li> </ul>	<ul style="list-style-type: none"> <li>- Broad Based Employment</li> <li>- Especially in Rural areas</li> <li>- Greater empowerment</li> </ul>
<ul style="list-style-type: none"> <li>- Skill- based value addition</li> <li>- Community Knowledge</li> <li>- Transition though caste kinship or family</li> </ul>	<ul style="list-style-type: none"> <li>- Harnessing experience</li> <li>- Incorporating wisdom of practice</li> <li>- Sustainable training systems</li> </ul>
<ul style="list-style-type: none"> <li>- Anonymous innovations (whether individual or community)</li> </ul>	<ul style="list-style-type: none"> <li>- Can absorb the contemporary</li> <li>- Patenting and IPR potential</li> </ul>
<ul style="list-style-type: none"> <li>- Mind –body – sprit linkage in creating, doing being</li> </ul>	<ul style="list-style-type: none"> <li>- Pride Identity</li> <li>- A quality of life and occupation</li> </ul>
<ul style="list-style-type: none"> <li>- Local raw material and production</li> <li>- Local consumption and markets</li> </ul>	<ul style="list-style-type: none"> <li>- Doing more with less</li> <li>- Sustainable context of use</li> </ul>
<ul style="list-style-type: none"> <li>- Threatened by uneven playing field , by modern production and values</li> </ul>	<ul style="list-style-type: none"> <li>- Tenacious functioning anarchy</li> <li>- More self-organized then un organized</li> </ul>
<ul style="list-style-type: none"> <li>- Economically marginalized</li> <li>- Socially vulnerable (women, scheduled caste etc.)</li> </ul>	<ul style="list-style-type: none"> <li>- Potential for targeted affirmative action</li> <li>- Global good will</li> </ul>
<ul style="list-style-type: none"> <li>- Ecologically sound<sup>29</sup></li> </ul>	<ul style="list-style-type: none"> <li>- Bright future</li> </ul>

Source: Adapted from “Why is this subsidy ridden ‘minus’ potentially a ‘pulse’? (The Planning Commission, Government of India, 2005, p. 18)

On his part, Rajeev Sethi with the tag of *Making doing and being*, gives a remarkable statistical glimpse of the sector which forces the reader to take notice of the sector. He states that the self-organised, household artisan and legacy industry employs 30 percent of the organised workforce and contributes to 14 percent share of the G.D.P. This is growing at the rate of 12-15 percent.

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<sup>29</sup> The environmental suitability of crafts has been presented as a case by authors like Sharmila Woods (Wood, 2011)



He claims that India possesses 20 -22 percent excess capacity in agriculture which means that around 5 crore of people in agriculture are either unemployed or underemployed. He estimates that there will be 13 crore literate and 15 crore illiterate people in India who are employable. He claims that if harnessed by the creative, cultural and traditional / legacy industries it would, even if calculated at half the per-capita income (INR 18,000 p.a.), contribute to a further INR 216,000 crore (33.23 Billion USD) equivalent to roughly 6% of GDP at current prices (The Planning Commission, Government of India, 2005, p. 19).

The well-intentioned report with all of its promise never got implemented and the professed destiny of being positioned as a leading sector unfulfilled. Although the report was never adopted by the planning commission for use in the 10<sup>th</sup> five-year plan, an unacknowledged influence of the report was felt with a definite direction towards cultural industries in the 11<sup>th</sup> five year plan.

Table 4: Employment and contribution of the sector

<b>Employment Scenario</b>					
	<b>%of Work Force</b>	<b>No. of People</b>	<b>%Share in GDP</b>	<b>Amt. (Rs.) GDP</b>	<b>Growth Rate %</b>
Population in India (2005 estimate)		110 Crores (1.1 Billion)			
Employed work force		50 Crores (0.5 Billion)			
Agriculture (Cultivators & Agri labor)	48%	24 Crores (0.24 Billion)	20 %	6,00,000 Crores (92.31 Billion USD )	2-3 %
Organized Industry and Service	22%	11 Crores (0.11 Billion)	66 %	20,00,000 Crores (307.69 Billion USD)	10-12%
“Self-organized”/ Household/ Artisanal/ Legacy Industries	30%	15 Crores (0.15 Billion)	14%	4,00,000 Crores (61.54 Billion USD)	12-15 %

Source: Adapted from why do cultural and creative industries spell the future of work? (The Planning Commission, Government of India, 2005, p. 19)

### 1.5.1 Thinking through the crafts sector: Some questions

The current thesis is a project that investigates a range of questions that I had at the end of the crafts research project. The most dominant of these is that of trying to understand the relationship between culture, economy and society with an emphasis on the intangible values that traditional sectors like crafts produce. This line of investigation tries to make sense of what is happening in the world of handwork. The insights that were produced as an output of the craft research project are useful in understanding what is happening in the world of crafts in countries like India.

The Indian case is a brief introduction about the crafts sector in India. It helps us understand that there are two dominant framings and each of these produces their own rhetoric that has an impact on our understanding of the sector. What it also means is that there exists confusion about the crafts sector.

In this thesis, I will try to cut through the clutter of rhetoric, that the framings have produced and try to explain what the crafts sector is and why we should pay attention to it by applying various lenses to understand the sector.

## Chapter 2: The Market for crafts

It was six men of Indostan  
To learning much inclined,  
Who went to see the Elephant?  
(Though all of them were blind),  
That each by observation  
Might satisfy his mind.

**John Godfrey Saxe's (1816-1887) version of the famous Indian legend**

### 2.1 Introduction

The six blind men of Indostan is an old Jain fable with the moral, that very often, we see a version of things and assume it to be reality. Like the blind, we feel a part and realise that to be the whole and in the process, lose the essence.

The project at hand in this chapter is to make sense of the world of crafts in an environment that is steeped in industrial logic. In such a world, our view is shaped by economists with standard economic lenses. They tell us what is important and what we want to strive for to build a good economy.

The line of investigation starts with an effort to frame the standard economic thinking as we need to understand how we want to make sense of our economic world. With the basic principles thus established, we then focus on what it means to the Indian economy.

My probing continues further with an analysis of the crafts sector in India. This is done with the general backdrop of the shifts and changes in the Indian economy post-independence. This is in line with the development goals as set by economists/ policy makers. This provides the context for understanding the status of crafts in the country and tries to figure out what is lost in the representation of reality by standard economists.

## 2.2 The Standard economic framing: The basis of industrial logic

We analyse the craft economy from the view of the standard economic approach that is dominated by the Neo-classical school of thought. Colander (2000, p. 134) tries to give a better understanding of what neo classical economics is by explaining it in terms of six attributes. The first attribute of the school is understood Lionel Robbins' definition.

*“Economics is the science which studies human behaviour as a relationship between ends and scarce means that have alternative use”* (Robbins, 1932, p. 16)

This standard definition of economics forms the basis for the construction of this school of thought. Demand and subjective choice theory are the other features. The focus of the school is on marginal trade-offs and assumes farsighted rationality in its structuring of economic problems. The school is based on methodological individualism<sup>30</sup> and finally neo classical economics is structured around general equilibrium.

In simpler terms, economists assume that people are rational actors and they are in search of maximising two functions, Profit and/ or utility. This, along with scarcity, is the fundamental basic building block of economic thinking. The thinking assumes that people are rational in their economic choices. However, it does not survive a simple test of trying to analyse my own economic behaviour as most of the decisions that I take are not rational. They are based on something deeper. It is based on the cultural context within which I grew up. This is based on an understanding of myself and its physical and psychological need.

The other cornerstone of standard economic thinking is that of targeting economic development. This is primarily measured in the form of Gross Domestic Product (GDP) and income levels of its citizen. Here again, I have to ask myself the question how does a growth in GDP and rise in income levels have an effect on the social environments that I live in. The emphasis on myself is a call for introspection among all of us to examine for ourselves why we do what we do, in the hope that we can then try to empathise with the craftsmen and appreciate the pressures that is exerted on them and their vocation.

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<sup>30</sup> Methodological individualism has no universally accepted definition (Hodgson, 2007) . However, the origins of the term are traced in its original context to Schumpeter in his 1909 Quarterly Journal of Economics paper, “On the Concept of Social Value” (Udehn, 2002)It amounts to the claim that social phenomena must be explained by showing how they result from individual actions, which in turn must be explained through reference to the intentional states that motivate the individual actors.

### 2.3 Commerce, poverty and structural shifts

Development policies try to reduce poverty through economic growth. There is an idea that there exists a nexus between economic growth, structural shifts in employment economy and poverty reduction. However, there is a large body of evidence that shows that the relationship between growth and poverty is ambiguous as different growth episodes have had different effects on poverty. There is a recognition among scholars that growth comes in different ways and that the variety of growth processes have different effects on poverty. (The World Bank, 1990), (Squire, 1993) (Lipton, 1995) (Chatterjee, 1995) and so on ...this is useful for us to remind ourselves how we understand this nexus.

One of the fluid explanations about structural change is given by Silva and Teixeira (2008) from the field of developmental economics. They describe it as change in distribution of economic activity and productivity factors among various sectors of the economy.

This explanation of structural change can be understood from two main points of view

- Macro-Economic perspective on structural change and growth
- Micro or intra sectorial change and growth

The macroeconomic perspective on structural change and growth is that structural change is not expected to be effected by growth and is instead a result of the process of growth. The explanation for this is given by the statement that sectorial changes occur as development proceeds because of the income elasticity of demand. For agricultural products, the elasticity is low, while for industrial, particularly manufacturing goods, it is high; and, for services, it is even higher (Aggarwal, 2012, p.10). There is the idea that heavy dependence on agriculture may create a vicious cycle of low productivity and poverty. Industrialisation is offered as a means to break this cycle with the logic that a rise in income will lead to a rise in savings which in turn will lead to an investment rate that is high enough to produce self-sustaining growth (Kaldor,1966), (Fei,1964). Therefore, shifting resources out of primary activities will sustains the productive gains. This characterises economic development.

Economic growth and structural changes can also be seen as a reinforcing phenomenon and one is inconceivable without the other. In such a two-way relationship between structural change and growth, growth causes a structural shifts from agriculture<sup>31</sup> to industry and then to services.

The micro economic, or intra sectorial view of structural change and growth is that restructuring within the industrial sector itself can have an impact on macro-economic growth. One can think about it from the point of view of being complementary between industries where growth in one leads to growth in another.

#### 2.4 The New structuralist's perspective

This perspective within economics promotes the idea that economic growth has potential for poverty reduction. This idea has an impact on redeployment of a countries limited resources and labour where they are increasingly deployed to ever more productive sectors of the economy. The logic of such thinking is that structural changes should free up resources and labour from other less productive into more productive activities. However, Baumol (Baumol,1967) argued that such a relocation should not come at the cost of sectors of the economy which might be stagnant but are necessary for human capital formation.

#### 2.5 The case of India: structural shifts and the rise of the Indian Middle class

In the book *an uncertain glory: India and its contradictions* Jean Dreze and Amartya sen (2013) gave an account of the Indian economy. In their work, they present the following table on the growth in India's economy. It starts from 1900-1 to 1946- 7<sup>32</sup> India's GPD growth was at 0.9 with a per capita GDP of 0.1 while the GPD numbers for 2000-1 to 2010 -11 was at 7.6 with per capita GDP at 6.0.

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<sup>32</sup> The population of India in 1941 was 31, 86, 60,580 that was an increase of 33.67 since 1901.

The immediate three decades after the launch of the first five-year plan in 1951 was not a very encouraging period for the Indian economy. There had been no acceleration in the growth rate that could have lifted millions from poverty and transformed life especially in the rural parts of the country. The major changes in the economy with structural adjustment occurred in 1991 with liberalisation sweeping the country into economic reform. India post liberalisation has seen a robust growth in its economy.

Table 5: Growth Rate of India's GDP

<b>Growth Rate of India's GDP at constant prices (% per year )</b>			
Era	GDP	Per capita GDP	Progressive growth rate over 1901
<b>Colonial Period</b>			
1900-1 to 1946-7	0.9	0.1	33.67
<b>Early post – independence period</b>			
1950-1 to 1960 -1	3.7	1.8	51.47
1960-1 to 1970- 1	3.4	1.2	84.25
1970-1 to 1980-1	3.4	1.2	129.94
<b>Recent Decades</b>			
1980-1 to 1990-1	5.2	3.0	186.64
1990-1 to 2000-1	5.9	4.0	225.05
2000-1 to 2010 -11	7.6	6.0	331.52

Source: (Drèze, 2013, p. 4)

Furthermore, the UNIDO report from 2013 that analysed the structural changes in the economy and labour, measured the contribution of the four main sectors of agriculture, non-manufacturing industries, manufacturing industries and services. The study measured the changes over a fifty-year period to the GDP. In the case of India, the shifts have been away from the agricultural sector to an increase in non-manufacturing industries, manufacturing and services. It seems to be inconsistent with the composite construction of 21 advanced economies of the world.

Table 6: Structural shifts in Indian economy vs 21 advanced economics<sup>33</sup>

<b>India</b>				
<b>Year</b>	<b>Agriculture</b>	<b>Non-Manufacturing Ind</b>	<b>Manufacturing</b>	<b>Services</b>
1950	55	4	10	31
1960	43	6	14	38
1980	36	8	17	40
2005	18	12	16	54
<b>Advanced Economics (21)</b>				
<b>Year</b>	<b>Agriculture</b>	<b>Non-Manufacturing Ind</b>	<b>Manufacturing</b>	<b>Services</b>
1950	16	40	29	45
1960	12	41	30	47
1980	4	35	23	60
2005	2	27	16	71

Source: (UNIDO, 2013, p. 18)

Table 7: Structural shifts in Indian economy

<b>Growth Rate of GDP by sector, at constant prices</b>				
<b>Year</b>	<b>Primary Sector</b>	<b>Secondary Sector</b>	<b>Tertiary Sector</b>	<b>GDP</b>
1900-1 to 1946 – 7	0.4	1.5	1.7	0.9
1950-1 to 1960-1	2.8	6.1	4.1	3.7
1960-1 to 1970-1	2.1	5.4	4.4	3.4
1970-1 to 1980-1	2.0	4.2	4.5	3.4
1980-1 to 1990-1	3.5	5.5	6.6	5.2
1990-1 to 2000-1	3.3	6.2	7.5	5.9
2000-1 to 2010-11	3.2	8.5	8.9	7.6

Source: (Drèze, 2013, p. 23)

<sup>33</sup> Adapted from table, Gross value added in agriculture, industry (including manufacturing) and services as a share of GDP at current prices, selected countries and regional averages, 1950–2005 (percent)



### 2.5.1 The Indian Middle class and poverty

It is clear that the structural adjustments and the gradual reforms have been beneficial to the Indian economy. They had a marked impact on its citizens. This was analysed in a report published by McKinsey Global Institute where the Indian middle class was studied with an attempt to understand its size and scope.

In the year 1985, 93 percent of the population in India lived with a household income of less than 90,000 rupees or about a \$1,970 a year or about \$5.40 a day. This had fallen to about 54 percent by 2005 (McKinsey Global Institute, 2007, p. 11). The report claims that fewer than 431 million Indians live in extreme poverty today than they would have, if the liberalisation of 1991 had not been launched.

Rural India has also benefited from this growth, where extreme rural poverty has declined from 94 percent in 1985 to 61 percent in 2005. It is forecast to drop to 26 percent by 2025 (McKinsey Global Institute, 2007, p. 54). The report claims that the growth has pulled millions out of poverty and is in the process of building a huge middle class. A feature of this will be that it is concentrated in the urban areas. The prediction is that the urban population in India will grow from 318 million in 2007 to about 523 million by 2025.

Table 8: The Indian Middle Class<sup>34</sup>

The Indian Middle Class						
	Annual Income in INR	1985	1995	2005	2015	2025
Deprived	= < 90,000	93	80	54	35	22
Aspirers	= 90,000 – 199,999	6	18	41	43	36
Seekers	200,000 – 499,999	1	2	4	19	32
Strivers	= 500,000	0	1	1	1	9
Global	= > 1,000,000	0	0	0	1	2
100 % ( Millions of people)		755	928	1,107	1,278	1,429



Source: (McKinsey Global Institute, 2007, p. 9)

<sup>34</sup> In a report titled Key indicators for Asia and the Pacific (Asian Development Bank, 2010, p. 6) defines the middle class into three categories, the lower middle class (\$2-\$4), Middle class (\$4-\$10) and upper middle class (\$10-\$20). While OECD acknowledges that a number of definitions have emerged to define the middle class (2011, p. 120) in absolute terms the World Bank's (World Bank, 2007) definition of understanding the global middle class stands at \$10 - \$100 per person in purchasing power parity terms

## 2.5.2 Breaking the numbers down

A recent report from Pew (2015) which tried to analyse the Indian middle class, presents a less optimistic picture. It presents the Indian middle class as *“not so big and not very well”*

The research was part of a study of the **middle class in 111 countries between 2001 and 2011**. The research study considered people living on \$10 -20 a day as middle income. It claims that the \$10 threshold sufficiently removes people from poverty. \$2/day or less per global standard represents a modicum of economic security. However, the thresholds are modest by the standards of advanced economies where the median incomes are greater than \$50 per capita. (Pew Research Centre, 2015, p. 8)

Kocchar (2015), explains further that this threshold of \$10 (150 rupees<sup>35</sup>) an Indian family of four to attain the status of middle class requires a monthly income of 18,200 INR or about 2,20,000 INR annually. He compares this with the data of the National sample survey, whose 68<sup>th</sup> round was conducted in 2011-12 found that an average rural family of four lived on INR 5,720 per month and in urban areas a family of four lived on an average income of 10,519 (Kocchar, 2015). This is well below the global middle-income threshold.

## 2.6 Understanding the crafts economy in India

From the previous segments, it is clear that the planners of the Indian economy had been seeking growth strategies to reduce poverty. This has meant that resources have been shifting from primary sectors to secondary and tertiary. The contribution made by agriculture to the GDP has been on the decline and is predicted to be so for the near future.

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<sup>35</sup> The conversions are done at 2011 purchasing power parity rates, which are exchange rates adjusted for differences in the prices of goods and services across countries, and expressed in 2011 prices.

The story of structural shifts, growth and reduction of poverty is an important backdrop to understanding the crafts sector in India. After all, crafts are considered the second largest employer after agriculture in rural India.

The structural shifts in the Indian economy has meant that the face of the rural and urban economy has been effected .It means that the craftspeople also have to make choices about their vocation. As stated in the previous chapter, crafts are between the Heritage framing and the Creative industries framing and both are seen through the lenses of neo-classical economics.

These combine with the assumptions that scarcity and competition are the driving force in society. The market is the preferred way to allocate resources that are limited and is premised on the sovereignty of the individual (Mason, 1999, p.3). Market dynamics guide decision-making on many aspects of society, including the crafts sector.

The focus is on terms like, competition<sup>36</sup>, advantage<sup>37</sup> and market share with firms and entrepreneurs competing in the domestic and international market. The market model for crafts in India is populated by a mix of government owned organisations that operate in the domestic market along with private entrepreneurs.

In the international markets, craft based export houses compete for a major share in the global crafts market. The other feature of the growth story in India is the rise of the Indian middle class for whose attention the crafts sector seems to be competing with other industrial forms of production.

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<sup>36</sup> The most simplified definition is given by Stigler in his 1957 paper where he contemplates the idea of perfect competition in economics and gives a review of the notion through economic history. He defines it as “Competition is a rivalry between individuals (or groups or nations), and it arises whenever two or more parties strive for something that all cannot obtain.” (Stigler, 1957).

<sup>37</sup> In economics, advantage is understood in terms of absolute advantage and comparative advantage as proposed by David Ricardo. An absolute advantage is understood to be a situation where an economy can produce an article at a lower cost than the other. However, in the case of comparative advantage, it’s the opportunity cost of production that takes importance over cost.

## 2.7 The Scope of Crafts in India

Indian handicrafts have a rich diversity and are spread all over the country both in the rural and urban areas. In India, handicrafts are part of the cottage industries, however, it has evolved into a major source of revenue in the past few year clocking up a growth area of 15 percent over the last few years and has become a major source for export (Viswanath, 2011, p.5). Given the fact that most of the manufacturing centres are in rural areas and small towns, they have become a major source of income in the rural areas.

At the end of the 10th five-year plan, the handicraft sector employed 67.70 lakh (6.77million) people and about 35 lakh (3.5 million) handlooms. The handloom sector provided employment to 65 lakh (6.5 million) people of whom 61% were women and 35% belonged to the scheduled cast and scheduled tribes. (Sarkar, 2011, p.8)

In broad terms, artisans in India are divided into the following categories with a rigid hierarchical division of labour.

- 1) Skilled master Craftsmen
- 2) Wage worker
- 3) Fully self-employed artisan
- 4) Part time artisan

The handloom and handicraft sector are situated in geographic concentrations known as **clusters**. They are, at times, centuries old and are made up mostly of household units. Each of these clusters is situated within a geographical area spanning over a few villages and / a town /a city and its surrounding areas. Each cluster faces common opportunities and threats.

India is estimated to have around 2,682 handicrafts and 491 handloom clusters. In both cases, around 10 states cover around two-thirds of the clusters. The major products of the handloom include: Saree, dress material, furnishings, dhoti, lungi etc. The 2,682 handicraft clusters belong to 24 product groups, covering 292 products. These include 548 textiles, 418 basketries, 298 woodworks, 251 metalwork and 203 earthenware. (Sarkar, 2011, p. 8)

Table 9: Distribution of Handloom Clusters in India: Top Ten representing 70 percent of total clusters

Distribution of Handloom Clusters in India : Top Ten representing 70 percent of total clusters	
Uttar Pradesh	63
Bihar	45
Madhya Pradesh	40
Rajasthan	32
Orissa	30
Maharashtra	28
Tamil Nadu	24
Andhra Pradesh	23
Assam	23
Gujarat	20

Source: (Sarkar, 2011, p. 8)

Table 10: Distribution of Handicrafts Clusters in India: Top Ten representing 70 percent of total clusters

Distribution of Handicrafts Clusters in India : Top Ten representing 70 percent of total clusters	
Uttar Pradesh	282
Orissa	271
West Bengal	245
Gujarat	199
Maharashtra	189
Madhya Pradesh	159
Andhra Pradesh	154
Karnataka	137
Bihar	128
Rajasthan	120

Source: (Sarkar, 2011, p. 8)

## 2.7.1 Handlooms

The production structure of the handloom sector is broadly made up of two types:

- 1) Independent workers or those working under master weavers (61.6% of total work force)
- 2) Those working under an institutional structure such as co-operatives and KVIC. (5.1% of total work force) (Mathew, 2011, p. 26)

However, all is not well with the sector as about 2.31 lakhs (0.231million) looms (household and non-household) are idle. The 2010 handloom census noted that the share of the annual income to the household income is only 30.2% across all handloom households in the country. There are 3.06 lakh (0.306 million) (11.0%) indebted households in this subsector. As a natural consequence only 25.3% of the households were positive about their children continuing in this trade. While the average earnings of handloom households have doubled in nominal terms since 1995-96, in real terms, the average earnings have come down. Under the assumption of an annual inflation of 6.5 percent per year since 1995 – 1996, the average annual income of handloom household should have grown to 42,250 INR in 2009-10 to keep in line with the real income levels of 1996-97, the real income has actually declined. (George, 2011, p. 14).

Table 11: States with the highest clusters and average Income of households form Handloom

<b>States with the highest clusters and average Income of households form Handloom</b>				
<b>States with the highest clusters</b>	<b>Average Income of handloom households</b>		<b>Average Income of handloom households</b>	
	Rural	Urban	Rural	Urban
Uttar Pradesh	24,061	20,543	82.68	88.91
Bihar	22,482	30,741	65.27	63.37
Madhya Pradesh	26,890	30,679	69.72	65.46
Rajasthan	41,818	49,902	20.53	36.30
Orissa	29,628	34,074	75.47	69.26
Maharashtra	22,412	44,225	46.32	43.06
Tamil Nadu	23,700	24,897	81.07	77.08
Andhra Pradesh	27,620	29,380	62.87	60.06
Assam	57,232	40,102	20.96	14.52
Gujarat	37,643	35,912	64.13	65.41

Source: Handloom Census of India 2009-2010, (NCAER, 2010)

Table 12: Average Income of handloom from all sources

<b>Average Income of handloom from all sources</b>				
Category	Average annual earnings of handloom from all sources (Rs)		Average annual earnings of handloom from all sources (Rs)	
	1995-96	2009 -2010	1995 -96	2009 -2010
All India	17,496	36,498	0.711 cents	1.49
Rural	N.A	37,167	-----	1.51
Urban	N.A	32,032	-----	1.30

Source: Handloom Census of India 2009-2010 , (NCAER, 2010 ) in (George, 2011, p. 15)

This decline in income has also been reflected in the handloom sector shrinking. While the 1995 census reported weaver households of 25.3 lakhs (2.53 million). The figures for the 2010 census is 22.7 lakhs (2.27million). The Key reasons for the decline of handlooms in India include the following

- 1) Competition with Mechanised sector such as mill and power loom sector.
- 2) Decline of handloom corporations / apex cooperative societies
- 3) High cost of credit and low disbursement of credit for the handloom weavers
- 4) Choking of cooperative credit lines due to overdue debt
- 5) Marketing problems

However, the potential of the handloom sector is significant with 50,000 cr (7.2 Billion USD) turnover of the sector and a projected market of 1 lakh cr (15.63 Billion USD). (Mathew, 2011, p. 27)

### 2.7.2 Handicrafts

In terms of employment, handicrafts is a labour-intensive sub-sector with high potential for employing the poorer section of society in rural areas. It is economically important because of the low capital investment, high value addition, and negotiable import content and high potential for export earnings. The sub-sector has suffered due to being unorganised, with the additional constraint of lack of education, low capital, poor exposure to new technologies, absence of market intelligence and a poor institutional framework. Despite these issues, the sector has grown significantly (3 percent annually). The total employment in the sector at the end of the 10<sup>th</sup> plan is an estimated 67.70 lakhs, which at the beginning of the 10<sup>th</sup> plan was 60.16 lakh. (Mathew, 2011, p. 28)

## 2.8 Issues facing the handloom and handicrafts sector.

### 2.8.1 The Market Based Value Chain

In his analysis of the handloom and handicrafts sector of India, Tamal Sarkar (Sarkar, 2011, p. 9) presents the artisans as being mostly focused on the geographic clusters facing similar challenges. He identifies that most of the clusters perform as part of a market based value chain. In the **Market based value chain**, the buyers and producers are plentiful, however, there is no personal relationship between the craftsperson and the end consumers. The reasons for this disengagement is being attributed to the erosion of the local market due to stiff competition from the mechanised products. Given their higher price point, the market has now shifted to the urban centres. This market shift has made the artisans market intelligence irrelevant. This has led to high tech artisan product handlers making inroads, mostly people who had started to provide new market intelligence as well as building a new market. This has led to the artisans losing their sense of market orientation and intelligence in addition to the loss of their local market to mechanised production. Over a period, the artisans have ended up becoming suppliers of **low cost labour** of artisan products leading to **low incomes**.

### 2.8.2 Lack of a centralised voice of the artisans and lack of definition

Craftspeople are widely dispersed across the length and breadth of the country. This means that they lack the collective strength to have a strong voice. This is compounded by the fact that most of the craftsmen only have basic literacy<sup>38</sup> (if no literacy at all). When compared to other parts of the economy, the needs of the sector is more diverse and this adds to the problem when executing one size fits all governmental programmes with very rigid tolerance.

It is widely acknowledged (Liebl, 2003) (Chatterjee, 2010) that the term craftsmen in India is often interchangeable with the term artisans. While the term handicrafts is interchangeable with terms like ‘cottage industry’, ‘household industries’ or ‘traditional industries’. A working definition was offered under the 8<sup>th</sup> five-year plan (1992-1997) by the development commissioner of handicrafts, who defined crafts as **‘items made by hand, often with the use of simple tools and generally artistic and /or traditional in nature. They Include objects of utility and objects of decoration’**.

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<sup>38</sup> This is a paradox, as these illiterate craftsmen are highly skilled.



The KVIC on the other hand, following the Gandhian ideal of village-based industries, very often has craft objects that fit the above definition, while some do not. While in other cases the categorisation is in a grey area. Another feature of the KVIC is the use of cut off on capital investment<sup>39</sup> as a criterion to fund projects. This leads to problems as, the amount stipulated is so low that it leads to no economies of scale. In some cases, projects and business if successful will no longer be supported (the fact being that the projects would still be fragile if not subsidised) (Liebl, 2003). These administrative quirks of overlaps and involvement of multiple governmental ministries create an unsettled feeling towards the future.

This is further compounded by the lack of reliable statistical data providing information on the number of craftspeople in India. A snapshot of the competing numbers is presented below to better understand the scale of the unreliable data when it comes to understanding the true number of crafts people.

Table 13: Conflicting number of crafts men in the handloom and handicrafts sector

<b>Conflicting number of crafts men in the handloom and handicrafts sector</b>		
<b>Source</b>	<b>Year</b>	<b>Number of craftsmen</b>
National Sample Survey	1994- 1995	8 Million
Seminar 553	2005	30 Million
IPR (speaker )	2009	173 Million
Eleventh Five Year Plan	(2007-2012)	15 Million

Source: (Chatterjee, 2010 , pp. 77-78)

### 2.8.3 Mistrust between the stakeholders

An important feature of the crafts sector in India is that of the major mistrust among the key stakeholders. The private entrepreneurs within the crafts economy of India have long since been cited for being exploitative in their approach towards the craftsmen of India. While this may be true, they also serve a sales channel and financiers for the artisans who find that market access and capital are the two most important yet a deficient attribute lacked by the craftsmen to be independent. While this may be true, they serve as sales channels and financiers for the artisans. Market access and capital are the two most important, yet deficient attributes, lacked by the craftsmen to be independent entrepreneurs.

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<sup>39</sup> Any Industry that is located within a rural area, where the Fixed Capital Investment per Artisan (weaver) does not exceed One hundred thousand Rupees.

Still, private entrepreneurs ('the middle men') who handle the bulk of the trade in handicrafts, are eyed with a keen sense of suspicion by both the government and the Non-Governmental Organisations<sup>40</sup>. In the meantime, over the last few decades, a number of non-governmental organisations have come into being. The most notable being Dastakar, Dastakar Haat samiti, Self-employed women's association (SEWA), Sasha and contemporary arts and crafts. They started as a result of rigid governmental policies and their inability to service the sector. These Non-governmental organisation with a socialistic agenda started to cater in places where crafts have either been languishing or in cases where the exploitative 'middle man' was running havoc, sometimes in collusion with the local authorities. While the government, with its well-intentioned plans tries to do good in the sector, often finds its self-cornered by civil society groups and NGOs. This is puzzling for the bureaucracy (the executive arm of the government) which in some cases funds the projects run by the non-governmental organisations giving rise to very strange relationships. The craftsperson in the meantime, owing to being highly dispersed and having heterogeneous needs, lacks a collective voice or representation in the government to effect relevant policies to address their actual needs.

#### 2.8.4 Misrepresentation of consumption

To a large extent, the crafts sector in India is considered to be traditional crafts. Items that are made for decorative use or things that are positioned as ethnic nick-knacks. While in the planning documents, the term cultural industries has been used, it has perhaps been used with the wrong idea, **bearing only exports and consumption in mind**. In countries like Germany, Japan and Italy, which are nations that have a thriving crafts sector, they have made a leap from selling the tangible crafts object to selling the intangible notion of skill through the articulation of the term craftsmanship. This leap is an important one as it facilitates a change in the conversation around current reason for purchasing crafts being limited to the culture of *Haats* and *Melas*, where the notion of "**please buy from the starving craftsmen**" prevails. Apart from this, one needs to recognise that crafts do not exist in isolation but are linked to other parts of the creative economy.

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<sup>40</sup> It has been suggest in informal settings that it was thanks to the NGOs that there has been no populist agitation in the crafts sector

## 2.9 The Call for Make in India

In the bid to become an industrialised, advanced economy, progression seems to be the fact that there will be structural shifts in the economy with reduced dependence on agriculture. The percentage contribution to the G.D.P should be more from the Non-Manufacturing industries, Manufacturing and services sectors. India has not been able to have a strong manufacturing sector in its economy. The current government under the leadership for **Narendra Modi** calls for a policy for **Make in India**. This, he claims, is going to be the period when the Indian manufacturing sector would expand, providing employment to millions and lifting them out of poverty.

The yardstick for development is to increase earnings to \$10 a day to lift people out of poverty and towards the expansion of an Indian middle class. However, the Make in India has little to offer in terms of policy or vision for the handloom and handicrafts sector which some in the sector might argue is the original - Made in India and a real brand ambassador.

## 2.10 The impact of the structural shifts: Handloom and Handicrafts

Welfare schemes for rural development such as **National Rural Employment Guarantee Act 2005** NAREGA, have tried to address the problems of rural income stagnation. This is done through a rural employment guarantee for public works that have played a role in changing the dynamics of the availability of rural labour. The programme has also made artisans realise that they would be earning more doing unskilled manual labour than by continuing their old craft. The government policies with great strides towards the manufacturing sector and rural welfare are getting involved in the situation in the handloom and handicrafts sector. The labour in the sector will soon have to make a choice that many have taken before them. **Either to continue with the craft or to join the modern work force of Industrialised India.**

Impact of technological change on the crafts sector: The Case of Handloom and powerloom in India

Textile production in India is composed of three main sources of production: the Mill, Powerloom and Handloom. While the mill production is an industrial process, the handloom is a highly skilled artisan craft production of cloth. The powerloom is a product of a **semi-mechanisation**. It was introduced as a measure to rescue the weavers from the supposed drudgery of their work and at the same time make them more productive in terms of yardage of cloth produced.

While there is no point in comparing or competing with the Mill production of textile, it is the powerloom that has become the major point of contention among the weaving community. The issue was that, those who were producing the cloth with a handloom, perceived the power loom as a measure that would take them from being highly skilled craftsmen to semi-skilled labourers.

The issue came to a point of inflection as the lines between the powerloom and handloom were blurred and the textile that was produced using the powerloom was being sold as handloom. It was in this context that the government introduced the Handloom Reservations Act of 1985 (Reservation of artistic products). The items that were covered under the act were exclusively to be called handloom.

The status quo was maintained on the issue and this afforded the handloom sector a measure of protection. In 2010, the handloom census found that there was a sharp decline in the number of handlooms in India and this was despite the fact that programmes like the cluster scheme for the handloom was introduced in 2008 which critics claim has not been able to deliver on any of its aims. (Sundari, 2013)

The sharp decline in the number of handlooms led the Ministry to act and seek solutions to the problem. In a closed-door meeting the decision was made to alter the definition of handloom and the following was proposed:

*“Any loom, other than powerloom; and includes any hybrid loom on which, at least one process for weaving requires manual intervention or human energy for production.”*

**(The new definition of handloom proposed by Ministry of Textiles)**

The new definition was to be an amendment to the Handloom reservation of 1984. This alteration would enable the expansion of what can be considered as a product of handloom in India. This measure was again introduced in the supposed attempt to aid weavers as a form of disguise for providing them relief, increasing productivity and making it attractive for the new generation of weavers to continue in their profession. The rationale behind the intervention was stated as:

*“Experience over the years has shown that the numbers of handlooms, as well as handloom weavers, are declining sharply, and especially the younger generation is not willing to continue or enter into this profession owing to low generation of income and hard labour required to operate looms, a ministry official said (...) A substantial population of handloom weavers are still living in poor conditions”* (Sundari, 2013)

On 10th April of 2015 the Ministry of Textile, Government of India introduced the idea that the Handloom reservations Act of 1985 was to be amended with the new definition. The move would, in theory, add more looms to the depleted numbers from the 2010 Handloom census by inducing productivity and so, more income to make it attractive to the new generations of weavers. The new definition would practically allow powerloom products to be sold as a handloom product and give them access to the protection that was awarded to the hand-woven textile producers under which 15 items were excluded from production by the powerloom in India. The protection afforded to the handloom sector in 1984 was the result of the need felt by the government that the handwoven textile in India was not able to compete with the powerlooms in terms of production and price. The protection afforded to the handloom sector in India was complimented with the design and technical hand skills of the weavers in the sector which was a definite advantage over the powerloom industry.

The Act prohibited the powerlooms to copy the designs of the handloom sector. Today, the powerloom sector in India produces 60 percent of the total textile production in India while the handloom sector contributes to 15 percent. In the intervening period, it is suggested that the powerloom formed a considerable lobby. The powerloom lobby is a driving force in the policy circles. The former chairman of the crafts council of India, Ashoke Chatterjee had voiced his concern on the topic by proclaiming that “The powerloom lobby is out to destroy India’s handloom advantage”. He further asserts:

“The overwhelming influence of the powerloom lobby, hell- bent on destroying the handloom sector, while simultaneously wanting a “*hand*” to identify for itself reflects a prevailing attitude that gives this lobby its clout. **This attitude regards modernity as a rejection of traditional knowledge and skill.** That is the basic concern. This was the attitude in the Crafts Council of India a few years ago, with planners at the top declaring that Indian craft was an irrelevant culture. Derogatory terms like “unorganised” and “drudgery” are applied to time-tested craft systems. They are highly skilled and scientific. Today’s crisis of neglect will return again unless we accept that the jobs India requires, at a rate of at least 10 million a year, can only come from transformations within traditional occupations and skills.” (Vasudev, 2015).

## 2.11 Understanding consumption of crafts in India

The consumption of handmade products in India has evolved with the changes in the socio-economic conditions of the society. As discussed above, the crafts market (both domestic and international) in India has evolved to form three distinct groups each of them with their own set of product characteristics. Each of these segments presents the needs and aspiration of the population that purchases them and also reflects the reasons for the consumption.

The lower end of the craft market in India has the characteristics of being made from cheaper raw materials, usually produced in bulk and to a familiar common design. The craftsmanship that goes into the production of these articles is not highly skilled. It is usually learned over a brief period. One of the recent developments in the crafts sector has been the addition of trained craftsmen (This is a situation where individuals who have been displaced either because of internal disturbance or natural disasters receive a training of six months to learn about that craft and practice it as a livelihood option). Their addition is a source of debate and contention within the traditional crafts communities of the country. The craft items that are produced in this segment are at times produced in a mechanised process which is problematic when it is tagged as a handmade product.

On the consumption side, the purchase priorities of the consumers are that of price and design (the product has to look good however the quality need not be high and has bad finishing).

Table 14: Market Segmentation: Low – end

<b>Market Segmentation: Low – end</b>			
<b>Segment</b>	<b>Key product characteristics</b>	<b>Examples of retail stores</b>	<b>Other means of sales</b>
Low-end	Lower-end, cheap, and readily available <ul style="list-style-type: none"> <li>• Might have a good look, but quality is lacking</li> <li>• Cheaper materials (e.g., iron instead of brass)</li> <li>• Lower-quality finishes</li> <li>• Purchasing priorities are:                             <ul style="list-style-type: none"> <li>- #1 price</li> <li>- #2 design</li> </ul> </li> </ul>	Local haats Govt craft emporia Small crafts shops Outdoor exhibitions	Delhi Haat Govt Craft exhibitions

Source: Own elaboration of the author

The expansion of the middle class in India has led to a boom in the consumer market. This has been a real bonus for the crafts sector as this has helped in expanding the market for handmade products. The segment seeks a value proposition where hand-made products are affordable. The craft products in this segment are also mass-produced however they differ from the segment before that products are made with a strong design and functional aspect that transforms these products from being cabinet curiosities to that of contemporary use. The quality of the produce in this segment very much depends on the quality of the craftsmanship. On the consumer side, the purchasing priority in this segment is first design, followed by the price of the object and then the quality of the product that matches the price of the product. This is by far the largest chunk where socially conscious retail outlets operate, brands like FAB India, Anokhi, Crafts Roots which have a large urban fan base sell craft products that are sold on the idea of being contemporary, ethnic, handmade products that are ecofriendly.

Table 15: Market Segmentation: Middle

<b>Market Segmentation: Middle</b>			
<b>Segment</b>	<b>Key product characteristics</b>	<b>Examples of retail stores</b>	<b>Other means of sales</b>
Middle	<ul style="list-style-type: none"> <li>• Product must have value and be affordable</li> <li>• Mass production</li> <li>• Purchasing priorities are:               <ul style="list-style-type: none"> <li>– #1 design</li> <li>– #2 price</li> <li>– #3 quality, which must match the price</li> </ul> </li> <li>• Eco friendliness</li> </ul>	CCI Kamla Craft Roots FAB India Anokhi Chetana Dastkari Haat shop	Dastkar

Source: Own elaboration of the author

There is also the high-end market for handmade goods. This caters to the needs of the luxury market. Quality and craftsmanship in this segment is high and the individual genius of the craftsperson is one of the defining features of this segment. The products that are sold in this segment are very artistic and innovative in their design. There is a considerable effort made with branding, labeling and marketing the products sold in this segment as items of high craftsmanship. The emphasis is not on price but the purchase priority is on using the crafts object as a positional good and tends to convey refinement in taste and connoisseurship.



Table 16: Market Segmentation: Luxury / High – End

<b>Market Segmentation: Luxury / High – End</b>			
<b>Segment</b>	<b>Key product characteristics</b>	<b>Examples of retail stores</b>	<b>Other means of sales</b>
Luxury/High-End (terms used interchangeably)	<p>Very high quality</p> <p>Sophisticated colours</p> <ul style="list-style-type: none"> <li>• Product looks like artwork that belongs in a wealthy setting</li> <li>• Innovative design</li> <li>• High-quality packaging, labelling, and marketing materials</li> <li>• Purchasing priorities are design and quality</li> </ul> <p>Limited Editions</p>	<p>Taj Kazana</p> <p>Good Earth</p> <p>Jaypore (e-tailer)</p> <p>Brigitte Singh</p> <p>Gaatha (e-tailer)</p> <p>Artisans (Crafts Gallery</p> <p>Melange</p> <p>Utsav</p> <p>Designers:</p> <p>Kashmir Loom</p> <p>Musafar Ali</p> <p>Tulsi-Neeru</p> <p>Kumar</p> <p>Rajesh Pratap</p> <p>Singh</p> <p>Ritu Kumar</p>	Exporters

Source: Own elaboration of the author

## 2.12 Purchasing practices in the crafts sector

The artisans in the handloom and handicrafts sector in India access the market in three distinct means. In the first case, they produce articles that are focused for consumption for the local market. The articles that are produced are sold in the weekly market, in this case there is an interaction between the craftsmen and their consumers as part of the village economy.

The second way in which the craftsmen have market access is through fairs organised in urban centres either through government schemes or through crafts organisations. Examples of this is *Delhi haat*, or *CIDCO Urban haat* which are run by the government along with schemes that provide for the travel expenditure of the craftsmen to setup temporary shops at these organised locations. These organised locations are also arranged by societies and trusts, examples of these include *Dastakar*, and the *Dastakari Hat simiti*. The other means by which craft products reach their end markets is through exporters and retailers. The purchasing practice in these segments are through consignment, where an order is placed to produce handicraft or handloom products to be mass-produced. In the case of online retailers like *Jaypore*, or craft galleries like *Artisans*, the model for purchasing is curating the collection and purchasing the crafts item on an individual piece basis where the focus is on quality and uniqueness.

#### 2.12.1 The Flip Side of the Value chain model for crafts

The craftsmen are part of the value chain model for the sale of their products. This value chain model has craftsmen, at the producing end of the chain. Value is added at the various stages of the supply chain until it reaches the end consumers, either at the export market or for domestic consumption in the Indian market. The value chain for crafts follows an Industrial logic where, to be competitive in the market place, the price has to be competitive. Given the nature of the chain, the pressure will be to produce the item at the more competitive price. The option facing the craftsmen, in the short term, is to add scale and stream line the production process. The Grass root organisations that are working with the craftsmen seem to favour this route wherein they choose to scale up the operation to be more competitive in terms of price. However, the pressure of price over a period will be so high that after a period of time, other solutions would have to be sought. This is important, as the price of labour in the sector will also incrementally increase as it will compete with other wage-earning options as is seen with NAREGA in Rural India. If the operations scale up with no incremental increase in wages (wage stagnation) then any efforts to scale up will face the problem of labour. However, if the wages are increased, the price of the crafts item at the production end makes for an expensive product to sell at the retail end. The infusion of technology into the production process is another solution that can boost the production with less labour however when it comes to crafts such a solution seems to have a negative impact. The case in point is the controversy between the handloom and the power loom in India.

## 2.13 Need for an alternative framing

In wanting to understand the market and its way of operation using the industrial logic/standard economics view, we understand that for a traditional knowledge sector like crafts there are issues. However, it may be noted in the current framing that the conversation around craft is about it being a private good for which the market has failed.

The failure is not so much that there are no buyers of crafts (although this argument was made until about a decade ago). The failure is real in terms of the fact that the producers do not benefit from the sale of the product. The market, however, seems to be in profit while the craftsmen/artisans remain poor.

The intervention of the government as a matter of public policy engages the crafts sector from the view that it is important as it constitutes the intangible cultural heritage of the nation. The industrial logic of the market is centred on the private goods where excludability and rivalry are the two pre-requisites for the market to perform. In this sense, the craft market is again different from the industrial logic as it is a cultural production based on the cultural capital of the community that produces the crafts and also influences the way the craftsmen are trained. This is also true in its consumption on the demand side. We can conclude that at the community level where the handmade object is produced, the crafts are more than public or private goods.

The problem with industrial market logic operating the market for crafts is that we fail to recognise the unique nature of the product, production and consumption. The current focus of the discussion around the market of crafts is on the expression of all values in terms of the common denominator of the price of the object.

**The cultural nature of crafts embodies many non-market functions, decision making processes and institutional mechanisms which produces multiple values.** The current neo-classical nature of economics has reductionist tendencies of understanding value in terms of price. This view distorts the understanding of cultural consumption and the nature of traditional knowledge when the industrial model is applied.

To have a more complete picture of crafts, one needs to take an alternative cultural economics perspective that talks about the various non-market values that crafts produce.

## Chapter 3: The Need for an Alternative Perspective

### 3.1 Introduction

In the previous chapter, we set out to investigate the crafts sector of India under the lenses of neo-classical economics. The intention was to make sense of the sector in an economy that has been undergoing structural shifts. The driving source for policy is to achieve development through industrialisation with poverty reduction as a goal.

This is the general economic environment within which the Indian craftsmen must make decisions about their vocation. When observed from the neo-classical framing of economics, we understand crafts as private goods whereby there is a market for their exchange. In such a market, price, competition, income and other such considerations weigh-in the decision-making process.

As mentioned in the first chapter, the crafts sector finds itself between two framings, i.e. the heritage framing and the creative industries framing (Vencatachellum, 2016, p. 2). Each of these present their version of what the crafts economy is, through their arguments and rhetoric. Their rhetoric is structured as arguments trying to get support of what they believe to be crafts in India and each of them want to help the craftsmen.

The market for crafts according to the creative industries framing is based on the production of private goods on the supply side and consumerism on the demand side. This drives the market for craft objects forward. However, what one needs to bear in mind is that the framing is partly embraced in India. This is because the idea of creative industries and economy has not been grasped by the policy makers. The crafts sector is, therefore, seen in isolation and obvious connections to related and allied sectors is missing. This leads to limiting the employability and income generation ability of the sector to that of finding, sustaining and growing the demand for handmade objects.

Of the issues that typify the market conversation around crafts in India, the topic of productivity is often cited as one of the reasons why craftsmen in India are poor. This feature is often resonated in the handloom sector and this is used in conjunction with the technology debate. The powerloom and semi-mechanisation of the production process to produce traditional textiles is being done in the name of increasing the productivity of the craftsmen. The addition of the motors to the loom is also to reduce the drudgery of work that the craftsmen must endure in the textile production process using the handloom. (Vasudev, 2015)

The priority for the export market as a means for the development of the crafts sector is embedded in market. It has its genesis in the shortage economy of India where the purchasing power of the domestic market was limited and exports were seen as a good source of foreign exchange. The export markets for crafts came to bloom in the post-liberalised economy of India in the 90's and the mid-2000. The export led market for crafts positioned the craftsmen as a part of a value chain model of production where the craftsmen are at the far end and receive the least financial benefit. The setting up of handicraft special economic zones along with the ability of the export houses to secure positions on advisory committees that position them to influence policy seems to show the strength of their rhetoric. (Government of India Ministry of Skill Development and Entrepreneurship, 2013)

Government logic is shaped from the need for intervention through public policy (think heritage framing, cutting from two sides, one is the crafts has to be protected from modernity and at the other end has to keep it commercially viable). It takes its cue from the market and to an extent from the social sphere. The governmental logic is based on certain assumptions about the sector they are as follows:

- 1) The crafts sector is unorganised (Planning Commission, 2012, p.49) (in the industrial sense) and is a diminishing sector (a sun set sector) (Crafts Council of India, 2012, p.1).
- 2) The market for export of crafts is what is important for the survival of the sector.

The key rhetoric that the government plays to provide welfare for the craftsmen is that of the sector being part of the countries rich cultural heritage invoking the public good nature of crafts. (Planning Commission, 2012, p.7) The majority of the craftsmen are from scheduled castes and scheduled tribes along with other backward castes and women and minorities and the logic behind government intervention reflects these realities.

The measure of success for the government in delivering welfare is through the generation of employment in the sector along with the rise in income. The export market for crafts as being important is a topic that we have covered in the previous chapter but it is troubled with issues of value chain equity while servicing the market through aggregation of demand through export houses. In such a scenario organisations like the international folk art alliance with its folk art market at Santa fe, USA (which has been running successfully for the last 14 years) has emerged as a model for artisans which offers an alternative to the export house model. However this is an exception then a rule when one thinks of the export markets for crafts products and how access to the export market can lead to benefits to the artisans. While the earnings from the export of handicrafts is also a measure to understand the growth in the sector, although the beneficiary of the trade is not always linked to the welfare of the craftsmen.

Rhetoric about the sector is also generated by those who work for the craftsmen, i.e. Non-Governmental organisations and designers. Each of them presents similar rhetoric. They identify that the current problems with the craft sector in India is due to access to the market. They also point towards the middlemen who are exploitative in their dealings with the craftsmen. They also justify their work with words like empowerment, providing market linkage and providing marketing and design inputs to the artisans.

When seen through neo-classical lenses, the crafts sector is further conditioned through the two framings. This produces a picture that is distorted. The spheres seem to be at odds with each other and sometimes work in contradiction. While the government assumes that the crafts sector in India is a sunset sector, the fact remains that it is still the second largest employer in rural India after agriculture. The issue of productivity in the sector and the use of technology at times seems to make the crafts sector a semi-mechanised production, thereby losing the essence of the product being handmade.

In the social sphere, the N.G.Os as well as designers who give inputs to the artisans are also in the grip of the neo-classical framing. Understanding crafts as a private or public good limits our understanding of the importance of crafts in our current society.

Like the blind men and the elephant, we are limited by our view of what the crafts sector is and what it contributes when looking through neo-classical lenses. Conditioned by the rhetoric of the spheres, each of them trying to present its version of what the craft economy is.

The current view of crafts does not account for the function that crafts performs in society. It also does not account for its unique institutional feature of caste. Given the fact that industrialisation in India has occurred in very special circumstances where the pre-industrial institutions and means of production (crafts and allied sectors) co-exist with the modern one is not fully encompassed as a reality and is only looked upon as a feature that will disappear as it is a lagging industry.

### 3.2 Crafts in India is Unique

The crafts sector in India is unique. This is because it benefits from the institutional feature of historical evolution of the caste based formation of craft communities<sup>41</sup>. The communal grouping provided for a stable institutional relationship to be formed within the craftsmen. Being part of the caste system, they were also part of providing for the needs of the society. The call for swadeshi<sup>42</sup> during the struggle for independence provided a different dimension for crafts in India, especially the handloom sector that was under major duress from imports from Manchester. The positioning of the crafts sector in the framework of Swadeshi added the dimension of economic nationalism to Indian crafts. When compared to the crafts /artisanal sectors of other countries e.g. Britain, Germany, Japan and Italy, the sector in India stands out. This is mainly for two reasons. The first, is the number of craftsmen who practice the tradition - India has more craftsmen than any of the other countries mentioned. Second, is the fact that crafts are socially embedded and rooted in religious practices typical for India.

The story of crafts around the world is that of being a form of industry that provides for the needs of a pre-industrialised society. The industrial revolution had an effect on crafts and craftsmanship around the world. The process of mass production gave birth to the form of consumption that we as a society are used to today. The industrial revolution has had a profound impact on how we perceive the world and consume goods within it. Each of the nations listed above has had a different reaction to the institutional changes that were set in motion when transitioning to an Industrial economy.

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<sup>41</sup> We will study this in greater detail in the next chapter

<sup>42</sup> This topic will be dealt with in greater detail in the next chapter and also with Gandhi's idea of swaraj in the sixth chapter

In the case of Germany, the transition kept the Guilds intact which has played a role in maintaining the notion of German quality and precision as a national image (Thelen, 2004). In the case of Japan, where there is no notion of Art, craft was considered an art. The relationship with the transition to industrialisation happened by distilling the essence of being Japanese in its crafts and craftsmen. It happened by identifying it as social feature that makes them stand out. Both in the case of Germany and Japan, the transition to becoming a modern industrial society happen without disruption (notwithstanding the world war). However, in both cases, the size, form and nature of the crafts sector had changed from selling craft goods for daily use to products of high craftsmanship.

This story of transition in India, on the other hand had a different trajectory. The move from a traditional economy to an industrialised one happened during the period of colonisation. The effort during that period was to develop India as a market for British goods and at the same time to use India as a source of raw material. The call for Swadeshi was the first that brought to the changing dynamics to light within the sector, however, it was perceived more as unfair competition from an Imperial power. In the post-independence period, India did not industrialise as rapidly as it was anticipated from the central planning and the formulation of the Five year plans. In fact, in the immediate years after independence, India faced de-industrialisation and two decades of stagnant growth. India ended up being a country where the modern and ancient co-exist.

In the years after Independence, the crafts sector in India lost its importance and it did not get the kind of attention from the government it needed to be identified as a socially important sector. At the same time, the political power of the craft communities was by this time not strong enough to voice their concerns. The Pedagogy of economics and how we understand the world as an entity started to change which subsequently gave rise to the understanding of markets as a Neo-classical economic interpretation. This had led to the shift in the conversation around crafts in policy or economics in understanding it just as a Village industry in the time of modern industrialisation of India. The rhetoric that this shift gave rise to leads us to the conclusion that the problems with the crafts sector is merely about loss of patronage (loss of markets). This assertion gave rise to the idea that crafts is a private good and if the market fails for it the government needs to intervene to set things right as part of public welfare policy, thereby distancing the crafts communities from Indian society.



From the government's point of view, the key areas that need intervention to develop the market for crafts was:

- I. Organisation and State Policy
- II. Finance
- III. Supply of raw materials and equipment
- IV. Marketing
- V. Technical guidance and research

However, treating the crafts sector as an issue of public policy, or an issue of market led development, limits the understanding of the economic nature of crafts in society, by colouring it as a private good. In the case of market failure, understanding it as heritage and so government intervention through the public good argument.

This ignores two realities, that I experience in my daily life that makes me question the rhetoric. The first is when I ask myself or others why they consume crafts despite the fact that there are other options from industrial production that can provide for these needs. It points to me that possibly crafts is a social good and is sustained through societal relations and a process of co-creation and mutual appreciation.

In other words, crafts has an ability to generate conversations and is able to produce values that are economic in nature but non-monetary. The current understanding of crafts does not allow us to advance this nuance of the sector as there is no talk about the non-monetary economic values that it produces.

The second factor that creates confusion around the crafts sector in India stems from the fact that there is an extension of the loss of market rhetoric with the idea of the sector being a sunset sector, as this had generally been the case in most of the other industrialised nations where, over a period of time, the crafts sector has declined.

However, in India, the crafts sector seems to be expanding, and this expansion is not completely understood and might not be a good thing in its current form. There seems to be an excess of it. With the current logic of treating crafts in India as an issue of public policy and the market logic of treating the craftsmen as being part of a value chain model of development, there is a considerable risk that this is eroding the core of how crafts existed in society.

### 3.3 The Limitation of the current understanding

The intervention of the government through public policy and the market model for the crafts through the value chain model has not provided the solution that would help the craftsmen to regain their market. This is not to say that, at the macro level, crafts is not a profitable business to be in, as crafts has been a consistent performer in earning foreign exchange through exports and has recently spurred the domestic retail market with the opening of retail outlets like Fab India across the country.

An argument that focuses on the income generation aspect of crafts and understanding economics as a reflection of the neo-classical thinking that it frames it to be, blinds us to the true nature of what crafts contributes.

The reductionist nature of the industrial logic has no place for framing the crafts as a social good, recognising the unique institutional features that has served it for centuries. These institutional features have been durable and allow us to imagine a different crafts market. This imagined market exchanges the values that crafts produce.

The point of distinction in this case is not to confuse the term economic value as a price of the object but to go beyond and understand it as monetary and non-monetary value that are institutionally produced, exchanged and consumed.

We need an alternative framing that is accommodative of both the economic values and position crafts as a social good in the construction of this imagined market. The alternative framing will have to provide a more comprehensive view of development and public policy.

### 3.4 What is important to you?

Before we explore further from a different perspective that we want to apply to the crafts sector, we need to take a moment for reflection and introspection. During my investigations into the crafts sector in India, I often had this conflict within myself where I questioned my role and purpose in writing this thesis. On the one the hand, for being scientific I have to be objective in my study and analysis of the crafts sector. This comes with the advantage that my work would then be considered in line with what is expected of a scholar / researcher who is presenting a study of the crafts economy in India. However, it also carries the burden that such an objective position is to an extent dehumanising the object of our research.

On the other hand a more subjective approach to research will be an attempt towards bridging the gap that taking an objective approach has although it carries its own risks of not being considered scientific work. One way out proved to be the value-based approach. It compels me to maintain critical distance and at the same time zeroes in on what is important to the people involved in the subject. One reason for that is the questions it compels us to ask. For when we consider values we need to ask ourselves and others “what is important to you/me?” And that makes a significant difference. What is important to you? Is it money, is it economic growth or is it about cities that want to be viewed as being creative. There are various answers to this question depending upon who you ask and in what institutional setting.

What matters while answering this question depends upon the framing the world view is informed from? Of the various possible framings, the economic framing is the one that is important as this is the institutional setting within which we approach this chapter. The framing for economics is informed by the conversation among economists in their conferences (Klamer, 2007). In their conferences they debate, talk and disseminate using that frame and applying the methods that have become typical for standard economic practice, including models and statistical analysis.

A 1987 study of six top<sup>43</sup> ranking graduate economics programmes showed that the perception of the students varied according to the pedagogical inputs<sup>44</sup> they have received (Klamer, 1987). The paper states that the scientific status of economics is in doubt among the students. The difference is seen in the distinction made between positive and normative economics and the agreement on fundamental issues. Four out of the six major programmes (except MIT and Harvard) partially agree on the fundamental issues.

This study was replicated in 2005 with the addition of Princeton to the survey. The paper concludes that while there has been changes in economics there still exists the differences that were seen 20 years back (Colander, 2005). This is relevant.

Economics as a field of study might seem to the outsiders as a unified body of knowledge, however factually, it is a social science of various schools of thought. These schools of thought have their own ideas about the economy and how individuals behave in it. Economists acquire their knowledge through the crucible that is the graduate school at the university where they are indoctrinated in the finer points of the school of thought. This pedagogy provides the would-be economist with methodological grounding and tools with which he interprets the world. Economist's world view is influenced by rhetoric and this has many layers.

There is the visible layer of the rhetoric of the dominant school of economics<sup>45</sup> though and the way it is presented to the public and policy makers about what is important. Then there is the rhetoric of the school of thought even if it is not mainstream and then there is the personal rhetoric of the economist.

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<sup>43</sup> University of Chicago, Columbia University, Harvard University, Massachusetts Institute of Technology, Stanford University and Yale university

<sup>44</sup> This informs their framing about how they understand the world.

<sup>45</sup> The official rhetoric, to which they subscribe in the abstract and in methodological ruminations, declares them to be scientists in the modern mode. The scientific method is a composite of logical positivism, behaviorisms, operationalism, and the hypothetic-deductive model of science. McCloskey (McCloskey, 1983) declared the official **methodology of economics to be modernist** and that the mainstream economic framing shows the prevalence of this modernist thinking, she explains the outlines of this through the following ten dictums which define the framing.

The personal rhetoric is presented as the everyday conversations in the life of an economist and (the way he argues with himself in his head and in seminars) this may differ from official rhetoric (McCloskey, 1983). To be aware of the rhetoric McCloskey talks about, it is essential for the economist to be more self-aware of their personal rhetoric as this would enable them to find the reasons why they agree or disagree with the official rhetoric. This makes him less likely to be dismissive towards others purely on the grounds of methodology. In other words, it makes the economist more inclusive of different and diverse ideas to explain what happens in our world.

### 3.5 A positivist understanding of the world

The official methodology of economics is that the economist tends to take a positivist approach towards the world. While positivism in economics focuses on statements of “what is”, the other alternative to it is to be normative which focuses on “what can be”.

The attraction to a positive economics is the fact that positive statements are testable and can be broken down into cause and effect. This feature enables the economist to be able to analyse and advise the policy planners, businessmen and organisations about the effect of policies. It is important to realise that economists practicing positive economics do, however, make valued judgements. Any analysis involves an element of subjectivity. In the first place, even what to analyse and how to analyse it often depends upon the subjective views of the analyst regarding what is, and what is not, important. Economic decisions have many different effects and it is rarely possible to examine them all in detail.

The pervasive presence of positive economics is what legitimises economics as a science and it follows the modernist construction. The dominance of positivism is complete in economics text books and this is limiting the role of economists. (Boland, 1991).

### 3.6 Economics and Culture

The current underlying thought (theory and assumptions) that forms our world view is given by the standard economic framing. The underlying assumptions of such an economic thinking at its core is the principle of the rational human being whose functions are profit or utility maximisation. Those who participate in this framing have no place for culture in their conversation to explain the economic behaviour of man.

In such a framing the goods that are important are understood to be private or public in their ownership. In other words, the logic where these goods and services can be, either follow the market or governmental logic (and now increasingly the government is using the vocabulary and language of the market with neo liberalism). The underlying institutions are, therefore, set in such a manner as to promote this world view.

Culture in such a framing is reduced to being understood as the price that one is willing to pay in a market for cultural goods or services. In such a case, culture is used as a marketing tool (e.g. think about the tag, handcrafted, heritage and so on....). The same tags are also used as rhetorical tools when used to gather support in an argument for governmental subsidy as a matter of public policy.

However, is it possible that a more holistic aggregation of economic value of culture is possible and if so, how? The question brings with it issues that have got to do with the underlying theory and assumptions of the framing through which we understand the world.

If the current dominant economic theory is one that advocates rational choice and maximisation of profit or utility within a modernist mindset which seeks a positivist approach to science, then it is indeed very difficult to approach a more holistic understanding of economic value of culture as there is no room for discussion on the intangibles that culture produces.

When there is room for a broader interpretation of the term value in economics then the current reductionist interpretation which equates value as price can expand to a better understanding of the value of culture in terms of economics, economy and society.

### 3.7 “Let us assume”

In order to take our conversation further, let us assume that values are important and so is the culture that produces it. This position allows us to explore the role culture plays in our economic behaviour. This is a departure from standard economics as we are replacing rational choice with the realisation of values as being central to explaining the economic behaviour of man.

The consequence of this position is that culture is not in the margins of economics but is becoming all-encompassing. Economics being embedded in culture. This is the position that is advocated by Arjo Klamer with the idea of value based approach for economics (Klamer, 2016) Based on the assumptions made of replacing rational choice as the guiding principle for economic behaviour with that of realisation of values, our understanding of economics changes. It shifts from being a study of allocation of scarce resources to that of individuals in search of ways to achieve their values.

It stands in contrast with standard economics which focus on the market as a means of allocating scarce resources to a position where the individual is in search of ways to achieve their values. The value based method, therefore, gives more weight to culture which forms the environment where these processes can occur.

Klamer (Klamer, 2016, p.19) clarifies Culture by explaining it in three terms which he labels as follows:

C1 which is understood to be culture in the anthropological sense, i.e. as material culture that develops from the interaction of man with his surroundings and each other in social settings.

C2 which is understood to be culture in the civilizational sense of the word, which is the acumination of culture, traditions and practices that define nations. This is to be understood in terms of what makes up an Indian or an Italian, German or Japanese person.

C3 is understood as the market for cultural goods and services, this is seen in myopic terms of standard economics, as what it contributes to the economy versus what its fiscal costs are in trying to provide for it.

The statement that economists do not see culture as a factor for economic decision making is a broad claim and comes with some qualifications. We need to understand the various other positions that are possible when talking about culture and economics in order to understand the context of the claim.

The culturalists are those people who study culture from the perspective of C1 and C2 they are the anthropologists, sociologists, historians and so on. They are the professionals who make sense of the world around us by studying it and help in building the cultural picture. For the culturalists the market and by extension the economists are people that do not understand culture and even if they do it's about developing the market for cultural goods and services. However, an interesting proposition is that the culturalists almost always misunderstand the economists with businessmen and the policy makers.

The economists form the other group of people who approach to understand the relationship between economics and culture. The view that culture does not play a key role for economics is a dominant view which stems from the standard economic framing. However, in the relation between economics and culture, the economist<sup>46</sup> provide reasoning /rational /argumentation for supporting culture. By applying standard economics principles to the cultural sector C3 they provide reasoning which ranges from public good arguments, to that of considering culture as a lagging sector and therefore in need for support (eg. Baumol's cost disease (Baumol, 1967)). These rationals have been used both by policy makers and by the culturalists as arguments for providing support to the cultural sector. The connection between the cultural sector C3 and that of the economy is cultural being important for the creative economy.

Therefore, under the umbrella of standard economics, the two tenable positions about the relationship between economics, economy and culture is that of:

- Standard economics being applied to culture, C3 to allow the operation of the market for cultural goods.

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<sup>46</sup> As is expected they have a positivist outlook and try to remain objective in the attempt to remain scientific.



- The positioning of the cultural sector, C3 as a legitimate and fast growing sector of the economy.

A greater role for culture: Making space for values in Heterodox economics

While the standard economic approach does not really consider the “cultural dimension” at its core there is space for such conversations which have been recent developments in heterodox economics.

The cultural approach to economics deals with the interplay between informal and formal institutions along with its cultural and cognitive perception. Under the heterodox school of economics, three areas have emerged that envisage the role of culture in economics (Goldschmidt, 2006).

- Institutional economics as a theory of institutional change as established by Douglass C. North (North, 1990)
- The evolutionary approach to economic and social philosophy in the tradition of Fredrich A. von Hayek. (Hayek, 2012 )
- The behavioural economic theory related to socio–biology, evolutionary anthropology and evolutionary psychology and so on<sup>47</sup> ....

Culture is an important feature for all of the above heterodox schools of economics. What makes the value based method nuanced enough to be considered a new school is the fact that it makes a claim that economics and the economy are embedded in culture. While in the case of North (North, 1990, p. 3) institutions are understood as the “rules of the game in society or, more formally, are the human device constraints that shape human interactions”. The idea of “rules of the game” was originally introduced by Adam Smith, a fact that was cited by Hayak in (Goldschmidt, 2006, p. 176).

North’s central point is the proposition that a framework of institutions structures the human “playing field “and this results in a “proper method of playing”. This positions institutions as key to altering human behaviour. This also means that for a just outcome of the game there has to be a fair structure. This positions history (perhaps in the context of C2) and culture (in the

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<sup>47</sup>This will not be explained in greater detail.

context of C1) that needs to be taken into account as they lead to path dependence in framing the game.

The social philosophy of F.A Hayek includes a section on “*the progress of cultural evolution*”. In trying to clarify the term “cultural evolution”, the relationship between culture and economics is explained by him. He explains “culture is neither natural nor artificial, neither genetically transmitted nor rationally designed” (Goldschmidt, 2006, p. 178). Furthermore, he clarifies that “*cultural evolution is not the result of human reason consciously building institutions, but of a process in which culture and reason developed concurrently, is perhaps, beginning to be more widely understood. It is probably no more justified to claim that thinking man has created his culture than that culture created his reason*”.

It is summarised by Goldschmidt (2006, p. 178) as “*culture is a human phenomenon, and only a human phenomenon is a process that runs parallel to the evolution of mankind*”. The key assertion that one concludes is that for a proper understanding of human development, a cultural context is necessary. To that extent, culture is the key variable that elucidates human behaviour as distinctly human behaviour. This leads to the conclusion that if an economic phenomenon develops out of activities of man through time, then it becomes clear why the examination of economic processes has to be understood as a cultural phenomenon as well. In the case of Hayek, the understanding of culture is distinctly civilisational i.e. C2.

### 3.8 The nuance of the value based method: A new school in heterodox economics

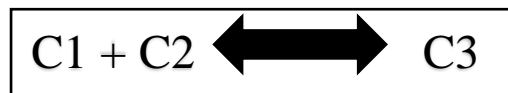
The value based method to economics as mentioned is an alternative perspective on economics. It is unique because unlike the other heterodox schools, it proposes that its values explain human behaviour.

The method proposes that man’s economic behaviour is the consequence of him trying to achieve his values. However, such values are within a cultural context. This cultural context is formed in the combination of C1 and C2. The commerce of culture in C3 i.e. a cultural sector is where they valorise their values.

Culture both in the sense of C1 and C2 produce the cultural context within which these values are produced and consumed. In such a world, the object of cultural consumption becomes a medium to exchange values. The point where values are achieved through the cultural good,

produces goods that are of higher order, which Klammer (2016) calls the goods to strive for. These goods to strive for have the ability to form practices forming on four axes of social, societal, personal and the transcendental goal values. The just outcome in such a system is dependent on people being aware of their values and their ability to work with them through a developed sense of phronesis in being able to do the right thing.

However, this happens within a cultural context that forms the reference by which values are achieved. In doing so, together with the production of the higher order goods add to the cultural context there by reinforcing and validating them further. Therefore, we can summarise that the economics of the value based method is embedded in culture and that when people participate in the cultural sector they are validating their culture.



### 3.9 The culturalists Perspective : The values of crafts

In the next chapter we will explore the world of crafts where we are not looking at it from the economic perspective that neo-classical economics offers, but where will try to understand the sector by approaching it from various other angles. Perhaps, the question that is important to ask at this point is “what is important to you?” Certainly, I do have to ask myself this question as to why am I bothered with crafts and why should anyone else pay any attention to it?

Perhaps the answer is in us further trying to exploring the non-monetary economic values that crafts produces. Maybe the answer is in, as stated in the motivation of this thesis finding a more holistic understanding of the economic value of intangible culture heritage of which crafts in India is a case. If the value-based approach for economics helps us in in framing crafts for this holistic view which will help Me/ US answer the question of “ why we should pay attention to crafts ? “ Is something that we will explore further in the fifth chapter?

What is important for us in the next chapter is that we see the world of crafts from the eyes of the culturlists. They have the tendency to be more perceptive and sensitive to identify the role and significance of crafts to society. I hope to use these insights to understand what we miss when we see through standard economic lenses and try to frame it in the economic conversation using the value-based approach in the fifth chapter.

## Chapter 4: The Culturalists Perspective

### 4.1 Introduction

In the previous chapter, we understood that crafts require a separate set of lenses. I have indicated my preference for the value-based approach to understand the crafts sector. To develop our understanding of the crafts sector, the notion of culture becomes important. There is a need for an understanding of the cultural aspects of crafts, of their meanings and their historical significance within the Indian context. In order to do that, we need to involve the studies of historians, anthropologists and the like, that is, culturalists or people who have an eye for the cultural aspects of things and activities. In the next chapter, we will integrate their insights and lessons with the value-based approach. Let us see where that gets us. Will crafts still be viewed as a sunset sector or are we going to see a different future?

Let us start by considering Indian culture in general. I have to further investigate the specific features of crafts through non-economic lenses. This can lead to insights that will sharpen my cultural, economic perspective of crafts.

### 4.2 Indian culture

India is the land of rich culture and traditions. To know its culture and traditional practices one has to take a closer look at its rituals. While observing these practices, we will be encountering the role crafts plays in all of them. As a matter of fact, crafts plays a significant role in the Indian way of life from the cradle to the grave. During major festivals or significant family functions, it is normal in my family<sup>48</sup> to exchange gifts. What I have noticed during these processes of exchange of gifts is the items. For men, often it is a shirt or a trouser length that is given and in more auspicious occasion its almost always hand-woven fabric which is called a *Dhoti*<sup>49</sup> and *Uttareeyam*. For the women, there is no gift that is of greater significance than a sari, which is presented with turmeric and vermilion. This signifies the wellbeing of their family through the good health and prosperity of the husband<sup>50</sup>.

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<sup>48</sup> Here the term family is not used just to understand it as a nuclear unit but also to extended aunts and uncles from both my mother and father's side.

<sup>49</sup> An Indian traditional men's garment, made of unstitched cloth

<sup>50</sup> The sari with turmeric and vermilion signifies that husband is alive.

During these movements of ritual celebration with symbolic meaning, I have often wondered why the gift of a hand-woven textile either in the *Dhoti and Uttareeyam* for men or *sari* for women considered so prestigious. Of course, the question also extends further to try to understand who in this modern age of industrial production still makes these hand-woven textiles.

On one of many occasions when I accompanied my mother during her visit to a retail shop to buy saris, I asked the shopkeeper who makes these saris. The shopkeeper explained to me about the weaving communities who weave various patterns of sarees made for special occasions. The shopkeeper could explain this based upon caste associations with whom they have been trading with over extended periods. This explanation made me probe deeper to understand weaving communities and their origin. For those in India, caste might be a term that is understood but from those who are from outside this might be an alien concept and requires some explanation.

When it comes to crafts in India, another interesting observation is the image of a politician. He is seen to wear *Khadi* a hand-woven cotton textile tailored to an Indian design of a Kurta with waistcoat also made from *Khadi*. During independence and republic day celebrations, we see a lot of Indians who wear clothes similar to the politicians. Why is that? and where do its origins lie? Is it related to castes or is this something that transcends it? When and how did India gain this as a feature and how is this linked with crafts production and consumption in India?

This chapter will investigate these questions. We will first attempt to understand the specific institutional feature of castes in India. This attribute makes crafts in India unique compared to the rest of the world. It will help us appreciate that crafts in India exist in a cultural, social and institutional context. Understanding these features will help us to ask critical question with regards to the relevance which can go beyond a story about prices, incomes that crafts as sector generate and what they contribute to the GDP. Here we will try to establish that crafts contributes to the upkeep of social and cultural resilience in Indian society. The risk is that we might lose this cultural dimension, which makes crafts in India unique. If so we need to be aware what we might be losing and how to assess the importance of this loss? Not just economic loss but the even more significant social and cultural losses.

### 4.3 Crafts, community and castes

I am a product of a generation of Indians who have known nothing but city life. My education is western and my outlooks are supposedly modern. However, from an early stage in my life, I have been fascinated with all my country's traditions and rich heritage. As I stated in the introduction, every time an opportunity arises to explore India's traditions, I take it. When I started to research India's weaving communities, I encountered some interesting figures. The handloom sector in India is considered important. This handmade sector produced 6,900 million sq. meters in the 2011-12 which is said to be 25% more than 5,493 million sq. meters of cloth produced in 2003 -2004. This sector is said to consist of 2,377 million handlooms and employs 4,331 million people of whom 77.9 percent are women, and 28 percent belong to Scheduled castes and Scheduled tribes. (Raju, 2014, p. 309).

For me to understand and answer the questions that I initially posed at the beginning of the thesis, it is important that we identify the institutional base from where these weavers come from. This line of investigation has been an edifying experience as it alerted me that craft production and consumption in India was not just an economic activity but it was more than that. The weaving communities that produces the saris and other hand-woven textiles are predominantly from the villages, and crafts per say are considered the second largest employer in rural India after agriculture. The urban view of Indian villages is that they are in need of development. They are considered backward, as they do not have modern conveniences. The idea of villages being backward is also understood from the view of income stagnation and lack of opportunities. This idea of villages being "backward" and in need of "development" is rejected by social activists like *Urzamma*<sup>51</sup>. She gives an alternative narrative about India, its villages and its weaving communities.

Her experience with the weavers in the state of Andhra Pradesh <sup>52</sup> has helped me to better understand weaving communities. As mentioned, the institutional features of crafts in India are that of the **caste system** and that producer groups she has labelled as *Jati who* constitute make up about 90 percent of Indian *samaj* (Uzramma, 2011, p. 109).

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<sup>51</sup> Urzamma has worked in the field of artisanal cotton textile production for over 20 years, and was instrumental in the founding of Dastkar Andhra, a craft revival trust. She is associated with the Malkha Marketing trust, Hyderabad, a handloom weavers' cooperatives manufacturing pure cotton cloth from cotton grown by small farming families.

<sup>52</sup> A southern state in India and incidentally my native state.

To get a better understanding<sup>53</sup> of the weaver and crafts communities, I must investigate the origins of the caste system and the economic organisation of these crafts communities under guilds which we now understand as producer *jatis*. When discussing the origins of the guild in India there seems to be a debate among scholars. Some scholars (Mookerji, 1920), (Buch, 1979) (Bose, 1942) stated that the early Vedic period was sufficiently advanced to warrant the existence of economic organisations which take terms like *sreni*, *puga*, *gana*, *vrata* in vedic literature as indicative of guild and the term *sreshthi* as the president of the guild. On the other hand, scholars like Prasad (Prasad, 1968) stated that the early Vedic period was not sufficiently advanced to have guilds and does not accept the terms given above as being indicative of them. However, there is acceptance among scholars (Thaplyal, 2001) that the division of labour under the *Varnas*<sup>54</sup> was conducive to the emergence of guilds in India.

In the Varna system, occupations such as agriculture, cattle farming and trade were the activities undertaken by *Vaisyas* and, over time, they all evolved into specialised groups. The *Sudras*, besides serving various other varnas also took up “menial crafts” (Thaplyal, 2001, p. 995).

The factors that lead to the development of guilds in India around the 6<sup>th</sup> century B.C is attributed to the following: The emergence of various republics allowed for the interlinking of vast areas, which also enabled procurement of raw materials and trade for finished goods. This favoured the pooling of resources and managerial skills under one umbrella of various traders and craftsmen under guilds. The other factor that is attributed to the development of guilds during this period is mirroring the large-scale use of iron tools in agriculture and daily life which enabled surplus production of food grain thus enabling more artisans to act as full-time craftsmen. The emergence of written text enabled the codification of laws, bookkeeping and the formation of money – economy is cited as other reasons for the emergence of guilds as an economic institution.

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<sup>53</sup> Diving into the origins of castes and communities is essential in helping us situate the development of this institutional feature in India which has an impact on our understanding of crafts in India.

<sup>54</sup> During the Vedic age, the traditional Hindu society was divided into four principle castes. The earliest mention of the system is to be found in the Rigvedic Purusha Sukta (RV 10.90.11 -12) the division of the society was made based on the human body. The Brahmins represented the mouth and were at the top of the society, while the Kshatriyas represented the arms and the strength of the society while the *Vaisyas* who were the thighs were the part of the society that served society followed by the *Sudras* who formed the lower part of the Aryan society. However, one needs to keep in mind that the Purusha Theory was the most popular but not the only theory, there were others as Dutta pointed out. (Dutta, 1969, p. 6)

#### 4.3.1 The role of guilds as an institution

During this period, the guilds performed various functions. They provided a **trained workforce**<sup>55</sup> and a congenial atmosphere for work. They helped in the procurement of raw materials, maintained standards and quality and set the price. They provided a level of security and gave its members a **sense of social status**.

The guilds performed the role of a **mecenant** in society for common good. This was part of their role in the community. Works were taken on board under the umbrella of piety and charity as one of the functions of the guild. Guilds were expected to use part of their profits for the preservation and maintenance of various public buildings. Guilds were also known to give support to widows, the poor and destitute and those in economic hardship.

Guild were known to serve as **banks** and provided support for working capital requirements and other such financial needs. Guilds were also known to perform **judicial functions** and the guild court could try its members in accordance with its customs. A member of the guild was expected to abide by both the rules of the guild and the laws of the state.

#### 4.3.2 Uniqueness of guilds in India: Caste and community

Economic institution of guilds were very much linked to the social institution of the caste system in India. To understand this distinction, we need to understand what a caste is and how it developed in the cultural and social context. One of the early definitions of caste is given by *Sir H. Risley*, who defines it as

*“...a collection of families or groups of families bearing a common name; claiming common descent from a mythical ancestor, human or divine, professing to follow the same hereditary calling; and regarded by those as competent to give opinion as forming a single homogeneous community. The name generally denotes or is associated with a specific occupation. A caste is almost invariably endogamous<sup>56</sup> in the sense that a member of the large circle denoted by the common name may not marry outside that circle, but within the circle there are usually a number of smaller circles each of which are also endogamous”* in (Dutta, 1969, p. 2)

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<sup>55</sup>Guilds ran apprentice systems where the parent or the guardian of the of the pupil entered into an agreement with regards to the duration of apprenticeship beforehand.. (Thaplyal, 2001, p. 998)

<sup>56</sup>**Endogamy** is the practice of marrying within a specific ethnic group, class, or social group, rejecting others on such a basis as being unsuitable for marriage or for other close personal relationships.



Senart defines caste as

*“a caste is a close corporation, exclusive and, in theory at any rate, rigorously hereditary. It is equipped with a certain traditional and independent organisation, including a chief and a council; meeting on occasion in assemblies endowed with more or less full authority. Often united in the celebration of certain festivals, it is further bound together by common occupation and by the celebration of certain festivals; it is further bound together by common occupation and by the practice of customs which relate more particularly to marriage, food and question of ceremonial pollution. Finally, it rules its members by the exercise of a jurisdiction the extent of which is fairly wide and which by the sanction of certain penalties, especially of exclusion, either absolute or revocable, from the group, succeeds in enforcing the authority of the community.”* in (Dutta, 1969, p. 1).

The terms that are common to both the definition is that of vocation followed as being part of a caste and the second term is that of community which can also be understood from terms such as *biradiri*<sup>57</sup>. In his book, *The Foundations of Indian Economics* Mukerjee (1916, p. 33) **states that in India, the family and not the individual, is the unit of economic organisation. He states that in India, the family is the natural sphere for the dealing with the struggle to survive.**

Mukherjee further interprets the term caste in the broader concept of the word community as understood by the word *samaj* which he describes as the larger unity in society based on kinship or community of blood origin. Both these terms *biradiri* and *samaj* are important for us to understand in this thesis as it helps us to understand the function of guilds as they were, and the existence of castes as they are today. It is important to keep in mind that artisan communities primarily come from the vaisya and sudras of the varna system and from castes and sub castes<sup>58</sup>.

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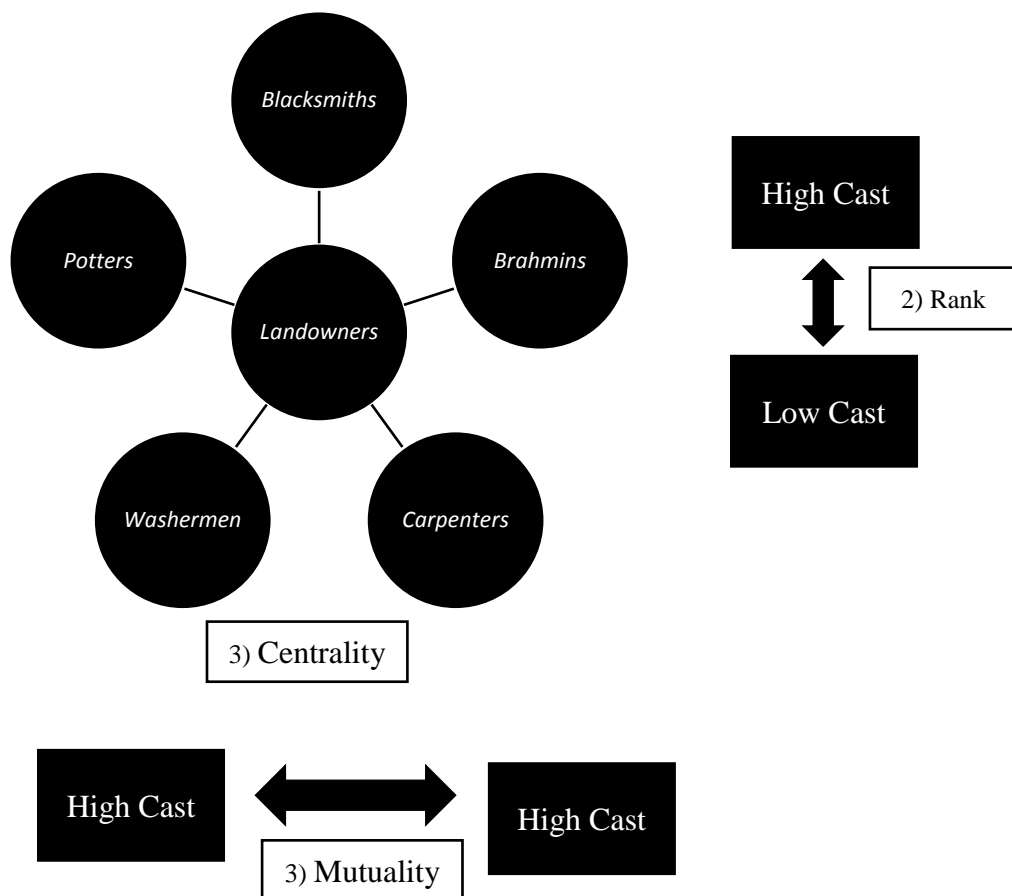
<sup>57</sup> This is a terms that Tirthankara Roy (Roy, 2008, p. 114) used to explain artisan assemblies or *panchayatas* however it is not just limited to artisans. He claims that the term has greater significance with a historical association with the guild. He also states that the term community in this sense performed the function of not only sharing kinship but also as a networking group.

<sup>58</sup> At this point it is important to understand that sub castes or jatis have their origins from a “ ..... series of crosses between the members of the four *varnas* and then between the descendants of these initial unions” (Dutta, 1969, p. 6)

What I understood from the investigation was that castes and guilds are similar in some respects. However, they are different, as a caste is a social institution that encompasses the guild as an economic institution. There is a link between the hereditary occupations followed by the individuals to be based on caste originating from the varna system. In this sense, *Samaj* or the community plays a key role in defining what is normative in society. Therefore, while people could be members of multiple guilds, they cannot belong to multiple castes. Also what this means is that there is an implied relationship between caste groups. This is to be understood in terms of:

- 1) Mutuality between various caste groups
- 2) Ranking, which implies a hierarchy between the various castes giving rise to the idea of high and low castes (Casts from varnas, such as Brahmin and Kshatriya, are considered higher than others)
- 3) Centrality, where in higher castes who also tend to be landowners, are generally central in such society.

Figure 1 Three aspects of exchange, mutuality, centrality and Rank



Source: (Adopted from (Raheja, 1988) in (Mines, 2009, p. 17)

The implied relationship between the various varnas and caste groups gives rise to what is normative in *samaj*. Caste groups also help to define what kind of occupations they can or cannot do. This has an impact in terms of which guild they can or cannot join. This feature makes guilds in India unique. This has had an impact on the development of artisan groups in India. We will take a closer look at the implications of this further down in the text in the various examples that I will use to illustrate its influence.

The experience of Urzamma with the weaving communities of **Chinnuur** provides us with the means to identify these communities. The *Padmasali* and the *Devangula* are the two traditional weaving castes from this part of the Indian. The *Padmasali* are known to be weaving cotton textile while the later are known to produce silk.

**Niranjana** (2004) gives more inputs about these weaving communities by directing me towards the work done by N G Ranga in late 1920 who reported on the significance of the handloom and the work of the weaver communities and writes:

*“Chirala, Perala, Vetapalem, Pandillapalli and Ipurupalem are five important places in which more than 6,000 looms are worked and a profitable and extensive dyeing industry is carried on...The weaving population of this centre consists of communities, the Padmasales and Devangas, the former predominating in Perala and the latter in Vetapalem. There are ten big merchants in each of these two places, and most of them are Vaisyas. There are also some Padmasale and Devanga merchants...the Vaisyas monopolise the business of importing yarn from Madras and Bombay, sell yarn to other Vaisya, Devanga and Padmasale merchants. Most of these merchants, big and small, give out yarn to the scores of weavers dependent upon each of them and pay them piece-work” (Ranga, 1930, pp. 38-39) in (Niranjana, 2004)*

On surveying this area after 70 years, Niranjana (2004) found that the system bears a strong resemblance to what was seen in the survey of 1930. She states that within a 8 to 10 kilometre belt around Chirala there are around 12,000 working looms and this is considered one of the largest such concentrations in the state.

She further states, that given the importance of the handloom weaving in this belt there are a lot of artisans communities and / or families who have specialised in this pre-loom work and other support activities such as dyeing.

What is important to note is the claim she makes about the importance of the sector in this region,

*“Locals underscore this interdependence by saying that if one handloom is active, it keeps alive 16 related occupations, ranging from the growing of cotton to the marketing of the final product.”* (Niranjana, 2004, p. 554)

Now coming back to Urzamma’s experience in Chinnuur, a composite picture starts to form about the nature of the relationship between the various castes in the process of handloom production in rural India. What I understand from her experience and that of other scholars (Niranjana, 2004) (Ranga, 1930) (Thaplyal, 2001) (Roy, 2008) is that artisan production in India happens in a system of “..... coherent cohesive world of close knit community of artisanal producers, service providers, artists and technologies that made up a society in myth and imagination, where each community was distinctive and separate, and each has its own place. Though they would not eat together, each provided one particular special skill on which others depended”. (Uzramma, 2011, p. 110). What this also means is that there exists strong lateral, non-hierarchical relationships among themselves.

The existence of such relationships also alerted me to the fact that progress need not be linear from tradition to modernity and that both can co-exist, however, we need to broaden our view of the world to be able to see it.

#### 4.3.3 Crafts, communities and traditions

When we look at crafts as a public or a private good we are limited to generating our understanding of the nature of crafts. It is when we read the UNESCO definition of crafts that we become more aware of the complexity and the social embeddedness of crafts.

*“artisanal products are those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct contribution of the artisan remains the most substantial component of the finished product. These are produced without restriction on the terms of quantity and use of raw material from sustainable. The special nature of artisanal products derives from their distinctive features which can be utility, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant”* (UNESCO/ITC Symposium, 1997)

While in the Indian definition for crafts, which is adopted by D.C handicrafts, we realise the focus of crafts in India.

*“Items made by hand, that often use simple tools and are generally artistic and / or of traditional nature.”* (Handique, 2012, p. 20)

The object of the definition in the Indian case is the crafts product. It does not reflect the sociological and cultural aspects of the crafts sector, which is also an important part for understanding it both from the demand and supply side.

In the UNESCO definition, we can deduce two distinct lines of inference of what constitutes a craft. It characterises crafts as a form of tacit knowledge which is sophisticated in skill. It embodies a soft ecological framing and a spatial organisation for crafts. It exhibits cultural and social values and has a focus on the creative attributes. However the importance of community and the existence of crafts in a shared space which seems to be understood by UNESCO and other scholars like Urzamma is lost in the definition of crafts as given by the handicrafts Development commissioner. To further understand the shared nature of crafts, let us consider the following paper, *some thoughts on the future of traditions*, by Dr. Krishen who takes a semantics centred approach to the word “Tradition”. (2015) in his approach to understanding tradition. He makes an assertion that in its current form, as presented at the conference **“tradition” and the contemporary seem to be at odds with one other**. In considering the phrase “traditional artists” he starts to unpack the key constituents which are understood to belong to and be part of the “hereditary caste – based hand manufacturing occupation”. The key words the author (Krishen, 2015) claims are caste and hereditary. He further explored the dictionary meaning of the word “tradition” which is defined as “cultural continuity in social attitudes and institutions”. He further connects the two meanings “social” with the its association with “society “, with a group which is greater than the individual which in this context he claims to be “caste” and the word “hereditary “related to “continuity”, the passing of the skills from one generation to another.

However, when we talk about skill, Krishen (2015) alerts us, that it is not just about technology. To be a “tradition” it must also be “cultural”, the passing-on of cultural meanings from one generation of makers to another. However, for artisans to make things to be used, it is important that there are users. Hence, while on one side we have the maker who is part of makers/artisans /suppliers and on the other side there is a community of users/ customers /purchasers. The connection between both the groups is through the object, the product that is made by one for the other.

**The object / product has two aspects – the material, e.g. its raw material, dye, its motifs and so on, and the symbolic (in the jargons, semiotic), what the various aspects of the product and what product signifies.** The choice in the physical /material aspects of the object has to convey a symbolic meaning. In trying to understand this better the author proposes that we understand the physical / material aspects of the object as being technological and skill based while that of choice of material, colour and motif (the symbolic nature) as being culture of human beings. The main assertion of the author being that the understanding of tradition is not for the physical but its more in the practice of the symbolic that we find the meaning of “tradition “– **it is found in the humans who create and live it.**

He further strengthens his argument **about the relationship of the makers and users through the object.** Acceptable relationships between the two groups can be impersonal where the user has no interest in the maker however has a keen interest in the object / product and an assigned commercial value. He also alerts us to another relationship as being more personal as we see in the case with the Jajmani where the relationship evolves over a period in time and has symbolic meaning which evolves and is not static.

Where the production emerged through a dialogue, where maker and user have a semiotic familiarity where both are aware of, understand and respect the meaning and symbolism the product embodies. He also states that this symbolism is not static and it evolves over a period. The essential condition being that the evolution of the relationship happens as a dynamic process for both the maker and the user. He illustrates this relationship through examples, each presenting a characteristic of this relationship in “tradition”

The first example is that of **gharchola**<sup>59</sup>. It is a saree used by one community however the process of making the saree involves the labour of various other communities from different religions. However they share the semiotic relationship and respect each other's beliefs.

Innovation in the product with changes in the physical aspects, like colour, motif or pattern can only be done with the acceptance of the user community with the caveat that is auspicious for the bride. The traditional **gharchola** is said to be evolving or, rather, the tradition can be said to be evolving as the makers and the user continue to understand each other's vocabulary and to respect each other's values.

In conclusion he makes two main points (Krishen, 2015), the first being the fact that in this age of change the factor that need to be understood for **sustaining the crafts tradition is that it never happens individually**. It requires a **community of makers and users who give meaning to the craft traditions**. He further prescribes that if **meanings are shared by makers and users and if meaning evolves through this process of sharing, a tradition can be said to be alive, and is contemporary and it may have a future**. As the process of sharing dies, the tradition begins to die. When the products cease to embody mutually respected values, the tradition is dead.

#### 4.4 A new perspective: A closer look

The research on the crafts sector in India suffers from a lack of focused attempts to produce a discourse. The scientific interest in the crafts sector is limited to sociologists, anthropologists and economic historians. The bulk of the most credible research was produced in 1960's to 90's. The crafts sector in India after this period seems to have been the exclusive domain of designers, cultural activists, government reports and consulting /audit firms working on contract on behalf of various agencies both governmental and inter-governmental to produce situation reports. This largely constitutes the arguments and view as presented by the culturalists<sup>60</sup>.

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<sup>59</sup> The gharchola is a bridal silk sari

<sup>60</sup> The culturalists are experts and professional who are engaged in the sector other than economists.

The economists' view of the sector, scientific or otherwise, is either limited or marginal as they remain outside of the core group who shape the sector. This marginalisation has led to limited or no scientific interest among economists to produce a contemporary discourse about crafts in India. The logical connection of the sector to cultural industries are either misinterpreted or altogether ignored as not being relevant. There has been no effort to assess the institutional health of the system by understanding the values it produces. The following three cases will try to illustrate the culturalists perspective on crafts in producing the various semiotic relationships between the user and maker communities.

In the first case, we analyse the pre-industrial institution of Jajmani system. It was a system of providing patronage and this happened at both the level of Village appointing artisans for public works (however the positions were hereditary) and the second was individual families employing artisans for their work (also hereditary). The institutional feature of the jajmani relies on the caste system. The case further makes us ask the question, **what does it mean to be a good Jajman?** because the caste system has antagonistic traits and so trying to understand how a good Jajman might help us to minimise these negative institutional features.

The second case of the handloom sector in India is analysed by asking the question, **“Why does handloom survive in India”**. The analysis is done on the context of governmental intervention and its institutionalisation in the “co-operative system”. This is done in conjunction with a study of the powerloom in India which is the biggest threat to the handmade weaving sector. The case also claims that tradition plays a crucial role on the production and the consumption story in India. However, this does not reflect in any way on policies or initiatives. The case also illustrates the semiotic relationship between the user and maker communities through the various textile traditions of saris in producing praxes.

The third case is that of the Gandhian Idea of Swaraj and its impact in India.



#### 4.4.1 The 'Jajmani System'

To make the case for the Jajmani system, we need to understand what this preindustrial institution was and how it was a defining feature of production, consumption and co creation in Indian crafts. In tracing the origins of what *Jajmani* is, Mayer (1993) presents us with a multitude of sources which have, at various times, formed our understanding of what the system was in the Indian society. The earliest references to the term *Jajman* system was a modern interpretation of *Jajman* as a "patron". H.H Wilson (1968) in Mayer (1993) defines

*Jajmani* system as:

*"A person who employs and pays Brahmans for the performance of any solemn or religious ceremony; as it is not unusual for the relation between the employer and those employed to become hereditary, the latter come to regard the former as their pupils or clients, and claim as their right and due the fees that are to be paid on such occasions, although they should not perform the ceremonies: from religious, the term passed to very miscellaneous relations, and barbers, washermen and sweepers claim, in some parts of Hindustan, a prescriptive or hereditary right to be employed and paid by certain individuals, on whom they, therefore, style their Jajmans."*

Mayer further describes Wisner's account of the Jajmani system with the assertion that it was not universal and there where variations. In doing so, he proposed his minimalistic definition of the system as '*... system of hereditary obligations of payment and of occupational and ceremonial duties between two or more specific families of different castes in the same locality*'.

We must add the observations of Blunt (1931 ) and Wisner ( 1958) that these service relationships were seen to have characteristics of being a property and was saleable.

In proposing his definition for the Jajmani system, Mayer also alerts us to the fact that payment in kind is projected as the major characteristic of the Jajmani system and is most widely reported in great detail. He takes a different view by asserting that payment was not the defining characteristics of the Jajmani system. He further makes two claims in his paper stating that the Jajmani was not as universal as it is made out to be and also there exists a variation of the same throughout India. He proposes the idea of thinking along the lines of obligations of service and property rights.

Table 17: Various types of relationships

	No property right in service tenure	No property right in service tenure
General Obligations to all village cultivators	North Indian ‘Village servants’	Mirasi, Baluta
Dyadic obligation to specific patron families	Classical patron – client relationship	Jajmani
No obligation of service	Cash sale of service (Malnad)	

Source: Own elaboration of the author

He explains that the structure of production in the pre-industrial society in India consists of two levels or relationships. The first is that of the ‘village servants’. Mayer (Mayer, 1993) makes clear distinction between the ‘village servants’ as found in northern India as opposed to variations of the same in southern India. The key point of difference between the two is that in the north, the role of the ‘village servant’ did not come with a land grant however they both were similar in their service to the society.

To explain the concept and difference between ‘village servants’ and the Jajmani system Fukazawa (Fukazawa, 1972) explains it in terms that the village servants were ‘demiurgic’ while in the case of Jajmani as described by Wiser (1958) the relationship was more dyadic in nature.

The philosophical roots of the Jajmani system is derived from laws of *Manu* which defined and governed social and economics behaviour of Hindus through the institution of caste. The caste system was based on a vertical structure, in which the occupational functions for each caste and sub-caste were defined (1995)

#### 4.4.1.1 Jajmani as a system of patronage

The issue of patronage is an interesting aspect of the Jajmani system. In his study of traditional patronage systems, Kahane (1984 )

presents the role and significance of traditional patronage in the age of social change (or modernisation) through three illustrative cases, *Oyabun -kobun*, from Japan, the Jajmani system in India and the *Bapak-Anak Buah* system from Java. Kahane makes the proposition that traditional patronage systems, during the process of social change, lose their traditional nature and become more instrumental in nature. This sentiment is echoed by other authors (Cohen, 1977) , (Ramon, nd)

The stage for the analysis is set by Kahane (Kahane, 1984) by describing traditional patronage as “an institution based on a permanent diffusion pattern of unbalanced social exchange between the patron and client(s)”. He further make the following six propositions

- 1) They include both hierarchical and symmetrical elements, in other words, despite the dependence of the client on the patron, the latter also relies on the services provided by the former
- 2) They contain both quasi-sentimental and instrumental elements
- 3) They entail both an ascriptive and achievement-based relationships
- 4) Patronage combines primordial and functional patterns of division of labour
- 5) The relationship between patron and clients is a combination of unconditional-forced and conditional-voluntarist rules
- 6) Exchanges are based on both stable prices and some bargaining between patron and client

He illustrates them as attributes in the traditional patronage and the combination in patterns and degree forms the various systems of patronage. He proposes that each of the three examples has a specific combination of these attributes to produce systems and that makes them path dependent in their reaction when faced with social change.

Table 18: Systems of Patronage

Type of Patronage	Hypothesis	Name of the system
Hybrid or Syncretic	Fusion of antagonistic traits and institutionalisation of strain	The Oyabun-Kobun (Japan)
Differentiated	Antagonistic traits are differentiated	Jajmani (India)
Mixed	Antagonistic traits are randomly mixed	Bapak-Anak Buah (Java)

Source: Own elaboration of the author

The case of the Japanese *Oyabun-Kobun* is unique as this system of traditional patronage was used during the process of industrialisation in Japanese society. The rapid and successful economic development of Japan has been partially attributed to the Japanese ability to use various modifications of their traditional patronage systems to mobilise rural manpower for urban centres and to absorb it into modern industry (Taira, 1970)

It is an established fact that the patronage relationships (*Oyabun-Kobun*) (Taira, 1970) have been used in industry. However, there is no consensus on the reason why it has been used. Kahane (Kahane, 1984) presents his hypothesis that the reason why the Japanese could use the *Oyabun-Kobun* system was that the antagonising features between the various elements were institutionalised.

The *Oyabun-Kobun* system was fictive kinship (Schusky, 1974) or institutional ritual kinship (Ishino, 1953) where a superior patron adopted an inferior client as part of his family.

The *Oyabun-Kobun* relationship comes into being through one's occupational training and activities and carries social and personal implications, appearing symbolically at the critical movements in a man's life. Indeed, the *Oyabun* plays the role of the father, as the term suggests. It is by no means exceptional for the *Oyabun* to play a more key role than the father (Nakane, 1970)

Kahane (1984) further explains that the system was based on a combination of kinship and functional relationships between a master and his clients in which the former symbolised power and talent and assumed responsibility for the prosperity and continuity of the entire group.

The vertical relationship was mitigated by its sentimental diffused pattern, but reinforced by primordial basis of the authority system. Horizontally, the internal solidarity was based on the fusion of ascriptive, quasi-sentimental elements and functional interdependence. It was this fusion of different principles that made the system dynamic. (Nakane, 1970)

Various elements such as the oyabun's ability, his status and personal attraction, and the relative weakness of the Kobun, contribute to strengthening the relationship. Some Oyabun may have a broad range of oyabun, holding a significant influence and power, while others may have only a few kokun; or aman may not merit the term Oyabun, being no more than a senior (sempai) (Nakane, 1970)

Nakane further explains how the traditional basic family unit in Japan is centered around the oyakata, which included the extended family and adopted outsiders, an arrangement that provided a co-operative group for land cultivation. Its members included workers such as the nago (dependent agricultural labourers) and the hokoin (independent or wage labourers). Thus, the family comprised manpower that was both free-floating and tied in various ways to the oyakata (Nakane, 1970).

Hence with the Oyabun-Kobun, we further conclude that it was based on a combination of the vertical line of authority or seniority and quasi-sentimental aspects which connected members horizontally. (Nakane, 1970), (Kahane, 1984).

The fusion of these elements can be exemplified by the loose use of such terms as uncle, aunt, and older brother among non-kin. Such fusion was institutionalised through the norm of giri:

In its idealistic sense, giri is a humane feeling of obligation one feels or ought to feel in response to pure “blessing” bestowed on him by another person. This reciprocity is understood as being pure and without selfish intent, as springing from one’s self. Actually, it is assumed that a person rarely concedes or surrenders everything of himself. Thus, a kind act invites a reciprocal and quid pro quo recognition of a legitimate residuum or self-interest in the actor himself although the relationship may be imbalanced. Still, it is clear that the primary ethical legitimation in giri relations is drawn directly from a traditional idealistic view of true and humane feelings (Najita, 1974 )

*Giri*, Kahane claims, becomes the norm through which sentiments were institutionalised and converted into symmetrical relationships based on a balanced reciprocal exchange pattern. This giri relationship, was part of the household which “encompassed political, blood relationships and economics ..... perpetuated political status and territory, assured genealogical continuity and thus consistency in social status, and minimised the dispersion of available wealth “(Najita, 1974).

In conclusion Kahane, presents the Oyabun-Kobun system to be fused with four major contradictions:

- 1) Sentimental and instrumental aspects
- 2) Conjugal and functional relationships
- 3) Hierarchical and symmetrical relationships
- 4) Conditional and unconditional obligations

He further states that the system contains an institutional mechanism that bridges the contradictions. This ability to bridge the antagonistic codes may explain why a modified traditional system was adopted in Japan in order to mobilise manpower and labour commitments in industrialisation.

When it comes to the case of the Jajmani system of patronage, it has not been adopted either in the process of industrialisation or modern politics. The hypothesis presented for this case is that **the system contained antagonistic elements which are structured in a differential way with no preference of order among them.** Such a structure prevents the system from being used to link tradition and modernity.

**The system is based on an inherited horizontal pattern of division of labour combined with a vertically stratified status system, and is institutionalised in an altruistic framework legitimated by transcendental belief in transmigration.**

So, the Jajmani system in its traditional form consisted of:

- 1) A personal relationship based on a functional division of labour
- 2) Inherited allocated role and vocational expertise
- 3) Ritual customary regulation of exchange between patron and client
- 4) The diffusion of an obligatory system of relationships

The unique feature of the *jajmani* system is that patrons had a differentiated relationship with their clients because each client provided a specific service. Thus, the institution was paradoxically based on personal, diffused relationships between specialists and hence connected castes (not only individuals and families), and the ties between castes were based on almost monopolistic division of labour in which occupation was inherited from generation to generation.

Kahane (1984 ) further identifies that the jajmani system was composed of actors performing two types of hierarchically connected roles

- 1) The *Jajman*, an individual or family receiving a service
- 2) The *Kamin*, an individual carrying out such a service (Beidelman, 1959)

While the position of the Jajman was superior both in the symbolic and functional terms, it was also mitigated by his obligation to his clients. The obligations were the balancing factors in the relationship and made the relationship between the Jajman and the kamin more reciprocal. As reciprocity increased, the legitimacy of the patron was established. In general, the reciprocal – obligatory nature of jajmani system lessened the possibility that a patron would exploit his client and there by allowed a greater sense of justice that might be expected in such a system and increased its legitimacy.

The decline of the Jajmani system is attributed to the following causes with the social change brought about with the advent of the British in India.

- 1) The first was the inclusion of the Jati (Tribes) into the *varna system* which ended up diluting the strength and capacity of the *kamin* as there was suddenly a surplus of *kamin* in the system and not enough Jajman.
- 2) Beidelman (1959) also attributes the rise in the population as a contributing factor that aided the decline. The increased quantity of the Kamin manpower over and above the increase in occupational opportunities weakened the system (Kahane, 1984).

However, the decline in the system also led to a more fluid relationship between employer and employees. Lack of the institutional obligation common to the traditional system reduces their bargaining power to the extent that the jajmans were able to use Kamin services in a more exploitative and less obligatory fashion.

In conclusion Kahane (1984) presents the jajmani system as a differential, collective, often impersonally oriented pattern of patronage, in which the relationship between patron and client is relatively partial and specific and depends on particularistic, primordial – occupational division of labour. This type of relationship, he claims, minimises both emotional involvement and the scope of exchange between patrons and clients belonging to different *jatis*.

#### 4.4.1.2 What do we learn from this?

From analysing the Jajmani system, we can position it as a pre industrial institution that produced societal, social and personal goods. The semiotic relationships between the makers and the user's communities makes those who participate in the system realise values (through societal, social and personal goods).

However, as stated by Kahane, (1984) the relationship is conditioned by various vertical, horizontal relationships with power dynamics. The differentiated nature of the antagonising traits along with the obligations of being a good “*Jajman*” is also experienced in the Japanese system and the idea of being a good “*oyakata*” takes shape. In both cases, reciprocity between the users and the maker is strong and in the case of *oyanban* and *koban* is articulated in the notion of *giri*. This helps us to get an idea of what the ideal can be.



It alerts us to the idea that every system has its own way of ordering and structuring the maker community's relationship with the user communities and values are realised in the social and societal goods that add meaning and value to the relationship. However, we must be aware that values can be both positive and negative. Hence, when the systems produce the characteristics of being a bad *jajman* or a *oyaban* with the realisation of negative values, the semiotic relationship between the communities gets strained leading to an eventual breakdown of the systems.

The understanding of both the systems also makes us aware that the power dynamics between the maker and user communities is uneven and unbalanced and produces a feeling of “**essential tension**” in the semiotic relationship and this remains unresolved.

#### 4.4.2 Why does the handloom exist in India?

Tirthankar Roy (1997 ) offers two possible explanations for the continued survival of handlooms in India. The first is the demand for traditional garments and the second is government policies that are sympathetic towards handlooms.

The demand for the traditional garments has a socio – cultural attribute and will be approached a little later. However, the rational / policy assumptions of the government to intervene in the sector is a subject that we will attempt to contextualise. Srinivas (2008) claims that Post–independence India's handloom policy was based around craft and weaving traditions and the second was the fact that craft production could reduce high rural unemployment (Brijbhushan, 2003) (Mukund, 2001 )

##### 4.4.2.1 Institutionalisation of handloom policy

As stated before, the intervention in the handloom sector were based on two policy assumptions

- 1) It was part of our national Identity
- 2) Crafts production could reduce high rural unemployment

The focus of the time, during the early years with Kamladevi Chattopadhyaya was to establish the handicrafts sector in India as a “viable and legitimate” sector. It was envisaged that the labour intensive occupation such as weaving and handicrafts could be the basis for a significant village based economy (Brijbhushan, 2003). The idea was that the weaver remained in the villages, self-employed, self-reliant, but to ensure demand crafts products would have to combine two features: a traditional aesthetic and utility for the end user.

Srinivas (2008) claims that the resulting policy based on the assumptions stated above produced a range of “regionally distinctive products and textile patterns and designs, intended for urban demand, enhancing their utility for specific consumer uses - without losing their basic integrity or material”. The idea was to meld craft traditions with urban utility, anti-aesthetic with end users in the urban areas.

The development of Co-operative societies emerged as a new institution that worked as an implementation mechanism for the policies brought about by government. The co-operatives worked and established a system governed by elected boards with member that served and assisted the crafts communities. They served the job of being the source of learning for new textile trends, patterns and designs and a link to the market. At the same time, government-owned sales outlets were started in urban areas to sell crafts products.

The mid 1960s saw the institutionalisation of the handloom policy with weaving cooperatives and federations enjoying exclusive contracts to supply government-owned emporia catering to urban consumers. The system was set in a manner by which contracts, subsidies and resources were channeled from federations to cooperatives to weaver communities and in turn, weavers channeled from federations to sales outlets. This institutional system offered political benefits to the state governments. The system was attractive, distributing subsidies and loans in return for a stable votebank. Politicians lobbied for their constituents, government-run banks, educational institutes, retailers and training institutes to accommodate such pressures. The co-operatives also served as good testing grounds for political candidates who could be vetted for office. This patronage relationship encouraged both sides largely to ignore issues of economic performance and organisational autonomy and this has been cited as one of the pitfalls of this new institutional system (Mukund, 2001) (Srinivas, 2008). While the intent of the system was to provide for a viable institutional framework, it soon declined into a political system rather than being what it was intended for - a viable market-based production.

The presumption throughout these interventionist policies and the resulting institutional system was that urban demand for handloom has to be actively created and that it was so modest it required little segmentation. As a result, weaver cooperatives lacked sensitivity to the many product segmentations for handloom textiles that emerged throughout the 1990s.

#### 4.4.2.2 The Role of Tradition in the survival of the handloom

The handloom sector in India owes its existence to the traditional garment of the Sari. It is considering to be a class 1 fabric and this segment sees major dominance of the Handloom sector over the power loom or Mill.

The relationship of Indians with their fabrics and textile is not just about clothing but it goes many levels deeper. The social and cultural significance of the sari is the key to understanding the relationship of India and its handloom sector.

The historical narrative of the sari reflects the role and participation of Indian women in the social and political life on this sub-continent. What is interesting to note is the fact that this historical narrative exists today and still plays a key role in shaping the development of the handloom sector in India. To understand the current situation of the sari in Indian society, the following statement is useful for us to consider as it helps us to peel away the various layers that go into understanding the social and cultural significance of the handwoven textile of the sari,

*“.....Current trends reveal that the handwoven sari is being worn less and less by the younger generation of women. This trend could have serious implications for the sociocultural identity of Indian woman, not to speak of the uncertain economic prospects it signals for a large number of handloom weavers in rural India.”* (Katiyar, 2009, p. 15)

The author, Vijai Singh Katiyar (2009) furthers his concern by stating that the sari is not just about the production of the textile as great skill is also involved in learning how to wear it. His research comes with the warning that if the current trends continue, then a lot of skills that have been inherited both in the maker communities (in terms of the vast aesthetic and technical investments made by the weaving communities to interpret women's needs for adornment and cultural identity and the source of creative energy to develop textile designs) and user community (in understanding the sophisticated skills required in its designing, weaving and draping) will be lost.

He further points out that the current policy trend that looks at product design and development for saris to be governed purely by market forces is a fallacy. He elaborates that such an attempt ignores the historical narrative of the sari and the social and cultural forces that have shaped it.

Another dimension about the relationship between Indian women and their sari is given by Vinay Bahl (2005) who identifies traditional garments like the sari to reflect social and societal values that are culturally motivated. His research, which focuses on understanding the impact of modernity on the perception of women's clothing, provides us with the historical context within which we find the narrative of saris and women in India today.

The view that is presented that all that is native is "backward" and all that is western is "progressive" puts the image of an Indian women wearing a sari in question. The pressure that is exerted on her is always a negotiation for herself to find her image and identity within the social realm where she is increasingly participating as more women join the work force. The question is, how do these societal, social and cultural embedded processes shape the historical narrative of the sari as this will help us understand where we are today.

The relationship between Indians and their hand-woven textile is very much ingrained in their association with caste, communities and the notions of what is acceptable and normative within the biradiri / samaj. To this end, what people wore in India was, and still is, a visual indicator of your social status and which particular group you belong to. This can be seen in the research done by Lisa Trivedi who informs us of such a relationship:

*"cloth and clothing in South Asia had communicated a variety of social messages, ranging from community identification to political deference "* (Trivedi, 2007, p. XVII)

What is also interesting to note is that the British were alert to this connection of the Indians with their fabrics, native costumes and other such visual symbols? The work of J. Forbes Watson, *The Textile Manufactures and the costumes of the people of India* pointed out that with the heterogeneous styles in its clothing, she (India) could not be conceived as a single people or nation. As part of the colonial enterprise, the introduction of the western modes of dressing was seen as a means of unifying the Indian people under the economic, material and moral hegemony of the empire.

The western clothing, thought and thinking was portrayed as being modern and superior and the intention was to break with the rhetoric of cloth and clothing in pre-colonial India. Western clothing was soon associated with Crown and the promise of western progress.

Bhal (Bahl, 2005, p. 89) alerts us to the fact that change in the perception of clothing was attributed to the Indians interaction with the colonial forces and the British rhetoric to civilise the world through Victorian values. The clash of western ideas and Indian society can be seen in the case of Travancore where the caste distinction among women was maintained through their attire (sari).

*“..... some Indian religious documents provide a clear stipulation for women to wear clothes according to their 'caste/class' and marital status. One Sanskrit manual, titled The Guide to Religious Status and Duties of Women, which was written between 600 and 400 BCE and later compiled in 1720-1780<sup>61</sup>, stated that married women (and not widows) of higher status should wear a bodice. Women of the middle strata should wear no bodice but should cover their breasts with the loose end of the sari. Women of lower status should leave the breast uncovered”*

(Bahl, 2005, p. 86)

The entry of the Christian evangelicals in this southern region of India led to unrest within the representation of social hierarchy within women. It was challenged when the lower castes started wearing breast cloth. The reaction to this in the upper castes was that it led to changes in their attire by the addition of European accessories to their Indian dress to maintain visual markers and distinction of their social status.

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<sup>61</sup> Bahl presents this evidence from his research from the case of The breast-cloth controversy: Caste consciousness and social change in southern Travancore by R.L. Hardgrave (Hardgrave Jr, 1968)

Yet another fascinating case that added to the historical narrative of the sari in India is found in the National Movement. It happened in the context of trying to unify the nation through the construction of the National dress. This need for a national dress was necessary especially in the case of women's clothing as they presented two problems:

- It was difficult to construct a sense of national identity and solidarity among the people of India who looked so heterogeneous.
- It was important to provide a costume, attire that would be socially and culturally acceptable within the constructs of visual representation<sup>62</sup> that would allow middle class and upper middle class women to participate in the nationalistic movement.

The solution was found in working out a new costume which was made adapting the Victorian dress and now included high neck, long-sleeved blouse, petticoat and long chemise with the sari draped over it. What this now meant was that the production of saris would have? An additional four yards for the blouse and petticoat. This also helped maintain the class status of upper middle/ middle class women in society as peasant and tribal women could ill-afford such luxuries and they stuck to what they had been wearing in the past.

However, what this enabled was remarkable. This new representation of the sari became the face of the modest sari – clad middle class women “Hindu Indian National identity”. This image enabled women in India to move into the social / public realm of India's struggle for independence without breaking the normative restrictions that caste based attire had imposed. This image was further embellished with the use of Khadi being adopted as the preferred textile for the representation of national solidarity and unity and the women wearing khadi sari was the image of women's participation in the freedom movement. This image of the modest sari-clad middle class women also became the image of Indian women and can also be seen in the representation of Indian women during international sporting events such as the Olympics, or the uniform of the Air hostesses on India's national airline carrier, Air India. The central point of the argument that I want to bring to bear is the fact that not only is the process of production of the sari in India heavily dependent on castes and communities, but also consumption. Therefore, the process of production and consumption of the handloom in India is a socially and culturally imbedded process. (Just as the value added approach would point out)

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<sup>62</sup> This was already a topic of heated debate among the various preformationists and conservatives within the Bengali intelligentsia.

## 4.5 Swadeshi and Khadi

India's struggle for independence from the British was yet another story in the historical narrative of India where the handloom played an important role. As hinted in the case of the sari, the heterogeneity of India was a challenge. It impeded the construction of national unity. India it seems is a nation with a diversity of castes, communities and religions living together in a 'forest of symbols' (Gonsalves, 2010, p. X ). The aptitude of Indians to respond to visual symbols to elicit group solidarity through costumes and attire was recognised by the leaders of the freedom movement and made them think about a national costume that could embody the spirit of the nationalist movement.

Two things resulted from this call for unification of over 383<sup>63</sup> million people under the banner of national identity and solidarity through clothing. The first was the Swadeshi Movement<sup>64</sup> (which provided the moral high ground against the British in terms of thought by following the principles as laid down by Gandhi<sup>65</sup> ). The second was the adoption of *Khadi* as the means to achieve this visual unification.

The success of the Swadeshi movement was supposed to lead towards Home Rule and provided an alternative model to industrialisation, however, neither happened. The two enduring images that came out of this process were Khadi as a clothing and the flag of Indian National Congress cementing the idea of Khadi as the symbolic representation of patriotism and visual representation of politicians even today.

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<sup>63</sup> Based on the 1940's census release by government of India. (Gonsalves, 2010, p. xxii)

<sup>64</sup> This was a social movement that had economic and political undertones. The central idea of the campaign was to deny a market for foreign made goods by promoting local production and consumption through autonomy and self – sufficiency using the resources that were available in one's own country.

<sup>65</sup> Gandhi was deeply influenced by the reading of Leo Tolstoy and John Ruskin (Trivedi, 2007, p. 5)

#### 4.6 So what is important to me and what do I care about ?

In my investigation of the crafts sector in this chapter I have examined the role and significance of the institutional feature of caste and communities. The idea of what is normative in such a society with the notion of samaj / biradiri was yet another sub-theme that I uncovered.

Questioning the argument which sees development as linear and presupposes that modernity comes at the cost of traditions is challenged by activists like Urzamma. Her idea resonates with me even though I am perplexed by the rhetoric of others that I have investigated in previous chapters.

What is striking for me is that the idea of Shreni / guild seems to have been lost in contemporary policy conversation. The object of the policy conversation is developing markets and increasing income as a means to raising the standard of living of the artisans and it lacks a focus on the social and cultural relevance of a flourishing crafts sector

At this point, I am forced to ask questions which I hope the application of the cultural economic perspective in the next chapter will try to answer. For instance, how do we understand tradition within the context of craft, and community (in the broader sense)? How can we promote the quality of the semiotic relationship between the three groups?:

- Within the maker communities
- Between the user and maker communities
- Within the user communities

The problem with the policy objectives of the government is the singular focus on the market and the valorisation just in terms of prices, income, profit and GDP. In such a conversation it is both difficult to articulate values that are being realised in plural terms, including social and cultural and other symbolic values. Also, the vocabulary of standard economics is limited for such an exercise to articulate what other things are important to me other than the price of the object.



For instance, pre-industrial systems like the Jajmani system are just understood as systems of patronage. However, I view it as a mechanism of the crafts sector in India as through which various castes and communities worked together to provide for the needs of the society by exchanging various values. While the system came with a hierarchy of relationships, it also came with obligations to be just and act with equity. However, the antagonistic traits of the system created an imbalance with the system becoming exploitative over a period of time. The system, though not perfect, was important as it created an environment where various castes could work together to form a society that was interdependent and relied on each other through the exchange of various non-monetary values. While equity, within the Jajmani system is an issue, it is important to recognise that the current reductionism of the market logic also creates its own set of problems as explained in the second chapter as there is no equity in the value chain model for crafts. However, what I do find useful is to ask ourselves the question what it means to be a good patron (a good jajman is one who is not antagonistic) which is indicative of being more participative than just being a consumer.

It seems that this chapter uncovers a lot of interesting insights about the nature of crafts in India in terms of its social and societal significance. However, questions still remain as to why these reflections are not part of the economic conversation. What new insights can be had if we can make way for such reflections in to the economic conversation, will it change our understanding of the crafts sector or would the picture still be the same? So far we have seen that the application of the standard economic principles in the second chapter gave us an idea of what the crafts sector in India is about, along with some paradoxes. The current chapter adds yet another dimension to this conversation. What is interesting to point out is that, what seems important to me is not part of the standard economic conversation about the economics of crafts as the focus in such conversation is, demand, supply, market, price, competition and efficiency. For instance, my understanding of the role of tradition in the survival of the handloom sector in India is a good example of this. There a cultural and social conversation that participation in the production and consumption of handloom has that is difficult to quantify. The risk is, that if we do not find a way to bridge this gap and find a way to make our learning from the culturalists useful, we might have an incomplete world view.

In the next chapter I will attempt to find a way out of the current quagmire of incomplete pictures and paradoxes. The application of an alternative perspective such as the value-based method for economics seems to provide a way out for such an analysis.

## Chapter 5: New Economic Lenses for Crafts

### 5.1 Introduction

#### 5.1.1 Characterising the Problem

In the previous chapters we tried to make sense of the world of crafts using various lenses.

We got alerted to the fact that the crafts sector is in-between two framings<sup>66</sup>

- The Heritage framing
- The Creative industries framing

We explored the crafts sector to try and understand its role and significance in the modern world. For this we first applied the lenses of standard economics which comes with certain 5.1

- Rational choice along with profit and utility maximisation as the basis for economic decision making
- The market is the best allocator of resources and is governed by demand, supply, price and competition
- Industrialisation is the best way forward for economies to develop
- Labour in lagging sectors (e.g. Crafts as a traditional sector) would be re-deployed into more productive sectors of the economy.
- The rise in income and consumerism are desirable effects of an industrial policy
- Public and private goods are the important goods that are produced for consumption

When we applied the market logic to the crafts sector in the second chapter we saw that it leads to several paradoxes. To try and find solutions to these paradoxes we have tried to change our lenses yet again and try to make sense of the world of crafts through the eyes of the culturalists.

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<sup>66</sup> Each of these framings produces its own sets of rhetoric's which tries to grab the attention of the government for the appropriate policies that would enable the continuity of the sector. The idea of success of such policies is seen in developing and maintaining markets for crafts goods. In such a world view, the valorisation of crafts is understood in the production and consumption of crafts goods at a price that is determined by market logic. It assumes all the underlying assumptions of the standard economic thinking where rational choice, demand, supply, competition and efficiency is understood to be normative. The hallmark of such a world is the prevalence of a conversation around a market for private goods where these principles of standard economic thinking can be applied. However, in the case of a market failure, crafts is approached as a matter of public policy.

What became apparent in the fourth chapter is that the production and consumption of crafts in India is **socially and culturally embedded**. What this means is that we are in need of alternative perspectives i.e. other heterodox school of economics that can accommodate this embeddedness of crafts.

To find the appropriate means to understand the crafts sector, we will have to question some of the basic assumptions of economics and their impact on the market and society and see what the value-based approach will do for us to make sense of the world of crafts.

The underlying theme of the current chapter is to change our economic lenses with that of the cultural economic perspective and specifically of the value-based approach.

We are in an age where we are introspecting about the nature of capitalism which has come about post the 2007- 2008 financial meltdown. Ideas such as globalisation, neo-liberalism, free markets and so on have come to be questioned. This event in the economic and social history of the world has had an impact on us. We now question if the promise of the capitalistic utopia has its limits. I investigate this situation from the view on how we understand **what is important to us** in the backdrop of economies chasing the promise of the capitalistic utopia and standard economic thinking as the means to achieving it.

### 5.1.2 Some Clarification

At this point, I think I have to make some clarifications. One is a confession and the other is plea.

The confession is that even though I am writing my thesis on the economics of intangible cultural heritage my initial training and understanding of economics was standard. I have a bachelor's degree in heritage management and a Master in Business Administration in the field of Tourism and Hospitality. In many ways my initial understanding of economics is, what I figured out later to be, an orthodox representation of it.

The definition given by Robins which I presented in the third chapter is how economists make us understand the world. Scarcity and rational choice. This is how we are conditioned to understand the economic world for those of us that do not go through the crucible of graduate school and acquire a degree in economics. Those, however, who do go through this crucible are exposed to the finer points, nuances and rhetoric of their respective schools of economics.

In my case, when I embarked on my research to find a way to understand the economic aspects of intangible cultural heritage, I approached the topic from my business education which was based on standard economics. The ideas of demand, supply and competition led me to have a narrow, reductionists understanding of valorising culture in terms of price and profit.

However, my experience of the crucible of my graduate school experience at the Erasmus School of History culture and Communication came at the time when the world was dealing with two economic crises simultaneously. One was the aftermath of the financial meltdown of 2007-2008 and the second was the euro crisis. Each of these incidences have been formative in getting me to explore the various schools of economics to the best of my ability, to make sense of the world.

It was at this point during my graduate school experience that my supervisor Arjo Klamer who like others was also trying to make sense of what is happening in the world started to work on the value-based method as a framing that could help with the process. It resulted in a draft production of the theory which give us new lenses in late 2011.

During this time, I was also fortunate to be part of the Centre for research in Arts and Economics (CREARE). The school titled, value of culture, was a programme that we had been successfully running in Amsterdam and other parts of the world (Uganda, Italy and India) which brought researchers and practitioners together to discuss and work on contemporary issues in the field of arts and culture. This was the fertile grounds in which we (Prof. Klamer's graduate students) and Prof. Klamer worked out the latest issues that the new approach of value-based method had to offer in solving the problems that the participants of the programme brought with them.

Klamer's thesis on the value-based method for economics came out in the form of a book in the summer of 2016 with the Title of "Doing *the Right thing*". In this book he laid out the framework and foundations of this new school of thought. These experiences with the value-based method during my search for the appropriate lenses to make sense of the economics of intangible cultural heritage provided me with the grounding and basis for my economic approach.

The plea that I would like to make at this point is that while standard economic thinking is a useful way of thinking about public and private goods, it does not do a very good job in approaching the economics of shared and common goods. For the task in hand, i.e. to figure out what the economics of intangible culture heritage with the case of crafts in India is, it might be worth considering this nascent new school of the value-based approach for economics as it seems to be more appropriate for the task. However, I am well aware of the fact that the theory can be difficult for those entrenched in the orthodoxy but I plead with them to bear with me as I try make sense of the production and consumption of crafts which is imbedded in social and cultural life in India.

## 5.2 Is the market free?

Before graduate school, I understood the market to be the efficient allocator of resources where the forces of demand and supply regulated the consumption of goods and services by way of the price. The entrepreneur was a central figure in this story and he / she was responsible for operationalising land, labour and capital to produce goods, and was responsible for making a profit. After all, this was the crux of my business education and was purely based on the idea of standard economics and its assumptions even, the entrepreneur is absent in the classical economic account.

In the era before the 2008 financial meltdown, capitalism<sup>67</sup> was understood as private property, free labour and the self-regulating market. More than anything else, it was understood to be the greatest opposition to socialism and communism of the then U.S.S.R. This opposition to the U.S.S.R was built on competing models of how to organise society and the economy to reach an utopian state. Of these, it was the ideology of the capitalistic utopia that succeeded over the soviet model, leading to the collapse of the latter in 1991. It seemed that capitalism had prevailed and the utopia that it promised was forthcoming. Two decades later, we are now questioning this promise

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<sup>67</sup> An economic and political system in which a country's trade and industry are controlled by private owners for profit, rather than by the state.

What is also worth considering is that, while the idea of capitalism precedes socialism and the soviet experiment, the means to economic prosperity have been a subject of intense battle among economists. While the post second world war era belonged to the Keynesians,<sup>68</sup> (Jahan, 2014, p. 54), the advent of the Republican government of Ronald Regan in the United States and conservative government of Margaret Thatcher in the U.K brought the ideas of the Milton Freedmen and the teachings of Hayek to the forefront (Feldman, 2004, p. xii). This established the **free market economics and its ideology as the image of capitalism**. The various traumas of the last two decades<sup>69</sup> have led to a resurgence in a conversation over the meaning of capitalism and indeed what kind of capitalism<sup>70</sup> we want. In such a time, the work of Polanyi (Polyani, 1945) entitled the *great transformation* is being revisited to understand and re-interpret the world.

Polanyi criticizes some of the fundamentals of economic beliefs of free market economics. Block (Block, 2014, p. 8) gives a good summary of the propositions made by Polanyi and it starts with the idea that

- 1) Markets are important<sup>71</sup> but they have the potential also to fundamentally threaten human freedom and collective good. What one needs to understand is that the most important things that make life possible are not produced to be sold on the market.
- 2) He therefore warns us against the habit of trying to create market mechanisms where they should not be.
- 3) He further states that **necessities of social life** have to be protected from the market by the **social and political institutions** by considering them as **rights rather than commodities**.
- 4) On the issue of the idea of free markets, Polanyi rejects it by saying that human economy is **embedded in society**, everywhere and at all times. This is further qualified by the idea that free markets consist of cultural understanding, shared values, legal rules

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<sup>68</sup> The paper of John Maynard Keynes, titled *Economic Possibilities for our Grandchildren* in 1930 gave a glimpse of what the world would be like after a 100 years of capitalism. The world of the future as Keynes predicted was, to say the least, the promise of the capitalistic Utopia. (Keynes, 1933)

<sup>69</sup> A multitude of political and economic crises

<sup>70</sup> Authors like Block (Block, 2014, p. 3) have stated that, in its current form, capitalism is under the extra ordinary influence of free market ideas. He alerts us to the fact that while there is agreement that market de-regulation has paved the way for the economic crises of Sub- Prime mortgage, the name for this project for dismantling regulations is still in dispute and has many synonymy's such as "Neoliberalism", "Laissez- faire", "free market ideology" while Block proposes the use of the terms "market fundamentalism"

<sup>71</sup> As they allow for the exercise of human choice

and a wide range of governmental actions that enable it to function and so, it (the market) does not exist as an independent entity.

- 5) Therefore in the Polanyi conception of an embedded market economy, markets are organised through political and social practices.

Polanyi also talked about rationalism / self-interest where he sees it as being a very specific construction that applies to the form of market society that emerged in the western world in the early modern period.

Market behaviour came to replace other forms of motivation within European society in this period, and individuals came to act more and more based on a calculation of self-interest. However, Polanyi holds that this form of behaviour, like the economic institutions of the market within which it emerged, is highly specific to that time and place. To make use of this model of action as though it were a universal feature and determinant of human behavior is unjustified. (Polanyi, 1945, pp. 44-43)

The double movement that the industrial revolution brought about in society was the core theme of Polanyi's book. It talked about the movement of people, transitioning into the industrial revolution and its effects thereafter. The double movement itself was exposing the internal contradiction of the capitalist system, which took the people off the land and provided them with wages. The other side of the story was the fact that the people realised that this was going to be difficult i.e. moving from living off the land to living off a wage.

In the pre-industrial era, people primarily lived in three ways which included **house holding, reciprocity and redistribution** (Hodgson, 2017, p. 8). Household meant that people had land to live on, some livestock and some sort of a vocation. Most of the things were accomplished through having a good relationship with those around you and the sense of reciprocity made for the construction of a **good community living**. As the people lived in such communities, they were also under a squire or a king or a bishop who, from time to time, used to collect from the communities.

What we should consider from our reflection on Polanyi are the following.

- 1) The identification of the market as being historically specific and that markets themselves show substantial variation across time and space. This enables us to question the purpose of market as it exists today by asking the question what is it arranged /organized around?

- **We the society or accumulation, consumption and profit**

- 2) The second assertion that one infers from his thesis is about “human nature “he is dismissive of the idea that self-interest as a fundamental human motivation. On the contrary, Polanyi maintains, this social psychology of “possessive individualism” ...is itself a very specific historical product — not a permanent feature of human nature. In fact, Polanyi goes a step further and argues that the “social motivations” are more fundamental than rational self-interest. (Little, 2009)

Polanyi's guiding intuition seems to believe that social behaviour is influenced by more than simple self-interest, and human institutions are more varied than the vocabulary of the market. Human deliberativeness and purposiveness goes beyond self-interest; it includes a broad range of "social" motivations and emotions.

This is also Amartya Sen's central conclusion in “*Rational Fools*” as well, and it is surely correct that “**The purely rational economic man is indeed close to being a *social moron*”** (Sen, 1977, p. 336). The key insight from Polanyi is that the **market is embedded in society and that is something economists and policy makers should consider.**

The embeddedness of the market allows me to start to reflect on crafts in ways that would not have been otherwise possible in the realm of standard economics.

To start with, it now becomes possible to think about crafts in the lines of

- 1) One of the **necessities** of social life as it seems that they produce praxes and shared meanings
- 2) That there is a need to protect crafts and not just seek market solutions as a means to keeping it alive.



### 5.3 About a new framing

As mentioned before, the period between 2010 and 2013 was a time when I was working on the theoretical means to understand the economics aspects of crafts and intangible cultural heritage. However, what one also needs to understand is that this was also a period where there was a rigorous debate in the field of economics to re-visit some of its assumptions and this produced an environment that was very conducive for my research.

My reading of Polanyi netted me with the idea that markets are socially embedded, however, there were other questions that still lingered on. It was around mid-2011 that I received yet another insight that would help me in trying to understand what this social embeddedness of the market means by attending a lecture at the Vrije University, Amsterdam given by Deirdre McCloskey.

McCloskey is defensive of capitalism, and to that extent, differs from Polanyi; however, the point of convergence between the two comes with her thesis against rationalism and also about economists dependence on quantities and proofs<sup>72</sup>.

What was interesting about the argument was her attempt to make us think in broader terms than self-interest as a motivator of economic behaviour. She does so when she attacks standard economic for its reductionist nature of explaining prudence from its **original phronesis (practical wisdom / good judgement)** to that of understanding it as a calculus of pleasure and pain (**utility**). Second, she defends the bourgeois from the unfavourable view of the “clerisy<sup>73</sup>” with regards to the commerce that they engage in. (Jönsson, 2007)

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<sup>72</sup> This is that part where I think about Polanyi and McCloskey have a point of agreement between them, where she say’s “That economics must in many cases include the “S” variable of sociology if it is to get the "P" variables of Prudence and Price quantitatively right”. (McCloskey, 1997, p. 486)

<sup>73</sup> A distinct class of learned or literary people.

In her thesis, she makes a case for capitalism and points out its benefits which have been championing and attending to the virtues of the bourgeois. In that sense, what she proposes is that success of capitalism depends on its ability to foster virtues. Therefore, she proposes that for a full and flourishing life, one must strive to come true in fulfilling all seven bourgeois virtues of (McCloskey, 2010):

- 1) Prudence (know-how, foresight, phronesis)
- 2) Temperance (individual balance and restraint, humility)
- 3) Faith (identity, integrity, loyalty, honesty)
- 4) Hope (optimism, entrepreneurship)
- 5) Love (benevolence, friendship, agape)
- 6) Justice (social balance and honesty)
- 7) Courage (autonomy, daring, endurance)

It was around the end of 2012 that I had the next great insight which helped me with my theoretical approach to crafts. It came in the form of a winter school in cultural economics that I organised in Mumbai, India. It was insightful as Klammer presented his first draft of the Value-based approach for economics during that winter school.

Klammer characterised standard economics as being primarily concerned with the allocation of resources that are scarce. Policy makers and planners modelling the economy in terms of equations are obsessed with the need for proof and measurement<sup>74</sup>. It is a world that is convinced about the idea of the supremacy of the market which we can see in pervasiveness of neo-liberalism.

Furthermore, policy advocacy for globalisation<sup>75</sup> conceives the world as a village and as an interconnected market. Instrumentalist reasoning sets the expansion of the middle class as a development goal by the policy planners where increase in the purchase power of the middle class is what is required to keep the economy growing.

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<sup>74</sup> Klammer further alerts us to the modernist-positivist approach to science of economics which is obsessed with proof and quantitative measurement which authors like McCloskey have summed up as “..... A tragedy of a failed science, that needs to start again” (McCloskey, 1997, p. 486).

<sup>75</sup> The advocates of the globalisation movement sought to free the markets by connecting them

In this situation, we understand the purpose of the market is for accumulation, consumption and profit. The globalised economy was supposed to be about free movement of capital, people and ideas. Of this, while the markets and capital to service them have become more interconnected, the **movement of people and ideas has not**.

Klamer states the other assumptions which I have also listed at the beginning of the chapter. The first is that individuals are rational decision makers<sup>76</sup>. The distinctions between production, consumption and distribution are clear. Individuals therefore operate in a market for private and collective goods where the goal is maximisation of utility, profit, growth, provision of welfare (as policy outcome). In addition, the economy / market is considered autonomous.

To visualise this world, Klamer further tries to divide it into five logics. However, not all the logics are active. The logic of the market<sup>77</sup> and that of the government are most dominant of all the four logics. Of the two, the logic of the market seems to be the most dominant. This I question. The governmental logic has also succumbed to use this logic (where terms like efficiency and maximisation of welfare and growth in terms of G.D.P is the goal) in Neo-liberalism. G logic is dominant, when you think of organisations. M logic is used by people in G, but that does not make it dominant.

The other two logics, the logic of the social and that of the Oikos<sup>78</sup> are muted in economics. The foundations of the value-based approach, therefore, is to try and understand economics from the point of view of society and the Oikos. This is the part of the conversation that is missing in the contemporary discourse of economics.

The value-based method tries to humanise economics by trying to break from the instrumentalist reasoning of standard economics. It positions itself with the intent of being more substantive in its reasoning.

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<sup>76</sup> Like Klamer, Polanyi and McCloskey disputed that

<sup>77</sup> This logic is summed up in the paragraph above

<sup>78</sup> Greek for Home

As opposed to allocation of scarce resources, Klammer proposes the “**realisation of values**” as being the focus of his economic thought. This approach to economics relies on substantive reasoning and has an edifying and therapeutic nature. It achieves this ability by being substantive and edifying as it relies on people practising **phronesis (practical wisdom / good judgement)** in arriving at their decision rather than the assumptions of rational choice.

What makes the value-based approach for economics unique is the fact that it thinks about economics from a more holistic manner. What this means is that it tries to think from the point of view of the market being embedded and not as a separate entity.

In this re- imagination of economics, the realisation of values plays a role where the Oikos (Home) plays an important role as this is the place where we get our values from. As a matter of fact, Klammer uses home as a metaphor for various kinds of values. They are taught and practiced in the society. They, in turn, form the idea of what are the normative values within that society.

While Polanyi talked about the market being embedded in society and McCloskey attributes a flourishing life of an individual to that of the bourgeois virtues, Klammer proposes to us that all four logics (government, market, society and Oikos) are embedded in Culture. Therefore, Klammer’s value-based approach stands in opposition to the ideas of the markets being free and autonomous and adds culture as the fifth sphere that influences our decisions.

This move brings about certain benefits. The first is that Society and Oikos can now be brought into the economic conversation. The market is not limited to just production, and consumption but its more about co-creation of a shared meaning. This process of co-creation produces a whole range of goods through which people try to achieve their values. More often than not, these goods are experienced within a cultural context and this is something that one needs to keep in mind. The second advantage is that we can have a wider conception of goods than what the standard economic perspective allows us to have. In other words, the supremacy of common and private goods gives way to the idea that **goods that are shared are more important**.

This flexibility allows for an inclusion of the social and cultural aspects of production and consumption of crafts in India with a new framework. We can start the process of re-imagining the crafts economy using the lenses of the value-based approach for economics.

## 5.4 What makes crafts unique?

The task at hand is to explore the economic significance of crafts when understood as a socially and culturally embedded form of production and consumption. When seen with the lenses of standard economics, the market for crafts is just about demand meeting supply; however, let us try to analyse what happens when demand meets supply in standard economics vs the value-based approach . This happens at the points of intersection between the user and maker communities. At this point of intersection of these two groups there can be two interpretations where we look at crafts as:

- 1) Market for production and consumption (standard economics)
- 2) Medium for exchange of values (Value-based approach )

In the first case, when craft objects are produced for consumption, the focus of valorisation is that of looking at the physical attributes of the product. This includes the traditional technique, motif, colours and other such features that identify the production to be part of a craft tradition. They are packaged under many labels of fashion, designer or ethnic products which are then marketed to the masses and this **relationship is monetised by price**. In such encounters, the focus is on the **price of the object**, quality of the product and its design features which should reflect the price of the crafts product.

In this relationship, the craftsmen /artisan /maker is a **passive element** and the focus is on the crafts products whose physical attributes are interpreted by the designers, exporters or other such market intermediaries who claim to have the commercial sense of market demand. The passive nature of the maker in this process distances him further from the crafts object that he/she produces. The interpretation of the relationship between the maker and the end user is reduced to that of demand, supply, marketing and price.

In the second case, when we consider the crafts object to be a **medium of exchange of values between that the maker and the user communities**, the symbolic meaning is exchanged in the production process of the final crafts good. It is the symbolic meaning that defines the physical prescription of the crafts object. The crafts become a medium of exchanging ideas, customs, philosophies and values to become a process of co-creation. In this relationship, the users and makers are in a cognitive, emotional and in some cases transcendental dialogue to add meaning to the crafts production.

## 5.5 What kind of values does crafts produce?

When we stop looking at crafts as a system of market based produce which is served up to the consumer through intermediaries where the **maker** is reduced to **cognitively impaired, out of touch tool that produces items** from consumption, we can have a more substantive conversation about what is crafts good for.

There is a chance that we can look beyond the limits of market and governmental rhetoric that we have mentioned in the first and second chapters of moving between the building markets for crafts and providing welfare for the craftsmen.

This will help us to look at crafts as **a human system that is shared by those who participate in it**. This realisation requires us to understand the values that the semiotic relationship between the makers and users produces.

The essence of crafts is filtered when we start to notice and understand crafts as a medium for the achievement of values. To better understand the values that are generated by crafts, let us try to understand it from the cases of

- 1) The *Jajmani* System
- 2) The case Japan and its kimono

### 5.5.1 What “goods” does the Jajmani system produce?

When we consider the *Jajmani* system as a pre-industrial institution, we understand it in terms of the function that it played in the Indian society.

The question that has to be asked is, what goods were being produced in this system? If we are to investigate the monetary transactions that were a result of this pre-industrial institution we find some examples with the Balutadari system. In the *jajmani* system or dyadic relationships, it is not difficult to imagine commercial relationships were the contacts drawn and passed from one generation to the other with extreme specialisation in trades which is enforced through the caste system.

In our modern interpretation of economics, we limit our understanding of goods as products / articles / services that are exchanged for monetary value where anyone can produce it in a free market. Klammer<sup>79</sup> (2016) proposes a border expansion of the definition of goods which may help shed light on this pre-industrial institution in India.

*Goods are tangible or intangible things that an individual, a group of people, or a gathering of people possesses; they are good for all kinds of things, and their possession requires some kind of effort or sacrifice.* (Klammer, 2016, p. 77)

The expanded definition of goods enables us to fully appreciate what the Balutadari and the Jajmani systems are. These systems socially enforced contracts that structured village economies in India. They were **shared in nature** and hence could be called to **produce a praxis**. In this system, the key terms were structure, conformity, social order and building a community of interdependence. The goods and services were not only the objects or the physical production and consumption of the task but also the relationship and the social contract that accompanied it that gave it the “goods” nature we understand from an expanded definition.

The hereditary nature of the Jajmani system and that of the Balutadari system enabled for the formation of praxis that through the years have become the traditions and enable the formation of the semiotic relationships as understood in the previous section (Krishen, 2015) to give a very special meaning to the production and consumption of crafts.

The system allows for the formation of shared meanings, traditions, rituals as well as formation of intergenerational social and cultural capital both in the purjans and those in the upper castes as being jajmans (patrons in the dyadic relationships). **Hence, we can make a proposition that the jajmani system was an enabling mechanism that produced shared goods. (Please refer to the previous chapter for context)**

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<sup>79</sup> Klammer alerts us about the understanding of goods quoting two different definitions of goods the first is that from Aristotle in politics where It have been defined as “the means of life and wellbeing of men” to this Klammer also gives the example of carl Manger in principle of economics where he describes goods as “whatever satisfies a need, qualifies as a good”.

In an effort to expand this proposition and provide some categorisation of the possible praxes that the system produces, we need to list some of the categories that shared goods allows us to draw up. Klamer (Klamer, 2015) explains that shared goods enable us to achieve values and these values form praxes within categories. He lists them with examples, the key ones being:

Table 39: Types and shared goods

Shared Goods	Types of values produced	Explanation
Personal goods	Craftsmanship, connoisseurship	These tend to be non-shared values
Social goods	Friendship, collegiality, community and teams, belonging	They tend to be shared goods that are especially good for social values
Societal goods	Solidarity, political values	They are goods that enable the achievement of societal values
Cultural goods	Traditions, identity	They are shared goods that generate meanings and with those who have a common culture
Artistic goods	Aesthetic experience	Those goods that enable you to achieve your aesthetic values and other philosophical values
Scientific goods	Intellectual values	They are goods that enable the achievement of intellectual and civilizational goals
Spiritual goods	Peace, fulfilment, oneness, nirvana	These are good that have spiritual significance and enable the achievement of spiritual values

Source: (Klamer, 2016, p. 87)

In trying to reflect on the Jajmani system as pre-industrial institution and the kind of values it produced, it is not difficult to imagine the role it played in the village life of India. This is not to say that the system was perfect; it was unbalanced and in certain other cases it has been exploitative in nature. Therefore, it is possible that the system not only generated positive values but it was also producing “goods” that let out negative values.

The most obvious goods that the institution of Jajmani produced are mostly in the realm of the social and societal nature, the personal goods of being a **good Jajman** is important, i.e. if one as part of being a good patron is not exploitative, the positive values produced by the social and societal goods out-way and over-cast any negative values that might be produced.



The praxis that crafts produces is the intangible aspect of crafts. Given our disposition for the value-based method for understanding the economy, it can also be understood as a means by which the **goods to strive for** are produced. They are achieved along social, societal, transcendental and personal axis.

It is omnipresent and unique to the extent that it produces the goods that we strive for. We can take a movement to understand the distinction between the “values” that people want to achieve and what “goods” are produced in the process of valorisation or acting on the values.

Shared practice / commons are produced because of the process of achievement of values that we strive for in our daily life. They come into existence in the process of assessing values. In the proposition that values dictate economic behavior, these praxis are formed as a result of such an intent. This will be explained in greater detail in the next chapter. In such a scenario, crafts are both an object and medium. That is to say, that crafts carry with them, their own culture which is linked with the ether of culture that surrounds all of us. This culture consists of intangibles that are not easily visible to everyone, as it should meet the perquisite of requiring a social and cultural capital to be able to view it.

However, the important fact that remains is that this ether/intangible aspects of culture in general and crafts in specific connect. The connection between them is formed in the practice of crafts and working on the social and cultural capital aspects of it. Without the practice much can be lost and yet, with the right kind of nurturing, a lot can also be gained.

The praxis is formed by the pursuit of individuals who are seeking to achieve their values. The semiotic relationship between the maker and user groups produces the situations where the various values of crafts can be achieved.

Table 20: Semiotic Relationships and values produced

Semiotic Relationship	Goal Values to Strive for!
Maker and other Makers	Collegiality, Community, Tradition, Recognition, Security, Craftsmanship, Skill, Beauty
Maker and User	Giri (gratitude), Connoisseurship, Tradition, Ritual, Beauty, Community
User and other Users	Community, Ritual, identity, Connoisseurship,
	Intangible cultural heritage

Source: Own elaboration of the author

The feature that sets the production and consumption of crafts apart from other forms of industrial production is the fact that the exchange of values between the three groups stated in the table above happens under a social and societal institutional base. The crafts economy in India is unique as it has the institutional feature of caste. The sector is an evolution out of this historical feature which has social significance in Indian society.

This can be understood as a civilisational feature of crafts in India which contributes to the Indian identity and has been a factor in its survival to date. The caste system and its roots in the Hindu religion forms various ritual, traditional and social situations where the values of crafts can be valorised.

The process of **valorisation** is key and is very often not given its due importance when talking about the market for cultural goods of which crafts is a part of.

The current focus on price and the amount of consumption to understand valorisation does not do justice to our understanding of what is important when consuming crafts.

This can be better understood as a circular relationship of culture that surrounds the individual. We will explore this with the case of Japan and its kimono.

### 5.5.2 The case of Japan and its kimono

Let us consider the case of challenges surrounding the survival of Nishijin silk weaving industry in Kyoto, Japan. This can be an insightful exercise for three reasons. The first is that Japan is both a traditional and ancient society, like India. Second is, that its society and relationship crafts is also as intricate as in India. The third is that given that Japan is one of the most advanced economies of the world, it has invested in its crafts sector more than India but we find that investment through public policy and seeking market options does not always give solutions. In her paper, *Okpyo Moon* (2013) builds the story of Nishijin silk weaving in the context of culture that surrounds it.

The city of Kyoto, has played a historical role in forming the spiritual heart of Japan. It was the national capital of Japan from the late 8<sup>th</sup> century until the late 19<sup>th</sup> century. It had, over a period of time, emerged as a major centre for the handicrafts industry which was the result of the increasingly sophisticated demands of the imperial court. The position of Kyoto was so prominent that products that had the prefix Kyo- symbolised that the product would be able to fulfil and satisfy the highly sophisticated tastes of the people of Kyoto. The significance of Kyoto was not lost to the allies during the Second World War; the decision not to bomb it was taken because it was widely recognised as the spiritual heartland of Japan with an important role in Japanese national identity.

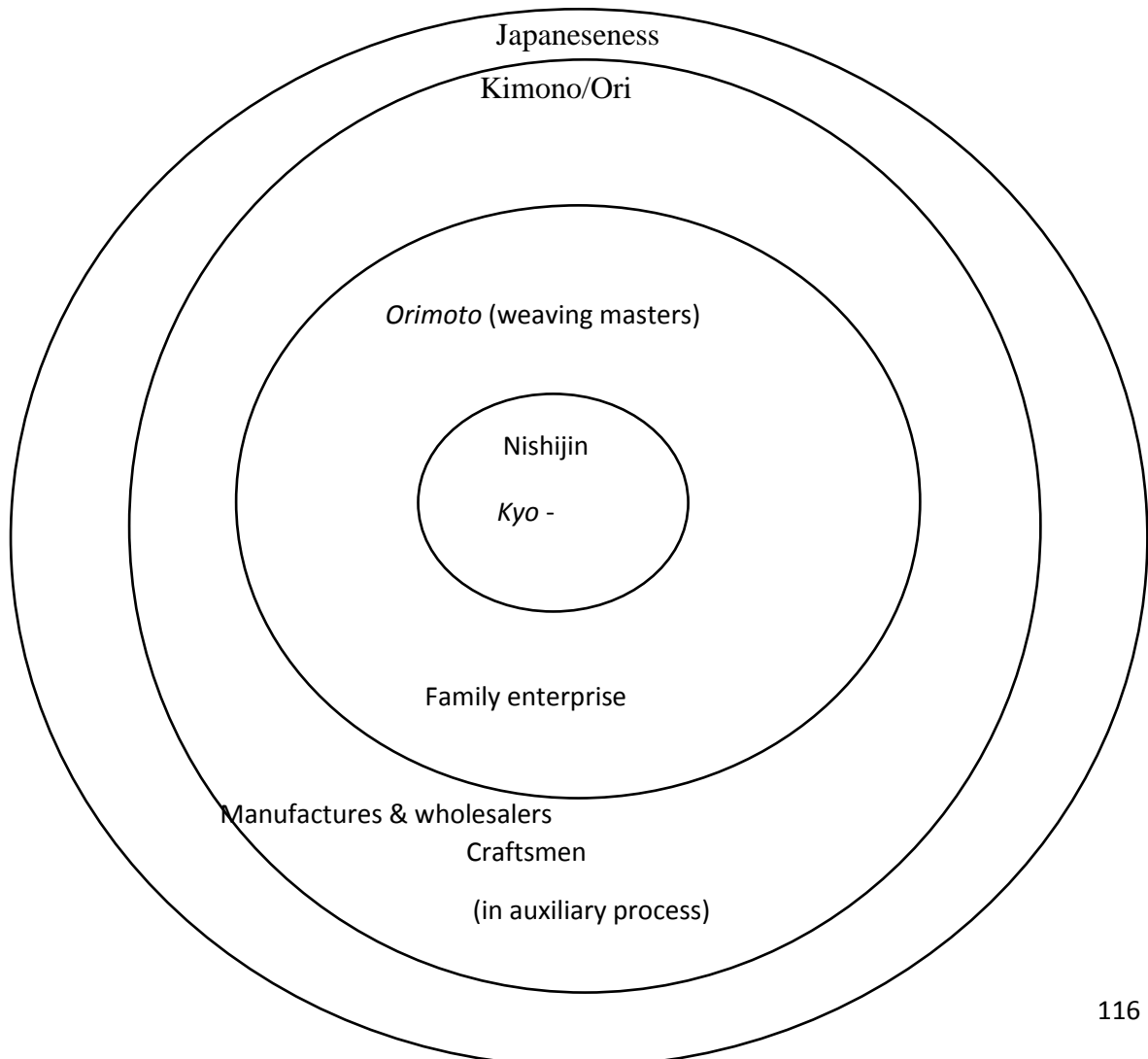
The Kimono and the *obi* forms the image of graceful Japanese women. It is a medium through which a person is identified as Japanese. The hand-woven silk that form the raw material for the production of the garment is known as Nishijin-ori which is produced in the Nishijin area in the northern part of Kyoto city.

The Nishijin claims to materially embody the most sophisticated handicraft technology of weaving to be found anywhere in the world, representing the unique Japanese aesthetic - the delicate seasonal sensibilities related to regional festivals, beliefs and so forth. It is, therefore, claimed to be one of the most valuable cultural heritages in the country and the need for it to be preserved and continually reproduced seems to be of a legitimate concern for Japan.

The social and cultural embeddedness of the *Nishijin-ori* can be understood from the descriptions by Hareven (2002) in (Moon, 2013, p. 76) as:

*Nishijin is the name for three interrelated entities: the district of Kyoto, west of the Imperial Palace, in which silk-brocade weaving has been carried out for five centuries; the production process, which is complicated and requires the finest weaving skills in Japan; and the unique product - the brocade used for priestly garments and for obi [sash for the kimono] that are worn on the highest ceremonial occasions, such as weddings, the tea ceremony, Noh plays, and traditional festivals. Nishijin cloth is considered informally a cultural property of Japan. For the weavers, artisans, manufacturers, and tradesmen who work and live there, Nishijin, which has been nicknamed mura [village], represents a way of life - a tradition of family-based craftsmanship and industry that has been embedded in the community for centuries. Over many generations, Nishijin manufacturers, craftspeople, and shopkeepers have developed a strong identity as "Nishijin people."*

Figure 2: Thinking in circles Source: Authors own elaboration



In trying to understand the Nishijin *ori* in terms of the social relationships that are produced, we discover that a lot more is at play when visualised in terms of concentric circles. At the very centre, we have the locality of Nishijin from Kyoto and the idea of Kyo to represent sophistication and quality is a result of Kyoto being the imperial capital of Japan. It can be argued that that this produced a distinct cultural capital that is encompassed in the prefix of Kyo which symbolises refined taste and quality in production.

In Klamers's categorisation of culture, the cultural capital attached with the prefix Kyo produced at Nishijin being part of Kyoto can be understood as culture in the social / anthropological sense represented by C1.

The production of the *kimono* and the *obi* does not happen in isolation and it has various interrelated activities / trades and crafts collectively forming the Mura identity of the Nishijin people. This includes a number of relationships between the various people involved in the production process of the Kimono.

The Orimoto (the weaving master) is central to the whole operation as he coordinates the activates between the various vendors, craftsmen involved in the various stages of the production and performs the job of an *Oyakata* (please refer to *oyaban – koban* in ch. 4). The relationship between the Orimoto, the various other craftsmen and the manufacturers and wholesalers forms a pyramid of hierarchical relationships.

They are linked together through family-owned enterprises whose social capital is connected through these various relationships in the process of producing the Nishijin silk. This would also be interpreted as C1.

The finished product of the Nishijin commune, ie the kimono and the obi adorned in the user community. It has the status of ritual importance during major events like the coming of age (*seijinshiki*), the tea ceremony and so on.

The collection of these cultural attributes in C1, forms the Japanese Identity which can be categorised as all that a civilisation is proud of and so categorised by Klammer in C2.

### 5.5.2.1 If Nishijin is important then why is it in trouble?

The Japanese understand the significance of the craft and the significant importance of the intangible cultural heritage. Several attempts to make the craft sustainable and appealing to its producers have largely been unsuccessful.

The problems faced by Nishijin are both on the supply and demand side. On the supply side, the new generation does not seem to be interested in crafts and this is despite generous attempts by the government to provide incentives for taking it up. The income gap of those involved in the production of kimono and obi and that of the other sectors could be a reason why there is a diminished interest in the craft. This reasoning is very much in line with the cost disease as propounded by Baumol (Baumol, 1967) as an argument for continued government support, however, the question is, is that enough?

The story extends further on to the supply side as well. One of the trends that has been gripping? The crafts sector globally is the overuse of the term “hand crafted” and “traditional”. These terms have been used in conjunction with the term luxury, casting crafts as products of elite consumption.

The result of such a practice is also being felt in the market for kimono and obi with pieces costing from \$10,000 as of 2012 to about \$100,000. The high cost of the kimono raises many questions as more Japanese prefer to buy a new car than a kimono for the coming of age ceremony or opting to marry abroad as there they are not obliged to continue the tradition of wearing a kimono for the ceremonies.

This rise in price is attributed to the value added branding of being considered as “traditional crafts” or *dento koge*. Moon gives the example of the elderly Japanese lady who laments the situation as “once it enters the realm of *dento koge*, it becomes something that the ordinary people cannot afford.” She further adds that national costume has become like an art object, available only to an exclusive few. (Moon, 2013, p. 82)

## 5.6 Valorisation in the Key

As previously mentioned, crafts in India are unique to the extent that they have the caste system as an institutional feature. This feature of crafts in India has been the source of strength in maintaining the **social and cultural capital** within the craft communities. For the crafts people, it is about their identity, about who they are and what defines them. Like in the Japanese case In the traditional Indian village, which was constructed around the cast system, the role and the status of the craftsmen was set within the structures and hierarchies of traditional village life. The Jajmani system played a key role in defining the relationship, roles and obligation of the various communities that co-existed in the village setting. The craftsperson in India is a mute remnant of those traditions/practices, rituals and a complete way of life as it existed before the advent of modernity.

The economic case of India is also different as the process of industrialisation was not as linear and uniform as in other economies. This fact has been presented in the second chapter where we document the changes in the Indian economy and society through its various structural changes. Among the emerging economies, India stands in a special spot with the distinction of being the largest democracy by number and an ever-growing middle class.

The India of the future seems to be a nation that is economically doing well, moving towards industrialisation and becoming an advanced economy. Such an India has implications not only from an economic point of view but also has societal and civilisational consequences. The craftsperson who is part of this India in transition is conditioned like the rest of the society that the idea of a good life consists of accumulation of material wealth to have social mobility and status through scaling the income classes.

What is then the message that the Indian society with its neo classical economic conditioning tells the craftsmen of India? The message is that the idea of a **good life** is reduced to the purchasing power of the individual and the consumption capacity of the family.

The **valuation** of his vocation of being a craftsperson is reduced to his earning capacity. This framing also effects the household of the craftsmen as there prevails a confusion about what contributes to the idea of a good life and the significance of their work.

If we reduce crafts to that of its earning potential and the crafts objects as a commercial product subjected to the demand and supply of the market, we can send the craftsmen the message that they must market their products well. They must reach out to the markets in the urban areas if the local markets are not enough. To cater to the needs of the urban consumer and international tastes, the craftsmen must work with the designers for aesthetics, non-governmental organisations for building in institutional capacity and the government that provides welfare measures for the craftsmen. The focus of these attempts is to increase the earning capacity of the craftsmen through the sale of the crafts objects. However, there is a paradox in this message that in the long-run this would reach its limits. This can be seen in the previous example of the ***Nishijin in Japan***. If all policies to uplift the crafts in India for their earning potential works we would still face the same situation of the hundred-thousand-dollar kimono making the consumption of **crafts elitist**.

Such a scenario might look distant but on a long enough time line that would a possibility. The effect of telling the craftsmen that the good life is about economic mobility leads to civilisational changes. **This happens gradually with a phased erosion of the institutional bases and relationships that makes producing and consumption of crafts unique.** However, if we introspect on the idea of what a **good life** is and assert the proposition that

- Virtuous living
- And working to achieve values through shared goods

Are the key objectives and the means to a good life, the message that we give to the craftsmen of India changes. This is also because the message that we give to the craftsmen would start with an introspection of the self as a member of society and the economy. The drive to have a virtuous living with the aim to achieve values will lead to valorisation of crafts being very different from the ones that we are in now.

The crafts sector and the intangible cultural heritage that it produces positions it differently from the industrial goods. In such a world, crafts are a means to achieve a good life as it allows you to exchange values and practise culture there by furthering the distinct features of civilisation. Changing the central problem of economics from allocation of scarce resources to that of achievement of values as proposed by Klammer, we are able to better appreciate the social, societal and cultural significance of crafts.



### 5.6.1 Re-imagining the crafts sector

The proposal that I would like to make at this point is that we need to pay attention to the crafts sector as it produces shared goods. This shared goods nature of crafts enables the achievement of various values through the formation of **praxes**<sup>80</sup>.

Therefore, as opposed to the standard economic interpretation of the crafts sector, the commerce of crafts is not just about production and consumption but its more about the process of co-creation and the achievement of values. The market for crafts is much broader than the standard economic interpretation of demand meeting supply.

This is because the process of value creation and achievement exists between the maker's groups, maker and user groups and the in between the user groups. These sets of processes are what keeps traditions alive.

In the next chapter we will further try to explore the outlines of the value economy and this will enable us to get a different reading of the crafts sector in India. We will further explore the role of culture and heritage in our quest to achieve our values.

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<sup>80</sup> As understood with the cases of Jajmani, indeed the case of kimono of Japan.

## Chapter 6: Value-based Approach for Economics and Crafts

### 6.1 Introduction

I have found crafts to be in between two framings, which is seen through the lenses of standard economic thinking. I find that categorising crafts as public or private goods leads us to problematic interpretations.

In the fourth chapter, I found that the shared nature of crafts makes it unique and as such we need to attempt to understand the economics of crafts as a shared good. I opted for the value-based approach for economics to make sense of this.

In the previous chapters, I have shared with you some of the insights that I have gained trying to find the appropriate economic lenses that will enable us to understand crafts as a shared good. **Valorisation** it seems is the key to understanding crafts through this lens.

In the current chapter, we will further develop what valorisation means in the value-based method. This will help us make sense of the crafts sector in a new light. The hope is that we will also gain some new insights into the role of intangible cultural heritage in the process.

### 6.2 Two world views

The story of this exploration has two experiences which have helped me understand the contrasting world views of standard economics and the value-based method.

The first of these is my visit to crafts communities in the state of Chhattisgarh in December of 2013. This was on the invitation of the governor of the state of Chhattisgarh. During this exploration, I was fortunate to interact with craftsmen and women of the state. This included interviews with Shilp Gurus<sup>81</sup>, National award winners and state award winners.

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<sup>81</sup> Master craftsmen elevated to the level of Gurus (teacher). Only the most talented and exemplary craftsmen obtain this title.

The context of the invitation was to explore and report the reasons for the urban migration and abandonment of craftsmen from their trade. In the state of Chhattisgarh, there was also the additional context of civil unrest in the form of Maoist rebels<sup>82</sup> who are at war with the Indian state.

The case of *Ekkal* and *Bhaigundi*, two crafts villages in the district of Raigarh in the state, is a good and illustrative example that helped me to form my opinion on crafts. The policies, organisation and education organised for the production and the welfare of craftsmen and striving to seek a market as a solution, has an effect on the mindset of the craftsmen and their communities.

What is interesting about these villages is that the craftsmen are nomadic tribesmen<sup>83</sup> from the neighbouring state of Odisha who settled in the state a few generations ago. These communities use the lost wax method to cast bell metal work. However, they are different from the rest of the state as the motifs are Hindu rather than being tribal<sup>84</sup>. They are also distinctive from the rest of the state as they produce items that are more delicate and lighter than what is produced elsewhere.

The craftsmen who practiced this tradition of fine work in Hindu and sometimes tribal motifs were popular and supported by the state through two agencies; **The Chhattisgarh hastshilp<sup>85</sup> vikas<sup>86</sup> board** and The Tribal Cooperative Marketing Development Federation of India Limited (**TRIFED**). This craft was doing well through the support of these agencies and, production and organisation was channelled around the **quarterly purchase quotas** set by the two agencies.

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<sup>82</sup> The Maoist movement in India is also called the *Naxal* movement, an interesting book to read more about this internal security issue is *Red Sun* by Sudeep Chakravarti (Chakravarti, 2010 )

<sup>83</sup> Belonging to Jhara tribe, which is a sub-tribe of Gonds. They migrated here from Odisha sometime back.

<sup>84</sup> The bell metal work from the region of *Bastar* which uses the same technique (the lost wax method) is considered native to the state and the motif of the sculptures that are produced are tribal in nature.

<sup>85</sup> handicrafts

<sup>86</sup> Development

The crafts communities which are indigenous<sup>87</sup> to the state and tribal in nature were feeling that the craft communities in *Ekkatal* and *Bhaigundi* were non-native. These communities were nomads who settled from the neighbouring state were competing with purchase quota that the government had set. This created a situation whereby, they decided to lobby against subsidies that the craftsmen from the Jhara communities were getting.

The **tribal lobby cited** that the crafts communities in *Ekkatal* and *Bhaigundi* were categorised as Other backward castes<sup>88</sup> (O.B.C) in Chhattisgarh. As they did not belong to the tribal community, Trifed should not subsidise them. This resulted in a policy that led to the Jhara community losing their subsidies in terms of an assured purchase quota from TRIFED leading to a host of problems.

Another example of quirkiness of policies in the state can be seen in the following example. The title of **state award** holder gets a pension of 10,000 rupees (around 150 dollars) per month while the title of national award winner gets a 1,000 rupees' pension (around 15 dollars). The peculiar feature of *Ekkatal* was the fact that it had a very high density of both.

Every second house in the village had a winner and sometimes more than one family member had won the distinction. This was both uncommon and peculiar and led to a new decision being made that only one family member can win the award at a time, which led to unsettled feeling among the crafts households.

The households usually had to invest a huge amount of their personal funds to make the master piece based on which they are awarded the title. On average, the investment that the craftsmen have to make towards this is around 2,50,000 INR which is around \$3,800. This is significant in a country where the average earning is around 3-5 dollars a day in the crafts sector.

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<sup>87</sup> Primarily from the tribal district of Bastar

<sup>88</sup> This was even though in *Odisha* the same community was categorised as tribal

Yet another example of policy driving production and craftsmen being organised around it, is the policy of the Chhattisgarh hastshilp vikas board to buy the bell metal work from the craftsmen by weight rather than from the appearance of the piece. This has had an impact on the craftsmen who say that there is little incentive for them to make more quality work as it would fetch them the same price and no recognition for their skill.

The issues that I had observed during my month-long visit to the state produced no new insights about a possible solution, however, the problem became clearer. The issue was that all the stakeholders were seeking to valorise crafts in terms of income, either through market or subsidies that the government was providing in the name of public policy. In this scenario conservation and preservation of heritage is a positive externality of the market created to valorise culture through price. The behaviour of the craftsmen is a reflection of this setup where he is encouraged to believe that his vocation as a craftsmen is instrumental as a means of livelihood and employment. The problem with this setup is the fact that it seems that culture is an externality and reflects little acknowledgement for crafts as a shared good.

The task in hand for me is to try and present the world view of the craftsmen belonging to these crafts communities. They seem to be seeing crafts in instrumental terms as a source of livelihood. They valorise their crafts in terms of the market logic or that of the government. This valorisation of crafts in these terms is problematic in my view as it leads to issues that I have presented specifically to this case in the previous paragraphs and also in terms of the status of crafts in the Indian economy presented in the second chapter.

Valorisation of crafts in the market and the governmental logic leads to the realisation of only financial values. This is manifested in the measure of income and provision of welfare. This world view is led by the assumption that the ideal for crafts is its valorisation in terms of price and income. However, it is problematic as it leaves us little room for interpretation of crafts in terms of what it is useful for. What I urge you to consider is the possibility that the instrumental use of crafts by craftsmen to realise only **financial values either blinds or places other values that crafts produces in a subordinate position.**

The **second experience** is a result of my encounter with the craftsmen of Gujarat. The 2001 *Bhuj* earthquake in the state of Gujarat, India was considered one of the worst natural disasters in modern-day India. The loss of life and property in the effected villages around the epicentre became the subject of rehabilitation, development and generation of livelihood as part of the re-building of the area. Many new industries were brought into the area, to generate employment for those who were recovering from the devastation that the earthquake had brought about.

This was the point at which many new employment opportunities came to *Bhuj*. This is the backdrop for us to understand what we can learn by interacting with craftsmen.<sup>89</sup> One of the striking conversations with them was an interaction with Dayabhai who was a master weaver and identifies himself as an artisan designers with his own label. When I asked him about how much change there had been in the weaving community post the re-construction he informed me that a lot of weavers had left their craft to work in as an industrial labourer in the factories that came into being at Bhuj following the 2001 earthquake. The rational for such a shift, he claimed, was the fact that people could earn more in such jobs. However when I asked him why he did not choose this, he told me that his freedom and being with his family was important to him and that was the reason why he decided to continue with his craft instead of going to work in a factory.

He further explained that being a craftsman enables him to have a quality of life that others who have abandoned the crafts cannot have and that money cannot buy. He defended this claim by saying that it is because of his crafts that he is now traveling around India and abroad (most notably to Santa Fe, New Mexico) displaying his work and selling his crafts. He claims that apart from the money, he has a full life with the joy of creating new things and at the same time being with his family while being the master of his own time. He claims that his life would not have been the same if he had abandoned his crafts and swapped it for a job at a factory.

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<sup>89</sup> My interaction with the craftsmen of Bhuj was as an instructor as part of 15-day course in business management.

This story is important as it is indicative of something that perhaps even we miss in our daily life. It is a story about a man who knows what is important for him and working to achieve values from them. He is not reductionist in his approach by separating work from life and understanding work as an income. He is operating at a level where he understands that producing good work leads to a good life where income does not play as big a role as we may have originally anticipated.

When lecturing the craftsmen on a fifteen day course which dealt with the business of crafts, the objective was not about how one can make the maximum profit from crafts but was more about asking the craftsmen what is important to them? And, using crafts as a means to achieving that. During the lecture it was important that I gave them a different world view by making them realise that earning money was not the objective for the market for crafts but it was other things that happened that were more important, for instance, the generation of praxes and the values that were being produced and realised by the maker and the user groups.

The world view that the commerce of crafts is useful not just for the generation of income but also for the exchange of values through the formation praxes is an important realisation for the craftsmen. This is important because it enables them to ask questions that are fundamentally important. Like defining for themselves what good life and good work means. The realisation also points out that, chasing after the commerce of crafts without other values, does not lead to good life and good work. This has consequences as it has the potential for the craftsmen to define a quality of life, not in terms of income, but in terms of ability to have a good life through good work with the realisation of values as a measure.

Therefore, the message to the craftsmen changes considerably compared to the one that we afford them in the second chapter. It is no longer about looking at crafts as a leading or lagging sector in terms of income generation but more about making the craftsmen understand that crafts leads to a good life and good work which might not be the case by just chasing a job.

I have attempted to present two of my formative experiences that have helped in understanding the crafts sector. It tried to provide an alternative narrative about craft and what it means to the craftsmen. However, we need to develop certain concepts further to better understand the narrative that follows the case of Dayabhai. For instance, what values was he trying to achieve and what is the role of praxis. The example also aims to give us a fresh perspective on intangible cultural heritage. In the segment below, we will further explore these aspects to develop our understanding of the crafts sector using the value-based approach.

### 6.3 Understanding the value-based approach for economics

In the value based method for economics the individual's behaviour is centred around the achievement of values determined by what is important to him as his ideal. It needs a means, a medium by which these values can be achieved and that also requires a cultural context. The function of culture in this construction of economics is to create the context / praxes/ traditions where shared values are co- created. The motivation behind the thesis was to find an appropriate lens for the economics of Intangible cultural heritage.

As opposed to standard economic thinking Klamer (Klamer, 2016, p. 17) takes the position that **economy is embedded in culture, therefore culture is more at a meta level for the achievement of values in the various spheres.** While Karl Polanyi takes the position where he talks about the market being socially embedded, Klamer takes a more pronounced position and states that the culture context encompasses all the logics of market, government, society and *Oikos*.



What is also interesting to note is that Klamer is also influenced by the thoughts and works of Clifford Geertz (1973) who perceives the economy as a system of meanings by taking an anthropological approach. What then characterises the value-based approach.<sup>90</sup>

- It is more about understanding what our actions say about our culture
- And to explore and interpret the meaningfulness and **value laden character of human actions** putting them in a cultural context.

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<sup>90</sup>Economics as the discipline that studies the achievement of value by people /organisations /nations (Klamer, 2016, p. xii)



The exploration of the nuances of the value-based method for economics will be done in three phases. The first will be the setup that describes what should not be achieved. It will further include the investigation of the notions of value with an understanding of virtue and of Phronesis and how this explains to us what our ideal is. Secondly, our exploration will explain how people achieve their ideals through shared goods with the formation of various goods to strive for and praxes. Thirdly, we will explore the role culture plays in all these processes at a Meta level.

The achievement of values involves two main processes, the first is that of being aware of one's own values and being aware that others also possess the same. The second is understanding that being aware is not enough but one must work towards making them real and valorise it. (Klamer, 2016, p. 32).

### 6.3.1 Being aware of values

Every day we make choices trying to make sense of the world around us. It is a daily quest to be good at our work or derive value from whatever we do. Some are more conscious about what they want and some others are preconditioned to thinking in a manner that reflects the dystopic state of individuals that Aldous Huxley (1932) describes in the Brave New world. However, if we are to work out of our preconditioning we need to understand what is of value to us and work towards it. This involves work and being self-aware of how we take decisions. Socrates, the ancient Greek philosopher provides a metaphor with the allegory of the chariot<sup>91</sup> to imagine the soul of the individual as a chariot which is pulled by two horses one is desire / appetite and the other is spiritedness. While the first horse is stubborn, the second horse is Nobel while the charioteer which he labels as reason, controls the chariot to steer the soul in the right direction. If the charioteer (reason) does not rein in the horse labelled desire / appetite with that of the noble horse spiritedness then the person will be as misdirected as the chariot controlled by the stubborn horse. So, Socrates believed a life that does not include introspection of values is unimportant and that we must question and examine our lives to work towards self-awareness (**The unexamined life is not worth living**<sup>92</sup>).

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<sup>91</sup> See Plato's dialogue

<sup>92</sup> See Plato's Apology

A similar theme is also part of the Upanishads of the Hindu mythology with the parable of the chariot - Third *Valli* in the *Katha Upanishad*. The central message of the Upanishad is that one had to use his reasoning to avoid drifting into chaos and confusion and so developing one's reasoning is important.

What the ancients were trying to pass on to us was that introspection is necessary to understand what is important to us otherwise we might miss things. In other words, introspecting on our values is important and it also involves using our judgement (reason) to be able to do the right thing.

To explain further, what does Dayabhai mean when he says that family is important to him? What is it telling me about his relationship with crafts? This question also extends further where even I have to ask myself why crafts is so important to me. What does crafts help either me or Dayabhai realise?

Klamer (2016, p. 36) explains *Phronesis* as an ability to weigh values. It is about understanding **what is important to you** and figuring out how you can achieve this in other words. *Phronesis* is about developing a practical wisdom about life and learning to do what is right in our daily life. It gives us the aptitude to figure out what one must do to realise the values that are important to us.

Working with *Phronesis* is also about living a virtuous life. Virtues are values of higher order that have to do with the morality of the individual (and tend to be universal as they relate to right and wrong) and to that extent differ from values in general which is established by what is normative in society. Klamer explains virtues as being related to the behavior of individuals in their quest to achieve values. Furthermore, Klamer identifies the cardinal virtues from the work of Aristotle and his work with *Nicomachean ethics* where he lists the four cardinal virtues as (Klamer, 2016, pp. 59-60):

- Prudence
- Temperance
- Courage
- Justice

While the other three virtues come from the Christian theologians like Thomas Aquinas and are called theological virtues and they include:

- Faith
- Love
- Hope

Therefore, **Phronesis is about working through values in a virtuous manner to determine the right course of action or outcome.** What is important to understand is that Phronesis is perhaps a better way to approach the rational choice of the individual. As opposed to rational choice, the behaviour is not attributed to their utility maximisation and profit maximisation function but it is more than likely that it is set on the basis of acting in a virtuous manner in being able to do the right thing.

To get a clearer idea, let us understand that the term value is a compound term. One interpretation of the term value can just mean what is the worth of an item or an engagement in terms of price determined by the market. Another interpretation of the term value can also mean how we determine which item or engagement is important to us. Values can also mean the summation of what is normative within a cultural context (think about value systems). Values can be found in institutions, things, practices and people.

To help us understand what values individuals can achieve, Klamer further categorises them in terms of domains. They are the following (Klamer, 2016, pp. 62-66)

- **Personal values:** These values are achieved in one's relationship with the self (Virtues for example)
- **Social values:** These values are achieved in the quality of human relationships
- **Societal values:** These are values that are achieved in the context of society. Klamer alerts us to the fact that societal values include cultural values where culture refers to C1<sup>93</sup>

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<sup>93</sup> C1 which is understood to be culture in the anthropological sense, i.e. as material culture that develops from the interaction of man with his surrounding and each other in social settings.

- **Transcendental values:** These are values that are more abstract and tend to point to a transcendental such as beauty, enlightenment and therefore transcends personal, social and societal values.

This process of developing / recognising one's own phronesis involves five steps and it starts with figuring out what the **ideal** is. This can be understood as goods, values or virtues that people want to achieve<sup>94</sup>. The second is the forming of a **world view** or the cultural contexts where these ideals can be achieved.

Next comes the Design (**the strategy**) of how we can achieve our ideal by planning our actions in such a way that they are made real. It is what Klamer (Klamer, 2016, p. 39) calls "the conscious part of doing the right thing". Then comes the **practice** of trying to achieve the ideals that we have set for ourselves and planned to achieve it through a world view and a strategy, however one must keep in mind that the practice of trying to achieve one's values is a messy process and therefore **evaluation and reflection** is a necessary part of developing our inner phronesis.

Therefore, it is not enough that we are aware of our values and want to achieve them; we have to actively work towards looking for opportunities and means by which people can valorise **what is important to you.**

Realization of values requires:

- People being aware of their values
- Recognising that values are produced in situations, things and people

Furthermore, Klamer alerts us to the fact that the process of achieving values is a process of co-creation and happened at the point of interaction between individuals who want to achieve their values, Realization of values **implies a lot of work**; it also **implies sacrifice** for realizing what is important to you and it implies the search for shared experiences and goods that enable you to achieve your values. Klamer points out that goods that are shared in nature are what is more important in the value-based approach. For shared goods to develop a sense of contribution to Commons is an important aspect that allows those who participate in the practice of achieving their values. Therefore, achievement of values produces goods to strive for and Praxis<sup>95</sup>.

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<sup>94</sup> This also extends to groups or people, organizations and so on.

<sup>95</sup> "A *praxis* is a practice that contains the purpose in itself, and is, therefore, the good to strive for" (Klamer, 2016, p. 105).

## 6.4 About values, shared goods and crafts

To explain further what kind of values are being achieved either by Dayabhai or me, it might be interesting to explore what kind of values crafts produce. In the fifth chapter, we had argued that crafts are a shared goods and in India consumption and production is a socially and culturally embedded activity.

In order to understand this better, let us remind ourselves about the societal feature of Castes. It plays a role through which the individuals in the various caste groups experience relationships that are based on: (Mines, 2009, p. 17)

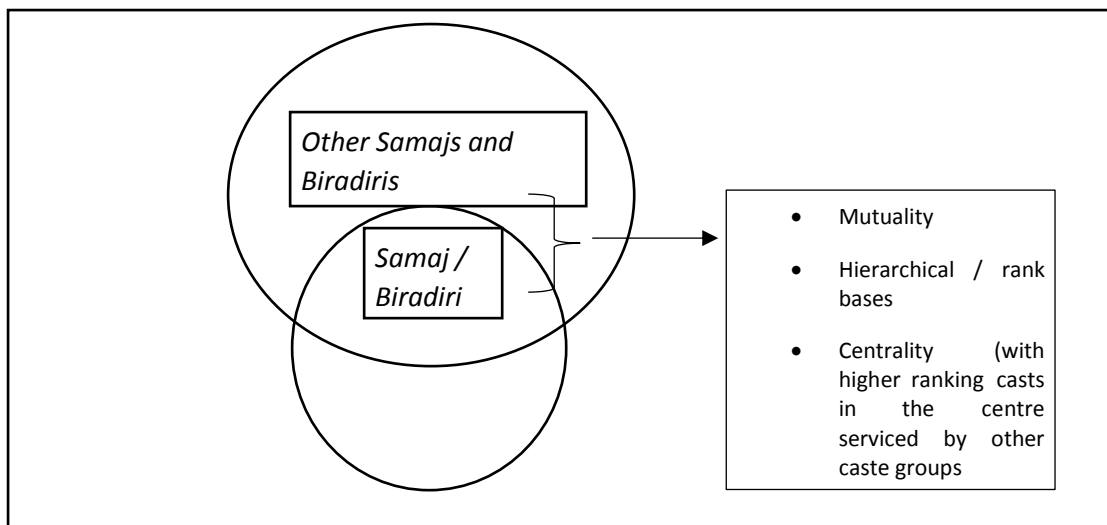
- Mutuality
- Hierarchical / rank bases
- Centrality (with higher ranking casts in the centre serviced by other caste groups)

Castes give the individuals a sense of identity and community. Adherence to the rules set by the community makes them part of the *samaj / biradiri*. The *samaj / biradiri* forms what is the normative world view of being a member of that society. The *Oikos*, the home in India is where individuals gain awareness of and learn about the value systems of the community. Based on this societal feature of castes in India, individuals are normatively conditioned to their interactions within their own *samaj / biradiri* and that of others. When we think about crafts within the Indian context, various interactions between

- the maker groups (the craftsmen along with allied processes)
- the users and maker groups
- user groups

Are based on this normative conditioning. This also manifests itself in the formation of semiotic relationships between the various groups that give meaning to the traditions

Figure 3: The social and Oikos sphere



The self-identification of Dayabhai as a craftsmen (artisan designer) allows him to use his craft in an instrumental manner to realize his values by co-producing the shared goods. Dayabhai can realize any of the nine categories of shared goods through his interaction with Oikos, Samaj /Biradiri, other craftsmen and those in the user communities from other social groups.

Table 41: Realization of values

Dayabhai co-creates Share interacting with .....	Instrumental use of crafts produces	To realize types of values	Domains of values
Oikos Samaj/Biradiri Others in the maker communities Others in the user groups  To produce the “Goods to strive for “ /Praxis	Personal goods	Craftsmanship, connoisseurship	
	Social goods	Friendship, collegiality, community and teams, Belonging	
	Societal goods	Solidarity, political values	
	Cultural goods	Traditions, identity	
	Artistic goods	Aesthetic experience	
	Scientific goods	Intellectual values	
	Spiritual goods	Peace, fulfilment, oneness, nirvana	

Source: Own elaboration of the author

What is unique about the craftsmen of India is that their identity as craftsmen, by and large, is associated with their caste groups and so Dayabhai was born a craftsmen because of his Oikos. This is a unique civilisational feature of crafts in India.

To explore further the role of crafts in the achievement of values, let us explore the case of the Charka. Mahatma Gandhi advocated spinning of the Charka, a spinning wheel as a means of solidarity with the poor of India. In a segment titled “*unto the poor*” (Prabhu, 1967, p. 386) Gandhi alerts us to the fact that the poor of India have lost faith in god more than any of the other social classes and for them any one who gives them bread becomes their master. He further explains that giving bread to any man of able body is an act of debasement of both involved (i.e. the person who is giving the bread and the person who is taking it). Instead, one should try to provide a vocation and occupation and advocated the charka to do that. Gandhi describes the process of spinning of charka as means of penance or sacrament as the process of spinning involves a lot of care and delicateness.

He describes the message of charka as:

*“The message of the spinning-wheel is much wider than its circumference. Its message is one of simplicity, service of mankind, living so as not to hurt others, creating an indissoluble bond between the rich and the poor, capital and labour, the prince and the peasant. That larger message is naturally for all.”* (Prabhu, 1967, p. 387).

Gandhi also describes the charka as the **“wheel of life** “and advocates it for its therapeutic values as

*“Take to spinning [to find peace of mind]. The music of the wheel will be a balm to your soul. I believe that the yarn we spin is capable of mending the broken warp and woof of our life. The Charkha is the symbol of non-violence on which all life, if it is to be real life, must be based”.* (Prabhu, 1967, p. 387).

This example is illustrative of crafts aptitude to produce multiple values, the charka is the means for the achievement of:

- **Social values** such as, respect, community, dignity, commitment and so on .....
- **Societal values** such as solidarity, fairness, nationalism, patriotism .....
- **Personal values** such as being good, entrepreneurial, craftsmanship, justice, faith .....
- **Transcendental** values such as Karma, compassion, peace, non-violence .....

However, it is not enough that crafts produce values; people must work to them. It has to go a bit further where these values can be realized in the form of *goods to strive for*.

From the case of Dayabhai, what is interesting was that he held the Social value of **family** to be important to him, similarly other values such as freedom, craftsmanship, being a good member of his community and so on..... is what he has as his ideals. In the value-based method, I understand them to be “the **goods to strive for**”.

A crucial point to understand is that, stating that one wants to achieve one’s values is not enough, it must convert into a praxis. At this point, I need to make a clarification, that while for Dayabhai being a craftsperson is part of his ideal and how he wants to realize his values. He strives for excellence in what he does through its practice.

One must also acknowledge that by him trying to realize his values through crafts, he enables me to exercise/ realize my values when I participate in the intangible cultural heritage that it produces. In the case of Dayabhai, he is trying to realize his values and I am trying to realize mine; both have to translate into the formation of praxes. It is not enough that we declare our values, we must work towards realizing them. In other words, it is not enough to state that intangible cultural heritage of crafts is important, we must work towards a world view and design where the values of crafts can be realized.



## 6.5 Role of the commons

Realization of values through the instrumental use of crafts by the co-production of goods to strive for or praxis is a matter of participation in the intangible aspects of culture which surrounds it. This intangible aspect of culture is what gives crafts the ability to produce shared goods as it serves as a context within which co-creation of values becomes possible.

It is worth reminding ourselves of its significance to the Indian women, a topic that we had dealt with in the fourth chapter. Indian women in an metaphorical sense are in the conversation about the sari with other Indian women as they share the cultural practices, traditions, aesthetics and other such intangible aspects which is common as part of being in the user community in their samaj and biradiri (society).

To participate in this conversation about the sari and its relationship to Indian women, one has to participate in the culture that produces the shared meaning in the practices to be able to produce the shared goods that individuals want to strive for. You have to be introduced into the conversation, which happens at the Oikos where the fundamentals of this conversation is taught, learned and valorised in the samaj and biradiri. One example of this process is my mother who educated me about all these saris by showing me what she had collected for her personal use over the last 57 years. She could tell me about how saris had changed in the last few decades and was also able to explain to me about how the sari was a conversation piece when there is a social gathering or festive occasion.

I was both thankful to her but also a bit surprised as to why I did not know about all this; she graciously pointed out to me that “**I was not part of the conversation**”. This was an important insight for me as it immediately alerted me to the fact that I need to participate in the conversation of saris to be able to appreciate them and derive value from them.

The role of contribution, sacrifice of time, money and all sorts of other things, is necessary to be part of the commons. However, I also understood that being an Indian I come with an inheritance about my culture and its traditions which helps me understand things better than any outsider who might not appreciate crafts more than it being “handmade “or being” traditional”.

### 6.5.1 Culture as a shared Metaphor

It is important for us to acknowledge the role culture plays in the process of value formation. It starts with what we are taught as values in our society, *Samaj/Biradiri*. This is learned in the Oikos house of the individual where he gets conditioned into the finer nuances of his/her culture (Here we want to think about culture from the perspective of C1). This learning enables him to be part of and operate within the context of the shared metaphor of culture (Here, we want to think about culture from the perspective of C2) that gives every society its civilisational distinctness.

Cultural productions like crafts have a way of integrating aspects of this shared metaphor which make them unique. In India, we have seen that crafts are more than just a pre-industrial form of production but embody this complex metaphor of meanings and experiences.

To be able to understand these shared metaphors for culture and the achievement of values through the instrumental use of crafts requires us to understand the market for cultural goods not just as achievement of financial values but as a process of co-creation of shared goods and Praxis.

The quality of the conversation about crafts and its intangible aspects of culture and heritage can be understood with an analogy of understanding the grammar of the language but not the vocabulary of a language. Therefore, the conversation / practice is an important aspect and is worth our attention; without practice there is no meaning.

## 6.6 The Utopia for crafts

The proposal that I would like to make at this point is that we need to pay attention to the crafts sector as it produces shared goods. This shared goods nature of crafts enables the achievement of various values. The ideals that inform the values that people want to achieve takes shape in the form of “goods to strive for” / Praxis leading to the formation of Ultimate goods.

Therefore as opposed to the standard economic interpretation of the crafts sector, the commerce of crafts is not just about production and consumption but it's more about the process of co-creation and realization of values. The market for crafts is much broader than the standard economic interpretation of demand meeting supply. This is because the process of value creation and realization exists between the makers groups, maker and user groups and the in-between user groups. These sets of processes are what keeps traditions alive.

In this chapter and also in the first chapter of the thesis, we were alerted to the fact that we need to pay attention to the crafts sector and crafts culture is the means to do that.

However, the question that was lingering around at that point was, what kind of attention should we pay to the crafts sector? And, what should crafts culture produce?

Part of the answer to this question is that it is beneficial for us to think about crafts as a medium co-creation of values and so to think of crafts as a shared good. This also means that we need to work on imagining what a world where shared goods are consider more important than public and private goods, looks like.

For this purpose, I invoke the idea of constructing a utopia for crafts where the economy is value-based and shared goods are what is most important. What that world would look like and what can we learn from that is the subject of our exploration in the next chapter.

The Understanding the crafts is a medium for the realization of values through the formation of various praxes which helps the craftsmen understand their role and contribution to the society. The praxes help us to realize the various values of culture which in turn help to fortify the features of a distinct civilisation. Therefore, craftsmen, through the practice of crafts enable others within the user community to participate in what is unique features and values of their culture and so make a contribution in civilisational progress through participation and co creation.

## Chapter 7: Utopia for crafts

### 7.1 Introduction

The application of the lenses provided by the value-based approach has helped us with a new perspective by which we can make sense of the craft sector. It has led to a new interpretation of the intangible cultural heritage that the sector produces. In tune with this, we understand crafts to be the possession of a shared good nature. This nature of crafts is what makes it possible for people to realise their values across the four quadrants and in each of the five spheres. We are aware that participation in crafts allows us to achieve values. We need to probe deeper to understand why this is important and what we hope to gain by doing so.

We need to understand what is the consequence of realisation of values and the co-production of the *goods to strive for*. I anticipate that the process of realisation of values and co-production of the *goods to strive for* helps us in realising an ideal. In a world where individuals are able to work towards what is important to them and their values, would be able to attain an ideal state. This idea of being able to reach this ideal is the essence of the value economy and is a utopic idea.

In this chapter I will discuss the outliners of such a utopic world where people are working towards achieving their values. Let us try to understand the outcome of living a value based lifestyle is and what that means to our understanding of the crafts sector and the culture that surrounds it.

## 7.2 Outcomes of realisation of values: Ultimate goods

Let us go back to the case of Dayabhai, where he wants to realise various values, and does so in different spheres. The more social of these values such as family, friendships and so on happen in the realm of Oikos, the home. He also realises societal values such as community, identity and so on in the social sphere. At the same time, the cultural sphere allows him to realise values that have a transcendental nature. Personal values such as being a good craftsman are realised with a background where there is a culture of appreciation of quality.

The two spheres that remain are the market and the governmental spheres. The value that can be realised by Dayabhai in the market sphere is the financial value. The insight that I understand from the specific case of Dayabhai is that he understood, what most of his other fellow craftsmen who moved to work in the factories did not. He understood what is important to him and this means that he has the idea that the realisation of financial values is only instrumental. It does not have a merit on itself.

In other words, financial means are useful but not a means unto themselves. Klammer (2016) clarifies this insight by making us think about the difference between a home and a house. The achievement of financial values can only be instrumental in buying a house, i.e. four walls with a roof, however it is not possible for anyone to buy a home, i.e. a family, love of family members and so on....

My intention is not to say that the realisation of financial values in the market sphere is bad. **What I do want to emphasize is that dwelling on or focusing too much on the financial values leads to crowding out the other values that occur in the social, societal and oikos sphere.** One must be able to understand that financial values realised in the market sphere are just instrumental and not the final objective. This is the part where the phronesis of the individual plays a role in helping the person realise his/her ideals and not allowing financial values to crowd out the other values.

On the other hand, the governmental logic is focused on terms like, livelihood and provision of welfare which also reeks of instrumentalist thinking. Both the market logic and governmental logic suffer from this deficiency of not being able to be substantive. The question is, can the government through its welfare policies help Dayabhai realise his ideal?

To try and understand this, let us think about Maslow's (1987) hierarchy of needs, the base of which is that of physiological needs which are instrumental in achieving other needs such as safety, love and belonging, self-esteem and self-actualisation. However, the question that I would like to ask is what is self-actualization good for? What will I be able to do with it? I propose that it's only to point at the importance of something to strive for. It helps us to understand the ideal or what is important to us.

This is where the value-based method for economics helps us have an **edifying movement**. What if the outcomes are stated in terms of?

1. Realisation of a good life
2. A flourishing crafts sector

What values would Dayabhai achieve in having a good life? Or good work? What kind of values should be produced by the crafts sector in order for it to flourish?

The outcomes of the realisation of values is also instrumental in the formation of **ultimate goods** such as a good life, good work, good society and a flourishing crafts sector. These ultimate goods can be numerous and often interrelated with each other. Crafts, when seen as a means of realisation of values through the goods to strive for / praxis leads to the formation of ultimate goods. What one must understand is that for this to happen participation is important. To recap the previous chapter, we have talked about what characterizes the crafts economy in India with the values based method for economics. In this approach, I have proposed that individual's behaviour is attributed to his/her attempt to achieve his/her values.

It implies two steps. The first is that he must be aware of his values and second this realisation must lead to a valorisation of those values. What one needs to recognize is that he is in search of other people, situations, objects and so on that can help in the process of value realisation. In such a scenario, shared goods are used in an instrumental manner to co-produce goods to strive for / praxis through which values are realised.

In this regard I am inclined to consider the social and cultural embeddedness of craft production and consumption in India as being indicative of its shared goods nature. In other words, what that means is that it has an ability to co-produce the goods strive /praxis. The valorisation of crafts, therefore, becomes a means of realisation of values as well as the intangible cultural heritage that gives it meaning and leads to the production of ultimate goods as an outcome. For the co-production of the ultimate goods through realisation the achievement of values, a couple of things have to be in place. To start with, we have a sense of what we want to strive for (what is the ideal). In other words, we need to have a sense of what a society would look like when the pursuit of realisation of values is normative as opposed to accumulation of wealth. Furthermore, specific to understating an ideal for crafts, we are in need of a crafts culture where the realisation of values takes precedence over the current narrative of seeking market solutions as being the ideal for the crafts sector. However, this comes later in terms of a design / strategy. First, we need to have a sense of what the ideal can be and what it that we want to is strive for. What could be the vision of the ideal Indian society? How would it provide the nurturing environment for its citizens to realise their values through the co-production of shared goods? What would be the role of crafts in such a society in accessing the ideal of good work, a good life and other such ultimate goods?

We need to imagine a utopia where these thoughts and practices are commonplace. In the next section we will try to explore what such a world might look like.

What we need to do is to imagine a utopia where individuals are in a value economy and the measure of success or failure in such a society is not GDP but the realisation of the Ultimate goods. To explore this idea further I intend to break this chapter into three parts.

The first part will explore what Utopia means and how the current world that we live in is also a Utopia of standard economic thinking. I will further explore other Utopias as imagined by Schumacher (1973)and the idyllic India of Gandhi (1939). In the second part we will try to imagine the outcome of the use of value based method on crafts culture, i.e. the right design or strategy as a means to get to realise the ideals. In the final part of this chapter we will work toward the conclusion of the thesis with a message for other scholars, policy planners, craftsmen and my fellow countrymen about the importance of embarking on the path towards a value economy.

### 7.3 What does the Utopia mean?

We are pre-conditioned in our thinking from what is normative by the standard economics. Getting out of the habits of thinking instrumentally requires work and an open mind where we can imagine a different future for ourselves.

Let us consider a hypothetical example of an individual<sup>96</sup> who has been conditioned to believe that the path to his happiness is through financial success. In this case his over emphasis on the realisation of financial values leads him to neglect his family, society and so on.....

The problem is that you can be rich and not have any one to share that richness with if one does not try to come true in valorising his/her values in other spheres<sup>97</sup>. What if individuals instead of heeding to the life of their preconditioning, searched and introspected on what is important to them and what ultimate goods do they want to realise by leading a virtuous life? We are alerted to what is important to us from various sources, the key among them being from our oikos, our home. The Oikos, in turn, is also influenced by the community within which it is embedded. The individual and his Oikos are in turn encompassed in a cultural sphere where philosophers and theologians enlighten us to what a meaningful life means<sup>98</sup> through their interpretations. They alert us to the possibility of a desired ideal society, a sort of paradise on earth, a perfect world where people live a long and fulfilling life. This desired state or world required individuals to live a virtuous life through the use of their phronesis and be able to consistently do the right thing by realising various values in various spheres of his life. However, we do not live this life, and more often than not, get distracted by the preconditioning placed on us. The effort in this segment is to imagine a different future but to do so we need to understand what Utopia means and motivate a case of why we need to think of a new utopia. Hodgson (1999, p. 4) informs us that the word Utopia has at least three interpretations. He takes a position that it has its origins before the work of Thomas More. He alerts us to the fact that there is a need to understand it in broader terms than to imagine it as being versions of socialistic in nature with shared or communal ownership as a means to understand what the ideal society can be.

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<sup>96</sup> Similar to the fellow craftsmen of Dayabhai who abandoned their craft.

<sup>97</sup> This is also true about organisations which talk about mission and vision which are hefty but very often lose their way by focusing too much on the achievement of financial values. Countries are also guilty of this when politicians and policy planners focus on finding salvation by using terms like development and economic growth instrumentally.

<sup>98</sup> Think of any religious text and the promise of paradise on earth when individuals live a virtuous life.



He makes this point by referencing, Bauman (1976, p. 10) about the ambiguity surrounding the word with one meaning relating to the Greco-Latin origin, as contrived by More as “a place that does not exist”. The other interpretation is more common and suggests that utopia is “a place to be desired”

A Utopia is a means to question the current capitalistic system and the neo-classical framing of economics which takes a poor view of individuals<sup>99</sup>. The objective of the Utopia is to humanize the face of capitalism to that of one that provides us with the means to achieve ultimate goods (like good life good work and so on ...). However, for this to happen, there is a need to unshackle ourselves from the neo-classical framing and to embrace values and virtues as the driving force of human existence. The third interpretation that we are alerted to is that of understanding Utopia as one that is implausible or attainable which Hodgson states to be very restrictive.

For our Utopian exercise, we must understand Utopia as “**a desired state**” of where we want to be. The attempt is to invoke the possibility of a desired world to come and aims at solving some of our current problems as they tend to reflect the issues that are faced by our world.

### 7.3.1 The “End of history “and the liberal economic capitalism: New Utopias

The fall of the soviet bloc heralded, in the passing of socialism and communism, two alternatives to market capitalism. The view that has come to prominence is that of the proclamation of “the end of history”. The views of Francis Fukuyama in Hodgson (Hodgson, 1999, p. 2) states that “*liberal democracy marks the end point of mankind’s ideological evolution and it being the final form of human development.*”

Hodgson contests this notion by pointing out that “liberal democracy “is not a singular prospect and itself contains infinite possibilities and potential transformations. The idea of “end of history” also denies us the opportunity to look for an alternative to free market capitalism to organise our economic life.

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<sup>99</sup> Profit and utility maximisation are the only two functions of what humans want, limits our understanding of capitalism as being greedy.

The current effort is to attempt some alternative interpretations of liberal economic capitalism that places values and virtues as central to economic thinking. By creating space for values and virtues into the economic conversation, we have a chance to change the culture of capitalism. In such a Utopia, the idea of what constitutes a good life is not decided by the government and the market but is derived from self-regulating decentralised communities of individuals which work together to preserve and make the civilisational values grow.

This assumed Utopia has a social economy where the measure of success is how communities are best able to work on their values to live a virtuous life. The objective of such a Utopia is that of achieving harmony in the self and then resonating to the family and ultimately striving for harmony with nature. It stands to reason that the industrial economy that produces goods and services for the fulfilment of the needs through physical facilities is met, however, the human and environmental cost that we are exerting on humanity under the current system might be averted.

### 7.3.2 Utopia's then and a Utopia Now

The call to reconsider the development of the economy, industrialisation and international trade was raised by many people through the ages. E.F Schumacher (Schumacher, 1973) calls for such an introspection with his book *Small is Beautiful* Schumacher's philosophy is one of "enoughness".

His work criticises conventional economics thinking and questions attitudes that leads to unquestioned ideas of growth and the idea of big being better.

Schumacher (1973) further is sceptical of measures such as gross domestic product as a measure for economic growth and instead argues that a different way is possible. He states

***"the aim ought to be to obtain the maximum amount of well-being with the minimum amount of consumption"***.

Further in the epilogue, he emphasizes the need for the "*philosophy of materialism*" to take second place to ideals such as "*justice, harmony, beauty, and health*". This utopia of imagining a world in lines of Schumacher's Buddhist perspective on economics finds resonance in various localisation movements. This world view questions the viability of the promise of globalisation as it stands today. It points out the inequities that the current system has produced and warns us of its dystopic effects.

The focus is on producing locally where people who consume the products understand the cost (not just how much it costs to produce the product but also the social, environmental and ecological costs which are usually hidden) of producing the items. The idea is to make people aware that their lifestyle of consumption has an adverse effect on the quality of life of generations. The movements inspired by Schumacher are institutionalized through the Schumacher institute and Schumacher College which keep this utopic idea alive.

Another world leader to question industrial growth and development was Mahatma Gandhi who was a unique freedom fighter. The anti-colonial freedom struggle launched by Gandhi for the liberation of India was unique from many points of views. It was predominantly a non-violent struggle. However, Gandhi's role in the freedom movement was multidimensional. His goals were greater and more ambitious (Kumar, 2015).

One of his important goals was to achieve **Swaraj, Purna Swaraj** or complete self-rule. The word *Swaraj* means self-rule. However, for Gandhi, *Swaraj* meant an integral revolution that encompasses all spheres of life. It calls for the individual to take more responsibility for himself and society. It was hinting towards an ideal of virtuous individuals building an ideal society. This has multiple levels and it started with the independence or *Swaraj* of the Individual. At the **individual level**, *Swaraj* was vitally connected with the capacity for dispassionate self-assessment, ceaseless self-purification and growing *swadeshi* or self-reliance.

From a **political point of view, Swaraj is self-government** and not good government. For Gandhi, good government was no substitute for self-government. Swaraj means continuous effort to be independent of government control, whether it is foreign or national. It was sovereignty of the people based on **pure moral authority**.

Gandhi gave *Swaraj* the content of an integral revolution that encompassed all spheres of life; at the individual level, Swaraj is vitally connected with the capacity for dispassionate self-assessment, ceaseless self-purification and growing self-reliance. Gandhi was undaunted by the task of implementing such a **utopian vision** in India. He believed that by transforming enough individuals and communities, society at large would change. Therefore, both in the case of Schumacher and Gandhi, the individual plays the biggest role in deciding upon utopia. If one conditions the individuals in society for consumption as the means and mode of development, we end up with the current problems in society.

However, if we heed Schumacher and Gandhi to introspect about what is “enough “and or embark on the path towards *purna sawraj*, we could end with a society, economy and political system that is very different from the one that we are in at this point.

#### 7.4 What is our Utopia about?

Around the time that I was in the process of working on the conclusion of my thesis I had a vivid dream. I was giving a tour of a world where craftsmen were living in a value economy. My memory of the dream revolved around a conversation between people who were living in a world of standard economy trying to make sense of people living in the value economy.

The conversation was about what motivated people to do what they do in daily life. In one such conversation, the person who came for the tour asked the craftsmen living in the value economy how much money he made?

Before answering, the craftsmen questioned the other person about how much money he thought he should make in order to be happy? He then proceeded to say that he does not make a lot of money, however, in his society his status was not dependent on that. As a matter of fact, he added that accumulation of wealth was not a priority.

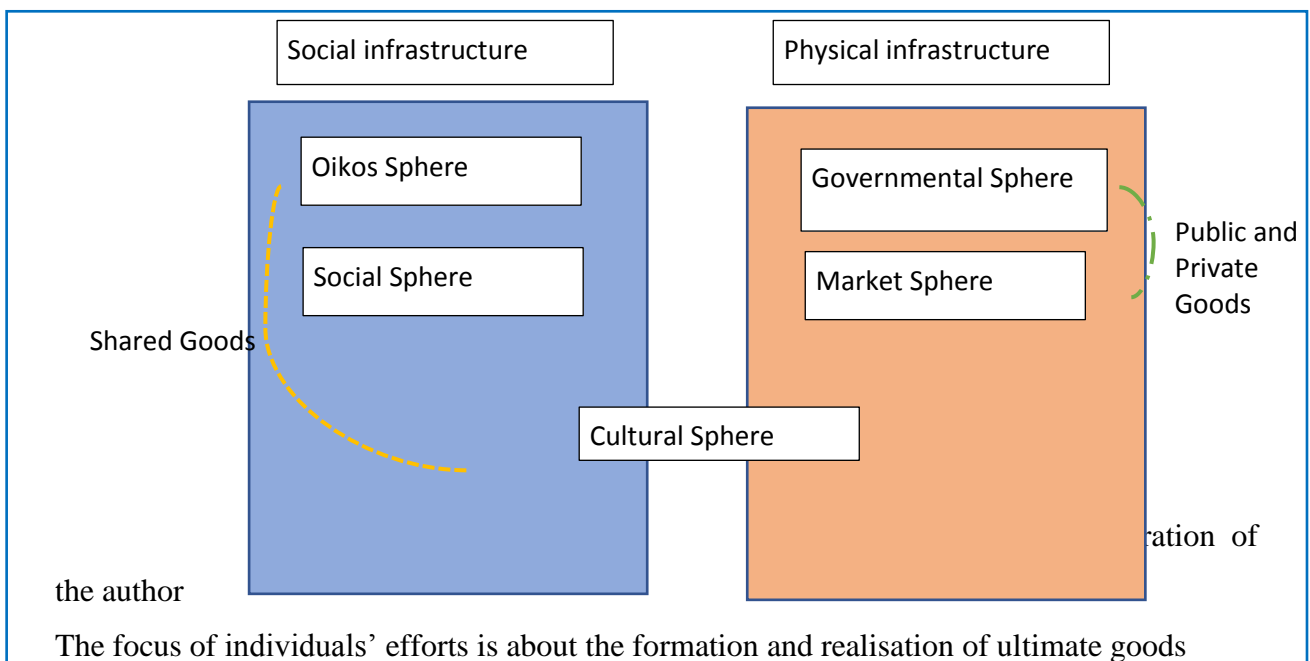
He further alerted the visitor to the fact that the objective in the value economy was to co-produce and consume shared goods and thereby achieve and help others to achieve values. He explained that being a craftsmen was prized in his society as people appreciated the fact that his practice of crafts enables for the upkeep and maintenance of culture and context where shared goods can be produced. While talking with the people on the street who were wearing cloths made by the craftsmen. The outsiders asked what they thought about the craftsmen in their society. They told them that they appreciate them as they embody a lifestyle that involves discipline and what they produce allows others to participate in the process of preserving their culture by practicing it. They alerted the visitors that the work of the craftsmen was very skilled and to reach a level of skill was aspirational in their society and was prized as a measure of success of a person.

In another conversation, the governor of this utopic society explained to the visitors what the collective ambition of the people participating in the value economy was. They all wanted to reach their fullest human potential. This, he explained, was only possible when individuals

understood what is important to them and what values he has to realize to achieve those goals. The measure of success for his role as governor was to make sure that people would be able to achieve their values by making sure that they have access to opportunities where they could co-produce ultimate goods leading to a happy society.

The Utopia of the value economy is a world where individuals are aware of their values. They are operating with reasoning and a developed sense of phronesis in trying to organise their life. Individuals in such a world are not compliant with the reductionist view of themselves and their behavior being labelled as rational. They perceive themselves as people who are **prudent** and take their economic / life decision based on their willingness to participate in the co-creation of shared goods to achieve values through goods to strive for / praxis. This requires that, The Oikos, social and the cultural sphere be more active than the Market and the governmental sphere (which is the case in standard economic thinking).

Figure 4: Sphere's social and physical infrastructure



1. Good work
2. Good society
3. Good life
4. And so on.....

The role of culture is central in this process as it helps to create the context within which the shared goods are co-created. On the other hand, the outcome of the realisation of values (in the formation of ultimate goods) leads to the valorisation of the cultural context within which it is produced.

In such a world, traditional sectors, like crafts, which enable the production of shared goods as they are produced and consumed within a socially and culturally embedded process become important, as it is an important component for distinct civilisational growth

### 7.5 Recognizing crafts culture: The need for social infrastructure

In the case of the value-based method for economics, intangible cultural heritage that crafts produce is not about being between framings. It is more about the shared meanings and the cultural context that it creates. The intangibles of culture are what gives crafts its shared goods nature.

The problem with using intangible cultural heritage as an argument between the two framings is that **the efforts and interventions and attention given to crafts gravitate to seeking market solutions**. The conversation is about willingness to pay as the means to focusing on crafts.

In the value-based approach, the conversation is more about willingness to contribute. It is about participation into the commons and entails more than just willingness to pay. The effort is to maintain the intangible aspect of culture, which enables production of ultimate goods.

What I observe with my experience in crafts is that the kind of attention that we pay to the sector should be about encouraging individuals to experience the various values that crafts produce.

It is interesting to note that crafts culture that exists in India is in danger as the thrust to valorise crafts in the market logic is systematically crowding out other values. Therefore, we need to re-orient the crafts culture in India using the value based method to allow for the realisation of values.

At this point, it is worth re-visiting two questions that we have asked in the first chapter of the thesis. The first is about:

The influence of the economy on crafts in India and does culture play a role in understanding the crafts economy.

What I understand from my explorations about crafts through the various lenses is that, crafts is influenced by the economy, however, I make this statement with some clarifications

- The influence of the economy on crafts is framed in the market logic and valorisation of crafts is through financial values however the over dependence on this logic to understand the influence of the economy on crafts is misleading as other factors play a more important role.
- The crafts sector being culturally and socially embedded form of pre-industrial production and consumption produces its own intangible aspects of culture which gives its unique shared good nature.
- This shared goods nature of crafts gives the user and the maker communities the ability to valorise their participation in the commons of crafts to co-create the goods to strive for and therefore ultimate goods.
- This dynamic relationship between culture, crafts and its valorisation gives a different perspective about the economics of crafts by questioning, what is the end outcome of the market for crafts, is it about rise income and livelihood or is it something much more as it has a shared goods nature and helps in the formation of ultimate goods.

Therefore, the answer is that the participation in the commons of crafts produces and maintains the intangibles of cultural and so gives the market for crafts unique characteristics which can only be maintained through the realisation of values not just in the market and governmental sphere but also in the social, oikos and cultural sphere.

It is through participation of mediums like crafts that we can valorise our culture in the civilisational sense to achieve economic progress while being culturally distinct.

The context within which values are realised is generated by the intangible aspects of culture. This intangible aspect of culture is in need of our attention, as stated in the first chapter, crafts is in need of a crafts culture around it

Crafts culture is indicative of the kind of attention that we need to pay to crafts. This attention is both from the demand perspective as well as the supply side. However, when we think about the economics of crafts, there are two, distinct lenses from which we can view the world of crafts. The first is from the standard economic perspective where we can understand crafts as a private good open to trade in a market. Terms like demand, supply, competition, productivity, value chain and market intervention are used in association with the logic of seeking market solutions for crafts. On the other hand, the public good nature of crafts come into being owing to the fact that crafts is socially and culturally embedded in the heritage and history of India and so it requires support in case there is a market failure. In this case, heritage and culture of crafts is used as an argument to garner governmental support for the sector. This has been the approach to crafts development in India so far.

What I propose is that we need to start to look at the crafts sector in India differently by changing our lenses from the standard economic framing (where we understand crafts as a private or public good). Crafts should be viewed as a shared good and by doing so we enter into a realm of application of heterodox economic thinking in understanding and developing the crafts sector in India. The value based method for economics is indicative of those lenses where we understand crafts as producing shared goods which are created through the realization of values across four quadrants

- Social
- Societal
- Personal
- Transcendental

The realisation of values and the production of the shared goods leads to the formation of ultimate goods such as

- Good work
- Good life
- Good society and so on .....



For this to happen, we need to change the kind of attention we give to crafts from being one where we are seeking only realisation of financial values and move towards realisation of ultimate goods. This involves the formulation of the right set of policies, having the right education and also having the right organisation of the crafts sector in India.

Table 23:What kind of attention should we pay to crafts ?

Paying attention to the world of crafts		Current Industrial Logic	A new Ideal logic
Crafts Culture	Policies	Formulated for production and consumption	Realization of values and production of ultimate goods as an outcome
	Education	Focused on an industrial view of the world	Focused on holistic view of value
	Organization	The system is designed for consumption as a means of valorisation	The system is organized where co- production of shared goods is given importance.

Source: Own elaboration of the author

**The Ideal Education:** This is the pedagogical aspect and it has two dimensions. It is about how crafts and the corresponding cultural and intellectual capital is transferred from one generation to the other. It is also about having the aspects of the social education of making society aware of the values that the crafts sector generates and how that contributes to the formation of ultimate goods.

**The ideal Organisation:** This is the aspect of the idealised imagination where one imagines a greater role of the unique institutional feature of crafts in India which is the caste system. However, the interpretation of this would have to be done in a framing where we consider castes as guilds.

**The Ideal policies:** This is the governance aspects of the idealised imagination for crafts. It is about imagining crafts as a shared good and planning for it to realise values.

#### 7.5.1 Crafts Culture: Understanding the Ideal a road map for India

In any attempt to construct a crafts culture, it is important that we have a sense of the ideal as this will enable us to understand the design of the strategy. What is worth stating in the onset of this exercise is that the objective of the crafts culture is to organise the craftsmen on the supply side and the user communities on the demand side. It also extends further to the education of both these groups and finally it is about appropriate policies that promote the idea of a value economy.

When we talk about the organisation of craftsmen, what seems to be normal is trying to organise them as self-help groups, co-operatives and so on. The objective of such organisations is to enable the craftsmen to produce the craft and seek markets for them. However, the over emphasis on production and potential income generation of crafts leads to the dilution of the social and societal base which is important for crafts.

The aim of organising the craftsmen should be that they ought to be able to achieve their goal values as stated in the example in the table. The organisation types that allow for the values such as Collegiality, Community, Tradition, Recognition, Security, Craftsmanship, Skill and Beauty to realised among its community should be the ones that are best suited to crafts.

In other words, the organisation of craftsmen should be done in such a way that it leads to the achievement of ultimate goods.

What seems to be ideal for crafts is to organise craftsmen around guilds. This is a throwback to the *castes* in India and an attempt to salvage the elements that were, and perhaps still are, useful<sup>100</sup> in organising craftsmen of India.

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<sup>100</sup> Provided the antagonising features of the caste system is kept contained.

One needs to keep away from the tendency of caste to produce prejudice. Instead, to look at it as the social and societal feature which has nourished crafts tradition in India for ages. The approach of reviving and reforming crafts guilds and promoting the organisation of craftsmen to achieve their goal values is an ideal to strive for.

Education, both on the demand and supply side, is also an issue that needs our attention. When we consider the education of craftsmen in India, much of it is still learned at home through practice. However, there are issues that need to be addressed. One issue is the fact that governmental agencies have a tendency to conduct short training programmes of 3 months or so to train new craftsmen. This has given rise to a new category of craftsmen in India which is considered different from traditional craftsmen as they are called trained craftsmen. The second issue is who is responsible for the education of the craftsmen. I have stated my preference for a set up by way of guilds.

A clear majority of craftsmen in India are poor in general literacy and even more so when it comes to financial literacy. This is a feature of crafts that is more common in emerging and developing economies than the crafts sector in more advanced economies like Japan, Germany or Italy. Most craftsmen in India usually drop out of school after seventh standard to dedicate their life to the perfection of crafts.

In an ideal world where Indian craftsmen are organised under guilds, a model of education as prescribed by educationalist like Judy Frater, who makes a case for providing craftsmen with design education, seems to offer the best hope for the development of craftsmen into creative entrepreneurs. The focus of such education should also be imparting adult education to craftsmen trying to bridge the gap in their knowledge in basic education, information technology literacy along with a financial literacy. The idea of such an education should be centered around helping the craftsperson have a better world view and enable him/her to understand what he or she contributes to the world.

Therefore, the ideal education of craftsmen in India should be one where the guilds provide the social and social institutional base from where craftsmen learn their trade through master and apprentice systems (think about shishya parampara) which is to be supplemented through design education with a component of adult education that helps the craftsmen to form a better world view. In addition to this, there should be institutions of higher learning and research that work on the advancement of crafts in tandem with the guilds. Institutions like IICD and NID could serve as institutions of higher learning helping in the advancement of crafts in India.

However, there is also a demand side story to crafts. Education plays a key role in this as well. As India gets increasingly modernised, the avenues where young Indians can learn about their culture is reducing. Among young Indians, crafts offers a wonderful opportunity for them to learn about their culture, heritage and traditions. In such a scenario, education on the demand side is not only necessary and useful for the economic good but it is also important as it has major pedagogical themes present in it that warrant our attention.

The design of the strategy for achieving crafts culture is to be achieved through ideal organisation and education. However, it is also in need of the ideal set of policies that spark and help formulate the context and environment within which these shifts can take place.

Under the current system for planning for the crafts sector, the focus is too much on the application of neo-classical economics. The adoption of value-based economics to plan the economy will mean new policy directions.

For instance, as stated above, the establishment of a Guild and their empowerment will certainly be an issue that the state and federal government must take up through legislation. The idea is to empower them and provide the supporting legal frame under which they can be formed and help the government in its goal to achieve civilisational growth.

Given the fact that crafts in India is an issue that involves multiple ministries, the effort must be a coordinated one. The agenda is policy convergence towards recognition and achievement of values across the system. This includes the various relationships between the maker and user communities.

Education plays a key role in this and the government plays a key role as well, to the extent that the establishment of a Ministry of Skill Development and Entrepreneurship and the establishment of a Skill Sector Council, is a positive signal. The current constitution of the council from organisations and individuals who have export as a focus is less than ideal. However, the idea and implementation of the National Skills Qualifications Framework (NSQF) which enables the recognition of the skills of the craftsmen and at the same time plans for his/her needs to be successful as a creative entrepreneur is a step in the right direction.

# Conclusion

## Introduction

I am at that stage of this thesis where I must reflect on my investigation and provide my conclusions. What has been my experience in trying to understand the value of culture and its intangible nature? Is there a new insight that I have been able to contribute which helps to understand the value of crafts? How has the value-based approach in economics helped me to gain these new insights? These are the questions that I want to contemplate on at the end of my thesis.

The topic at hand was complex. However, my motivation to understand the role of culture/heritage of traditional sectors like crafts in India was passionate enough. It allowed me to undertake this research. I wanted to make sense of how we in India value our culture and heritage.

As to the setup of the thesis I distinguish four distinct lines of investigation that had to be undertaken with crafts in India as a case.

The first was about the role of heritage and how that forms our understanding of the economic problem of the crafts. The presumption here is that how we define and interpret heritage<sup>101</sup> has an impact on the framing of our subject.

The second is about how one should approach traditional sectors like the craft sector. The UNESCO convention of 2003 enables to perceive them as intangible cultural heritage.

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<sup>101</sup> At this point it is worth reminding ourselves that economists are not part of the process of defining what is heritage, it is usually done by national governments and intergovernmental agencies. However, some cultural economist like Klamer (Klamer, 1999) Rizzo (Rizzo, 2002) Throsby (Throsby, 1999, p. 6) have come up with working definitions /understanding to frame the economic problem.

The third is about the appropriateness of using standard economic thinking as a means to figure out what the crafts contribute to the lives of those involved (the stakeholders).

A fourth line of investigation is the pragmatic view of the term value. What that means is that I am in search of an economic framing that will be able to capture contributions of the sector not just in terms of price but also in terms of values.

These four themes are recurring in this thesis in its various chapters.

In the first chapter, I have tried to draw attention to the claim made by Vencatachellum (2016 , p. 2) who alerts us to the fact that crafts, through their intangible aspects of culture, are in between two framings, the first is the cultural heritage framing and the other is the creative economy framing. Each produces its own rhetoric. In trying to understand the crafts sector in India, authors like Chatterjee have pointed out that the crafts sector is **both a crisis and an opportunity** (Chatterjee, 2010 , p. 74). The crisis is that the government perceives the sector as the relic of a past marred with inefficiency, unproductivity and a reducing market with more competition. However, the economic success of India post-liberalization is seen as an opportunity to invigorate the crafts sector. There is great expectation from the consumerism of growing middle class to save crafts in India. This assertion provided the setup for the investigation in the second chapter with two lines of inquiry

- How has the structural shifts in the Indian economy impacted the crafts sector
- What message do we give craftsmen<sup>102</sup> using the standard economic lenses?

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<sup>102</sup> The craftsmen of India or those who are still in the traditional sector

When we first try to understand the structural shifts in the Indian economy it becomes clear that the process of industrialization in India has not been a linear process. What this means is that the ancient and the modern co-exist in India. The second reflection that I got from this research was that the expectation that the consumerism of the Indian middle class will lead to the resurgence of the crafts sector is doubtful as a report from the Pew research Centre (2015) points out that the Indian middle class is not as wealthy as once anticipated. Besides crafts would also have to compete with other products of Industrial production which may have marketing budgets higher than what craftsmen / crafts organisations can afford.

Upon further investigating the crafts sector in India, I also noticed that the way it is organised and understood primarily follows an industrial logic. The cultural aspect is used as a rhetoric for sales but not so much in understanding the production and consumption process. This has led to the craftsmen of India being treated at the producing end of the market value chain.

What I found was that the crafts sector in India when seen through the application of neo classical lenses leads to an emphasis on the valorisation by way of the market. When there is no market for the crafts objects, it becomes an issue of public policy where crafts are valorised in the governmental sphere often by way of subsidy programs.

However, the problem is that crafts in India face macro level<sup>103</sup> success and at the same time has micro level misery<sup>104</sup> for the craftsmen. Understanding the craft sector in India from the perspective of the economy as a sector undergoing structural shifts sends the craftsmen the message that they are part of a lagging sector and they must re-deploy their efforts to more productive parts of the economy to experience a rise in income and a better life.

On the other hand, those craftsmen who decide to continue in the sector are given the message that they must increase productivity and their efforts must gravitate towards valorising their skill in the market logic. In certain cases,<sup>105</sup> like that of the use of technology in the weaving industry, it has been positioned as a means to increase productivity among craftsmen to compete with industrial production again sending the craftsmen the wrong message.

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<sup>103</sup> Government reports are positive about the growth in the export markets and increasing employment in the sector and further project growth in markets.

<sup>104</sup> Almost every week there is an article in the newspaper that draws our attention to the dismal situation of craftsmen.

<sup>105</sup> Powerloom vs handloom

The problem is that these messages are paradoxical. They both seem to be deeply schizophrenic as we as Indians claim that we value our culture and crafts but seem to be doing little about it by way of support.

However, it also led me down another path to investigate why, and if so how, Indians value their crafts. What I understood at this point from my exploration was that I needed to change my lenses to understand what I was studying. This I approached in the fourth chapter by first trying to understand the crafts sector from the perspective of the culturalists (anthropologists, sociologists, people working in the sectors like *Urzamma*<sup>106</sup>).

The effort was to sharpen my understanding of the crafts sector through these new lenses, which I later found was a great advantage. It alerted me to the social and cultural embeddedness in the process of production and consumption of crafts in India.

Upon investigating the role of caste and community (*Samaj* and *Biradiri*) traditions, I noticed the significance of semiotic relationship between the user and the maker communities. At the same time the significance of Indian ability to respond to visual symbolism (as seen in the case of Saree and Swaraj movement) indicated to me that viewing the crafts sector from the lenses of standard economics reduces all of these features to just a conversation about demand, supply and price.

However, given my disposition to make sense of the situation, I started to explore for new economic lenses that would be able to accommodate the rich perspective gained from viewing the crafts sector from the culturalists perspective. This involved framing crafts in terms of shared good, that is, through the lenses of the value based method for economics.

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<sup>106</sup> Urzamma has worked in the field of artisanal cotton textile production for over 20 years, and was instrumental in the founding of Dastkar Andhra, a craft revival trust. She is associated with the Malkha Marketing trust, Hyderabad, handloom weavers' cooperatives manufacturing pure cotton cloth from cotton grown by small farming families.



In the fifth chapter I made a move to elect the value based method for economics as it was appropriate for the task at hand. It enabled me to investigate the crafts sector further and create a more complex and rich picture. Central to understanding these new lenses for economics is the idea that individuals work towards the realisation of their values. This process involves people being aware of their values and second searching for means to realise them with others through the co-production of shared goods.

What is interesting to note is that this process of co-creating of values happens within a cultural context. It depends on people understanding what is important to them and acting in a way that reflects their phronesis to do the right thing.

When I re-considered the crafts sector through these new lenses, I gained a new and unique perspective of the role and significance of traditional sectors like crafts and culture. To begin with, I could reflect on the social and cultural embeddedness in its production and consumption as being an important feature which gives it a shared goods nature. People in the user and the maker communities could achieve various values through the co-production of shared goods due to this.

It also became clear for me that the ownership in this co-production of shared goods through crafts requires a cultural context. This can only be acquired through the participation in the commons of crafts.

What I also understood is that the intangible aspects of culture are what creates the context where shared goods are produced and is also valorised by this co-production process. This reflection on the nature of intangible cultural heritage of crafts gives me a fresh perspective on how to understand the sector. To start with, I figured out that the pre-conditioned world view given by the standard economic perspective is limited in how it explains the outcome of consuming crafts.

In other words, by framing the process of production and consumption of crafts in India to achieve values allows me to go beyond the rhetoric's of public and private goods arguments and the reductionist tendency of understanding value as price. It allows me to accommodate the perspective of the culturalists by pointing out that the valorisation of crafts not only happens in the market and the governmental spheres but also in other spheres, like oikos, social and cultural sphere.

The nuance of the application of the value-based approach for economics on crafts is the understanding that a worldview is not limited to the realization of financial values. It focuses on the achievement of values in broader terms where crafts is used instrumentally as a means to produce shared goods in others spheres. It leads to the formation of ultimate goods, such a good society good work and so on .....

What this nuance also alerted to me to is, that while our efforts and policies are geared towards the achievement of financial values in the market and the governmental sphere, the means to achieve values in other spheres is missing. However, I feel that paying attention to building social infrastructure to achieve values in other spheres is just as important to lead a fulfilling life. In the case of crafts, **I recognise it as crafts culture**. In India, we seem to have it but it is being lost and so efforts must be made to support it and give it its due recognition and revitalize it.

What I propose in my research is that intangible cultural heritage is not so much about the framing and the rhetoric that it produces but more about the aspect of culture that gives crafts its shared goods nature<sup>107</sup>.

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<sup>107</sup> The shared goods nature of crafts is what makes us search for alternative lenses through which we want to understand the world of crafts. The value-based method for economics provides us with a different worldview where the realisation of values through the production of shared goods is a desired state. An interesting point about this approach is that it takes a more pragmatic view of values. It accounts for all the five spheres where people can assess their values. The objective is to produce goods to strive for and to achieve ultimate goods as an outcome of the process.

In this sense, those who participate in the intangible aspects of culture are part of the metaphor that culture provides meaning for their activities. This is true both in the case of the user and maker countries. Culture, as the ultimate metaphor, provides the context within which semiotic relationships are formed and traditions valorised.

It is, therefore, in this context that I make an assertion that crafts are in need for participation in the commons to keep the intangible aspects of culture that generates its shared goods nature to flourish. What this means is that the valorisation of crafts should not be limited to a willingness to pay and should extend further to a willingness to contribute.

In other words, the object of the attention that we give to crafts should translate to its valorisation in the social, Oikos and the cultural spheres. The outcome of such a process should be the co-production of shared goods and the achievement of ultimate goods.

In the seventh chapter, I attempted to give a possible road map to reclaim the crafts culture in India. **The ambition of the road map was to help build a value economy where modernity /economic growth is not at odds with tradition but is enriched by it in a semiotic relationship for a culturally distinct economic development.**

What is clear from my reflection is that I am interested in building an economy for shared goods as this is what seems to be most appropriate for me when I want to understand a framing for economics of intangible cultural heritage. For this purpose, I must extend my conclusion a bit further by giving a message to the various stakeholders who might benefit from my thesis and the use of the value based method for economics.

Note that the standard economic perspective at this stage<sup>108</sup> directs the attention to policy makers and to the administrator of India. The value-based approach involves all other stakeholders as well, such as the craftspeople, Indian people, people who are (potentially) interested in (Indian) crafts, tourists in India, and scholars.

I begin with scholars, my group.

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<sup>108</sup> Giving conclusion and recommendations

Need to change the conversation. That much is the plea.

## Getting into a new conversation

My experience with trying to make sense of the world of crafts has led me to realise two main insights. The first is that I am not formally part of the conversation<sup>109</sup> among economists about economics (standard or otherwise). In other words, I do not have a formal training in economics, however, I am influenced by it. The most dominant of those conversations among economists is what drives our normative worldview of economics and economy<sup>110</sup>.

As stated earlier, I trained in management<sup>111</sup>, my economic understanding of the world agreed with the standard frame of economic thinking. In our training we were encouraged to do two things when thinking about management heritage:

- 1) Try to imagine a market solution
- 2) Try to come up with arguments for subsidy and governmental support

Admittedly, this is exactly what I did during the early years of researching this topic<sup>112</sup>. However, my graduate school experience under prof. Klamer brought me into the conversation among economists. This invitation is what allowed me to mingle around with and get exposed to their debates, reflections and insights on the nature of science and possibly its future.<sup>113</sup>

At this point I had a revelation about the unique situation that I had found myself in during my days as a graduate student. It came in the form of understanding that as I was not part of the

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<sup>109</sup> Conversation is a metaphor for belonging to various schools of thought in economics, in specific terms and economics in general for outsiders. A good book on this topic is *Speaking economics* by Arjo Klamer, (Klamer, 2007)

<sup>110</sup> I have presented this perspective in the third chapter where we understand standard economics or the orthodoxy to be that of Neo-classical economics with neo-liberal tendencies to achieve the utopia of capitalism through free market fundamentalism.

<sup>111</sup> My bachelor's degree is in heritage management followed by a masters degree in business administration with specialisation in tourism and hospitality

<sup>112</sup> When I reflect on the second chapter, i.e. Market for crafts, I find myself doing both leading to a text that in some ways is difficult as crafts is too complicated a topic to understand with just the lenses of standard economics.

<sup>113</sup> I was fortunate to interact with Prof. McCloskey among others during this time. I was also enriched with my conversations with Dr. Dekker who, at that time, was also in the process of writing his dissertation on the Austrian School of economics.

formal conversation among economists. So, I was more intellectually free than I would have been if I had been trained into a school of economic thought.

What also worked for me was the fact that I embarked on working on the economics of intangible cultural heritage during the double crises<sup>114</sup> of the 2008 global financial meltdown and the euro crisis. This was a period where I found that economists were doing a lot of soul searching and, to an extent, also became intellectually free and more willing to take professional risks<sup>115</sup>.

To that extent I benefited from my close association<sup>116</sup> with Klamer, my supervisor. During my time at the Erasmus school of history, culture and communication, I was fortunate enough to have been exposed to the works of Deirdre McCloskey, David Throsby<sup>117</sup>, Idle Rizzo,<sup>118</sup> Sir Allen Peacock, Anna Mignosa and many more who have been formative in my understanding of economics.

What formed a pivotal turning point for my thesis was Klamer and his passion to imagine economics differently where values play an important role. It was an idea that resonated with others in the field of cultural economics like David Throsby, Anna Mignosa and others with his value based method for economics.

My perspective grew a lot by reflecting on the value based method for economics and the conversation there generated in various settings<sup>119</sup>. Not all who have heard about the method were positive with some economists more skeptical than others in receiving the value-based approach. However, what I also understood is that for my investigation which, by this time, was stuck in the paradoxes that were created by applying standard economic thinking, I was ready for a new perspective that the value based method for economics had to offer.

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<sup>114</sup> I started to work on my research in the fall of 2010.

<sup>115</sup> This, I hoped, would turned into a greater movement and yet things seems to have gone back to the status quo in economics with the dominance of the orthodoxy still maintained.

<sup>116</sup> In hindsight, it was as though I was taken into an apprenticeship under the master to understand and broaden my economic understanding of the world.

<sup>117</sup> The idea of cultural capital was a concept that I found especially intriguing but yet I was in need of a more holistic approach.

<sup>118</sup> The book entitled the Heritage Game gave me an insight into the world of how economic decision are made about heritage and the role of rhetoric in them.

<sup>119</sup> The settings included the international summer school in cultural economics that I helped organise with other colleagues.

The second insight that I got from this process was that the application of the value based method for economics was new. This would mean that its application would attract a lot of skepticism among mainstream economists. However, I felt that it was important to think beyond standard economics, to make sense of the world of crafts and intangible cultural heritage.

I understood that there is a need for an approach that could channel the voice of the culturalists. Their insights had the potential to offer a different economic reality /utopia from the one propagated by standard economic thinking. The idea is to examine this as a field of human economy with parameters that are more suited or appropriate to understand what contributes to the idea of good life, good work through the achievement of goal values.

The participation of other scholars in this effort to study the new economy might offer **a way to create a new worldview**. The Utopia exercise<sup>120</sup> gives us an idea of what the value economy looks like, however, it still needs further development which goes beyond the limits of this thesis.

The application of the value-based method enables us to further the conversation around crafts having the ability to produce shared good. This is significant as this allows us to build a new economy for goods that have a societal and social base for consumption and production. It needs a new vocabulary and the development of indicators that helps us in studying crafts in a better manner.

The position of crafts as a shared good is also interesting as it changes the dynamics of the logics where the dominance of the market and governmental logics is challenged. The challenge comes from the social and oikos (the household) and the task at hand is to help them better articulate their economics. The effort is to build markets and government as a function of society and not the other way around.

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<sup>120</sup> It also alerts us to the fact that we might be reaching the limits of the utopia that free market fundamentalism brings us.

In other words, to imagine a Utopia where markets exist to practice value and not just as a means for the accumulation of wealth and the consumption of resources. Therefore, the invitation to other scholars entails them building such a utopia into a reality by way of building the discourse necessary to make such a shift.

Scholars, as one of the stakeholders to this story by way of discourse must help and convince the other stakeholders of the promise of the new Utopia. For instance, if the current rhetoric is that development programs have to have the effect that the livelihood potential of the craftsmen is enhanced from 1 \$ a day to 10 \$ a day scholars have to ask a substantive question of “what is it good for?”

Yet another argument that is presented about crafts is that export market for crafts is important and essential for a greater earning potential of crafts. Fair trade is a means of achieving some equity and relief from the exploitative middle men which might prove to be a half-truth if we fail to ask the question: “what is the effect of such a worldview on crafts, craftsmen and the societal and social institutional base if the focus is too much on the commercial potential of crafts and that as a means of valorising it?”.

Yet another argument that is presented about crafts is that it is a lagging sector in the economy and it is neither productive nor does it provide income at the same level as other sectors of the economy. However, the question that scholars have to ask is “**what is good work and how do crafts compare to other leading sectors if income is not the parameter?** “An extension of the same question can also be: “what is required for a good life; are income and consumption sufficient conditions?”

Authors like Goto (2013) have made the connection about how intangible aspects of culture in crafts is a source of creativity which is a desired attribute in industry. The current thesis tries to add to this by trying to argue that crafts can also be a source to a good life, good work and other such ultimate goods. However as stated in before it requires a culture of participation and appreciation around it. To that extent one must recognise that the objective of an industrial policy towards crafts should be such that it leads to realization of ultimate goods. This is the challenge for the various stakeholders.

This current thesis is an effort to ask the right question and build the context within which these questions can be answered. However, for us to do so, there is a need for us to re imagine the role and responsibilities of the stakeholders involved.

Through the thesis, the underlying assertion is that the crafts are in need of a culture around it to survive. In other words, we need to pay attention to the societal and social institutional base in which crafts is embedded.

This realisation must translate into policy conversations which happen at governmental (local and federal) and international and intergovernmental levels (which may also be looked upon as institutional level).

#### Message to policy planners

During various stages of writing this thesis and multiple interactions with policy planners, I have had to deal with a recurrent theme of being a romantic. While I am aware that I could still be seen as one, I would like to plead with the policy planners to understand that both of us have the same goal. We both want the welfare of the craftsmen and that of people in general. However, the point of difference between us is that I want to see a system where I can assess my values not just in the market and the governmental sphere but also in terms of social, oikos and cultural sphere.

I do so by recognizing that intangible cultural heritage is not just about a rhetoric but it is what I need to be able to do to make such an assessment. In other words, I would be a romantic if I was to say that valorisation of culture in the market sphere is leading to its commodification or that the government has to intervene to produce welfare to the craftsmen.

However, what I am saying is that the very nature of intangible cultural heritage needs a social structure of participation that is impossible to achieve either through market mechanisms or through a governmental decree. It happens when we understand that traditional sectors like crafts have the shared goods nature or a shared practice that may be considered intangible cultural heritage.



Crafts in India is perhaps the most visible of the sectors with a shared goods nature. It is after all the claim we make that between the three i.e. the public, private and shared goods, it is the last that is more significant and perhaps important as they are essential for the achievement of values and the chance at a good life.

It is, therefore, important to understand that crafts are not in isolation and it is indeed part of a more composite structure of other sectors, which share the same social and societal institutional base and have similar capability like crafts to produce shared goods which enable the achievement of values.

It is important that we acknowledge the existence, interconnectedness and the needs in the sector for traditional knowledge and skills of which crafts is a part of. The practitioner in the various fields of traditional knowledge and skills need to be afforded the same attention that we construct in a proposed road map for crafts culture which were laid out in the previous chapters in terms of:

Ideal education

Ideal organisations

Ideal policies

In the value-based economy where the focus is not so much on the accumulation of material wealth, the work of the bureaucrats is not so much about pushing the case of state capitalism through neo-liberal policies. Their role is that of agents who create the framework and policies that aid the recognition and achievement of values.

Successful countries are not the ones with the biggest economies but those which have the happiest people, and that implies that people have access to purposeful and meaningful work. In such a world, people work to achieve ultimate goods and not the accumulation of wealth to a fulfilling life. Politicians and bureaucrats are aware of this and work towards it.

In this conversation about policy planners the role of international organisations such as International Folk Art Alliance (which provides an alternate model to artisans to approach the export markets other than the export house model), Aid to artisans and indeed the world crafts council becomes important. In such circles the conversation to an extent is centred advocating crafts as an industry and as a source of income and employment and topics of value chain equity are discussed. I hope to add to this conversation and propose the possibility of advocating a position where the conversation is about crafts as a source of realising ultimate goods.

This conversation is one that leads to participation and appreciation of the intangible culture of crafts than just making it an issue of seeking markets or advocating public policy to support it. The focus is to look at crafts as a source of community resilience both economic social and societal. Such an approach needs to articulate the values of crafts not just in monetary terms but also to identify, strengthen and celebrate its non-monetary intrinsic values.

#### Message to society

The message to my fellow Indians is that we must see the market for cultural goods in broad terms. In other words, at the moment we understand the market for cultural goods as the one where the craftsperson or the shop where we buy the crafts and get a fair price for the object that we want to consume. The assessment of crafts in this narrow term makes the responsibility of the user community limited to that of the role of the consumer. This view of limiting the role of the user to the willingness to pay leads to a broken relationship between the maker and the user community where the valorisation of crafts is made according to the price paid.

In this narrowly defined relationship between the user and maker, community's crafts are treated as objects for trade. However, as we have seen at various points in the thesis, crafts are more of a medium than an object. It is a medium through which various values are exchanged and ultimate goods achieved.

However, for society to operate at this level, individuals must understand the fact that they act in a way that reflects their values. Hence, it is a worthwhile exercise for us to understand that each of us is in possession of these values.

As stated in the previous chapter, we are in a state where we are preconditioned to think<sup>121</sup> in a way and this is increasingly proving to be a perilous path. The world is split between fat cats and starving dog, where the value of the individual is measured through wealth and not through his social, societal and transcendental contributions.

One of the most overused stories in the field of heritage is that of the John Ruskin and his plea to the Venetians in the stones of Venice. The story goes that the Venetians did not see the beauty and value of the uniqueness of what Venice's architecture had to offer and where contemplating rebuilding the space with more modern buildings. However, the plea made by the likes of Ruskin makes the Venetians see the value of their built heritage. The moral of the story is that outsiders are more perceptive of what is culturally valuable. This is because the locals are not able to see its value as it is part of their daily lives. Hence, it is difficult to recognize value when it's right in front of you.

However, the message that we seem to have taken from this is that outsiders are valuing Indian crafts and that they should be exported as much as possible.

The thesis is, therefore, coming with the message that we as Indians need to introspect to find out what are the values that are dear to us. While understanding and defining values is an interesting and worthwhile enterprise it is equally important for us understand the means to realise, practice and nurture goods that enable us to achieve various values. Sustaining our culture and culture as an asset including religious practices is what gives meaning to Indian lives and makes our society interesting for non-Indians.

And so, it is with this preamble that I invite my fellow Indians to participate in the commerce of craft not in terms of their willingness to pay but in terms of achievement of values and ultimate goods. It is an invitation to understand the virtue of hand skills and good work that the craftsmen of Indian share with us as the user community.

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<sup>121</sup> When we see the world through standard economic lenses

## Message to craftsmen

One of the most formative experiences while writing this thesis has been my interaction with craftsmen. While some of these meetings left me feeling bewildered as the artisans of India struggle between the vagaries of the market and governmental spheres, certain other interactions with craftsmen like Dayabhai led me to edifying movements.

What seems to be important in being able to live the life of a craftsman is to have the right worldview. This worldview must be void of the pre-conditions placed by looking through the standard economic lenses. The focus should be on doing Good work and this extends further to the recognition of Good work both on the demand and supply side.

It should be based on understanding what is important to them as a craftsman and to use crafts instrumentally to co-create the goods to strive for and realise ultimate goods. They should understand their role as valued members of society as they are people who practice crafts and the ways of life associated with it. They are inspirational members of society who keep traditions in practice and the idea of craftsmanship as the high mark of the joys of the toil of work and a measure of good work.

So what ?

My journey of over six years is coming to an end with the presentation of this thesis. In these final, few passages I choose to be reflective of my experience. It is primarily centered on two points.

- What I have found in the quest to understand the role of intangible cultural heritage in our lives
- How my relationship with crafts has changed, having deeply thought about its relevance in our existence

During the initial years of research, I found that I was pre-conditioned to understand the world in terms of standard economic thinking. This, I discovered later, was largely due to my training in business management. The application of this knowledge to understand intangible cultural heritage or the relevance of the crafts sector was always done within a backdrop of culture and tradition being a victim of modernity, economic growth and efficiency.

What was puzzling to me was that while we want to grow economically and want to be seen as a modern country, deep within us, we still have the urge to be distinctly Indian. This distinctness of being Indian is what I could later identify as an embodiment of Indian values that has social and cultural institutional roots.

The question is how can I achieve these Indian values and practice them to achieve economic development in modern India while being culturally (civilisationally) distinct. It was when I framed my question in this manner that I identified standard economic thinking that provides limited avenues where I can practice my values. This, I reflected, was because the most important goods produced in this system are either public or private in nature and can only be assessed in the market and governmental sphere. However, what I am in need of is shared goods where I can practice my values with others by co-producing the goods to strive for/praxis to achieve ultimate goods through common participation.

What I understood is that participation in common requires a context which is provided by the intangibles of culture. Framing the role of culture in this manner leads me to interact with the problem at hand of understanding intangible cultural heritage and the relevance of crafts in our lives in a new light. What that also meant was that I needed new economic lenses to approach this topic to gain new insights.

The application of the value based method made me gain a new perspective on intangible cultural heritage and the crafts sector. What I understood is that I am in need of traditional sectors like crafts as they are instrumental to me in achieving my Indian values. Furthermore, that intangible aspects of culture are what gives sectors like crafts this unique ability to produce shared goods. What the application of the value-based method for economics also made me realise was that shared goods are just as necessary if not more important than public and private goods for civilizational distinct growth. It made me reflect on the fact that part of the problem while dealing with the economics of intangible cultural heritage or the economics of crafts is that we limit their valorisation in terms of market and governmental spheres. However, given that the production and consumption of crafts is a socially and culturally embedded process, I need to valorise it in other spheres to achieve my values.

The identification and activation of the other three spheres of Oikos, social and culture, is required for us to achieve values. In this sense, my interaction with crafts has changed from the point of view of willingness to pay to that of willingness to contribute to be able to participate in the commons of crafts in a meaningful manner.

What I have understood is that crafts are very relevant to our way of life in so far as we recognize their ability to produce shared goods. We need to acknowledge that intangible cultural heritage is what gives traditional sectors like crafts this ability. The recognition of both these aspects needs to translate to action which I laid out in terms of a road map in the previous chapter and in terms of a message to the various stakeholders in the current chapter. It is a lot of work and will take more than just one person and his quest to understand this over six years. It will have to be a collective effort from all the stakeholders to recognize their value and work towards a worldview where they make them real and valorise them in all five spheres.

**If we aspire to building a value economy where modernity /economic growth is not at odds with tradition but is enriched by it in a semiotic relationship for a culturally distinct economic development then I want to offer my thesis as a humble invitation and as a means to start a new journey where the outcome is civilisational progress.**

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## Appendices

### Nederlandse samenvatting

Hoe kunnen wij het belang van cultuur begrijpen? Welke rol speelt cultuur in onze vorming? Wat draagt cultuur bij aan het dagelijks leven? Als Indiër heb ik een rijke culturele erfenis. Toch wordt de invloed van cultuur op het dagelijks leven van Indiërs nog niet helemaal begrepen. Er wordt eerder gesproken van een conflict tussen cultuur en traditie en moderne ontwikkelingen.

Het meest zichtbare aspect van onze cultuur zijn de tastbare elementen, die gecategoriseerd worden als immobiele erfgoederen (bijv. gebouwen) en mobiele erfgoederen (bijv. kunstvoorwerpen). De definitie van erfgoed was later uitgebreid naar locaties en natuurlijk erfgoed. Het ontastbare erfgoed, een belangrijk onderdeel van cultuur, is echter meestal niet zichtbaar en daardoor niet geïdentificeerd. Een belangrijke stap richting die identificatie werd gezet met het UNESCO verdrag voor de bescherming van het immaterieel cultureel erfgoed in 2003.

Vooraf de economische waardering/taxatie van erfgoed is problematisch. Snowball (2011, p.175) zegt dat het terwijl het mogelijk is om de instrumentele waarde van erfgoed te bepalen, het veel ingewikkelder is om de intrinsieke waarde ervan te meten en te begrijpen.

Hoe ingewikkeld dit is wordt nog duidelijker wanneer er een poging wordt ondernomen om immaterieel cultureel erfgoed te waarderen/taxeren. Schrijvers zoals Cominelli (2013) en Goto (2013) hebben verwoede pogingen gedaan om dit te doen. Deze thesis heeft als doel om bij te dragen aan de huidige literatuur en om een beeld te krijgen van de invloed die immaterieel cultureel erfgoed op ons leven heeft.

De ambachtsector kan gebruikt worden als bron in dit proces. Het eerste hoofdstuk van deze thesis presenteert de ambachtsector als overlappend met twee *frames*. De eerste daarvan is het cultureel erfgoed, de tweede is de creatieve economie (Vencatachellum, 2016, p.2). Beide komen met eigen argumenten die onze aandacht trekken naar de bijdragen van de sector. Wanneer er een markt bestaat voor ambachtelijke producten, worden die gezien als *private goederen*. Binnen de creatieve economie wordt de creativiteit van de ambachtelui gezien als een bron en instrument dat van waarde is in de markt. Waar er een markt falen ontstaat, kan ambachtenschap als een collectief goed worden gekenmerkt en daarmee als een beleidsvraagstuk voor het collectief met als doel het erfgoed te preservareren.

Zoals hierboven beschreven staat bevindt de ambachtssector in India zich tussen deze twee frames in. Schrijvers zoals Ashoke Chatterjee (Chatterjee, 2010, p.74) zien zowel een kans en een crisis. Het wordt gepresenteerd als een sector met meerdere aspecten en paradoxen die geanalyseerd en begrepen moeten worden om de waarde ervan te ontdekken.

*Dit proces van begrip creëren* begint met een analyse van de ambachtssector binnen India door de lens van de standaard economie. Het hoofdstuk begint met een poging de standaard economische lens te definiëren, en gaat dan verder met het omschrijven van de grotere economische context waarin Indiaas ambachtsschap zich bevindt. Het toepassen van de standaard economische lens leidt tot wat conflicterende situaties. Rapporten van de regering geven aan dat de export groeit, ondanks het feit dat armoede onder de ambachtslui niet gedaald is. Het toepassen van industriële logica op het produceren en consumeren lijkt het probleem te zijn. Daarnaast zijn er kwesties zoals het gebruik van technologie om de productie van de ambachtslui op te voeren. In 2014-2015 leidde dit tot een publiek debat, tijdens een conflict tussen de sectoren van mechanische wevers en de handwevers. Dit gaf de impressie dat de moderne wereld en tradities niet samen kunnen gaan en dat de druk van de markten ervoor zal zorgen dat het ambachtsschap in India niet voort kan blijven bestaan. In beleidskringen wordt er gesproken van een ‘sunset sector’ (Crafts Council of India, 2012, p.1).

Gezien het feit dat het gebruik van de standaard economische lens leidt tot een incompleet en zelfs paradoxaal beeld van de sector, onderzoeken we alternatieve methodes om het ambachtsschap in India te begrijpen. We beginnen met de bewering dat het ambachtsschap in India uniek is omdat het gevestigd is in het kasten systeem. Deze eigenschap van de ambachtssector wordt zelden gebruikt als argument voor ‘affirmative action’ en beleid aan de kant van het aanbod (de productie kant van de vakmanschapsgemeenschap). Wat we nodig hebben is een economisch frame dat kan helpen bij het begrijpen van dit kenmerk binnen het immateriële erfgoed en de culturele context die het Indiase vakmanschap kenmerken.

Om dit te bereiken proberen we de ambachtssector in India door de lens van de culturalisten. Daarna zullen we datgene wat we hebben ontdekt gaan interpreteren door middel van de ‘value based approach’.



Het perspectief van de culturalisten op vakmanschap onderzoekt het institutionele aspect van de kasten in India. Het eerste deel van het onderzoek leidt tot het onderzoeken van de relaties tussen verschillende kasten. Het idee is dat de kasten hun oorsprong vinden in de vak gildes. Verder onderzoek naar ambachtschap in India met het voorbeeld van gharchola legt de rol van een semiotische relatie bloot tussen de makers en de gebruikers die allemaal betekenis toevoegen aan de productie en consumptie van ambachtschap in India. Het historische systeem van jajmani verklaart de rol en verantwoordelijkheid die een goede klant heeft. Een vergelijking met het Japanse systeem benadrukt het belang van 'giri' (dankbaarheid) in de relatie tussen de gebruiker en de makers.

Verderop in het hoofdstuk wordt de rol van tradities in het overleven van de sari als traditioneel handgeweven product onderzocht. Dit stuk vraagt ook aandacht voor de bekwaamheid van Indiërs om zelf Khad te produceren, een typisch handgeweven natuurlijk materiaal, als een manier om solidariteit te creëren met de strijd om vrijheid. Het hoofdstuk wordt afgesloten met het vergroten van ons begrip van ambachtschap als publiek of privaat goed als de beste manier om de sector te begrijpen. Het levert de context voor een onderzoek naar de ambachtssector door middel van de 'value based approach' om een nieuw perspectief te creëren op de het ambachtschap in India.

De 'value based approach' is een inzicht van economen waarbij het doel is om waarde te realiseren door de coproductie van gedeelde goederen. Dit proces van het realiseren van waarden start met de realisatie van individuen dat ze die waarde zoeken en willen bereiken. De theorie stelt ook dat dit doen door middel van phronesis; dit geeft hen de mogelijkheid om waarden af te wegen en te beslissen welke waarden en idealen het waard zijn om na te streven. In het vijfde hoofdstuk onderzoek ik dit beeld uitgebreider en presenteer het idee dat twee van de veronderstellingen van de standaard economie van de vrije markt en rationele keus misschien niet helemaal waar zijn. Schrijvers zoals McCloskey (2006) wijzen erop dat rationele keus zoals die vandaag de dag gezien wordt een versimpelde versie is van werken met waarden en voorzichtig en gematigd handelen. We presenteren in dit hoofdstuk ook hoe de markt geworteld is en onderzoeken dit met het werk van Polanyi (1945) die schreef over rationele keuze als een 'special feature' en verklaarde het als een tijdelijk kenmerk van de menselijke natuur. Polanyi legt verder uit dat markten ingebed zijn in de maatschappij. We breiden deze analyse uit met een claim van Klamer (2016) dat het proces van het goede doen, het realiseren van waarden door phronesis niet alleen sociaal geworteld is maar ook in een culturele context plaats vindt.

De culturele en sociale *embeddedness* in het proces van consumptie en productie van vakmanschap voegt een nieuwe dimensie toe aan de economische interpretatie van de sector. Dit ontstaat wanneer we het ambachtschap binnen de ‘value based approach’ plaatsen. Het zorgt ervoor dat we realiseren wat de gedeelde aard is van ambachtschap.

In het zesde hoofdstuk onderzoeken we de soorten gedeelde goederen die geproduceerd worden en de rol die immaterieel cultureel erfgoed daarbij speelt als ultieme methaphoor (context) waarin deze gedeelde goederen geproduceerd worden.

In hoofdstuk zeven presenteren we het gevolg van de realisatie van waarden door de productie van gedeelde goederen. In dit hoofdstuk beargumenteer ik dat het interpreteren en erkennen van de capaciteit van ambachtschap om gedeelde goederen te co-creëren leidt tot de productie van ultieme goederen.

In ditzelfde hoofdstuk stel ik ook dat wereld zien door de lens van de ‘value based approach’ utopisch is. Een wereld realiseren waarin ambachtschap gezien wordt als een manier om waarde te realiseren door middel van co-productie van gedeelde goederen vereist een zeker idealisme. Dit idealisme vereist dat we een voorstelling maken van een ambachtcultuur.

De thesis sluit dan ook af met een voorstelling van een utopie voor ambachtschap en een ideale planning voor het construeren van een ambachtcultuur in India. Tegen het eind van de thesis stel ik dat wellicht voordeliger voor ons is om de mogelijkheid van ambachtschap om gedeelde goederen te produceren te erkennen. Ik stel ook dat dit werk en inspanning vereist van alle stakeholders die ik aan heb geweest.

## English summary

How does one understand the significance and the role of culture in shaping us? What does it allow us to realise in our daily lives? Being an Indian I come with a rich inheritance of culture. However, the role of culture in shaping the daily life of Indians is not completely understood. What we hear instead is that culture, and traditions are in conflict with modernity and development.

The most visible aspects of culture are its tangible forms, which are categorised as immovable heritage (e.g. Built heritage) and moveable heritage (e.g. Artefacts). Later this definition of heritage was extended to sites and natural heritage. The intangible heritage, an important component of culture, however, is usually not visible and therefore usually not identified. A major step toward its identification came with the 2003 UNESCO convention for Intangible cultural heritage.

The economic appreciation of heritage is problematic. Snowball (2011, p. 175) notes that while it is possible to value heritage in terms of its instrumental value of price, it is much more complex to understand and measure its intrinsic value.

The level of difficulty is even more pronounced when one wants to make sense of the value of intangible cultural heritage. Authors like Cominelli (2013) and Goto, (2013) have made valiant attempts doing so. The current thesis is an attempt to add to this literature and tries to make sense of the contributions that the intangible cultural heritage makes to our life.

The crafts sector serves as a source of this process of sense making. The first chapter in this thesis presents the crafts sector as being between two framings. The first being the cultural heritage framing; the second is the creative economy framing (Vencatachellum, 2016, p.2). Each of them creates its own sets of arguments that try to attract our attention towards the contributions of the sector. In a situation where a market for crafts exists, it is seen as a private good. In the creative economy the creativity of the craftsmen is seen as a resource that can be used instrumentally and is of value in markets. In cases where there is failure of markets the public good nature of crafts is invoked and approached as an issue of public policy for the sake of preservation of our heritage.

As explained above it is between these two framings that we find the crafts sector in India. Authors like Ashoke Chatterjee (*Chatterjee, 2010, p.74*) call it as both a crisis and an opportunity. It is presented as a sector with multiple aspects and paradoxes that needs analysis and sense making to uncover its value.

This process of sense making starts with analysing the crafts sector in India from the lenses of standard economics. The chapter begins trying to define what the standard economic lenses are and progresses forward in terms of explaining the larger economic context within which crafts exists in India. The application of standard economic lenses leads to some conflicting situations. In fact, governmental reports claim that exports are increasing yet in spite thereof the poverty of the craftsmen of India is not decreasing. The problem appears to be the application of industrial logic to production and consumption. There are also issues such as the use of technologies to increase the productivity of craftsmen. This became a public debate in 2014 -2015 with conflict between the powerloom and handloom sectors. This gave the impression that modernity and traditions cannot coexist and that the market pressures will lead to the demise of crafts in India. In policy circles one speaks of the *sunset sector* (Crafts Council of India, 2012, p.1).

Given the fact that trying to make sense of the crafts sector through the lenses of standard economics leads to an incomplete and even a paradoxical image of the sector, we explore other alternatives to make sense of crafts in India. We start by claiming that crafts in India is unique because of it being embedded in the caste system. However, this attribute of crafts is seldom expressed as an argument for affirmative action and public policy on the supply side (production side with the crafts communities). What we are in need of is an economic framing that helps us to makes sense of this feature in terms of the intangible heritage and cultural context that characterize Indian crafts.

For this purpose we continue our process of sense making by exploring the crafts sector in India through the lenses of the culturalists. Then we try and interpret what we uncover through the framing of the value- based approach.

The culturalists perspective on crafts explores the institutional feature of castes in India. The initial thrust of the exploration leads to the exploration of the interrelationships between various castes. The idea that castes in India had their origins in occupational guilds is presented. Further probing of crafts in India with the example of *gharchola* uncovers the role of a semiotic relationship between the maker and user groups who all add meaning to the production and consumption of crafts in India. The historical system of Jajmani accounts for the role and responsibility of being a good patron. A comparison with the Japanese system underscores the importance of *giri* (gratitude) in the relationship between the user and maker communities.

Further on the chapter explores the role of traditions in the survival of saree as a handloom traditions in India. This segment also alerts us to the ability of Indians to use the domestic production of *Khad*, a typical hand spun natural fibre, as a means to build solidarity for the freedom struggle. The chapter concludes by furthering our understanding of craft in India as a public or private good as the most appropriate means to understand the sector. It provides the context to explore the crafts sector by using the value based approach to gain a new perspective of the crafts in India.

The value based approach is a view of economics where realisation of values through the coproduction of shared goods is the objective the process of realisation of values happens by individuals firstly being aware of the fact that they seek out to realise them and strive to achieve them. The theory also proposes that individuals act in the process of value realisation by the use of phronesis; this gives them the ability to weigh values to be able to decide what values and ideals are worth to persue.

In the fifth chapter I explore this lense further and present that two of the assumptions of standard economics of rational choice and free markets might not be completely true. Authors like McCloskey (2006) point out that rational choice as understood today is indeed an oversimplification of working with values and acting with prudence and temperance. The embeddedness of the market is yet another point we present in this chapter and explore it with the work of Polanyi (1945) who also talked about rational choice as being a special feature during the double movement and explained it as being not a permanent feature of human nature . Further Polanyi explains markets to be embedded in society. We extend this analysis with the claim of Klammer(2016) that the process of doing the right thing , working to realise values through phronesis is not only socially embedded but also embedded in a cultural context.

The cultural and social embeddedness in process of production and consumption of crafts adds a new dimension in the economic interpretation of the sector. It results when we frame the crafts with the value based approach. That makes us realize the shared goods nature of crafts.

In the sixth chapter we explore further the kind of shared goods that are produced and the role of intangible cultural heritage as being the ultimate metaphor (context) within which these shared goods are co- created.

The seventh chapter presents the consequence of the realisation of values through the production of shared goods. In this chapter I argue that the consequence of interpreting and acknowledging the ability of crafts to co- create shared goods leads to the production of ultimate goods.

In the same chapter I also propose that to see the world through the lenses of value based approach is **utopic**. To realize a world where crafts is seen as a means of realizing values thought the coproduction of shared goods requires a sense of an Ideal . This sense of ideal requires us to imagine the construction of a crafts culture.

The thesis concludes with imagining a Utopia for crafts and an ideal road map for building crafts culture in India. Towards the end of the thesis I propose that it might be more beneficial for us to acknowledge the ability of crafts to produce shared goods. This I propose requires work and effort for each of the stakeholders as I articulate.

## Curriculum Vitae

Priyatej Kotipalli (1984) holds a M.B.A in Tourism and Hospitality from Jawaharlal Technological University. In addition, he has his bachelor's degree in Heritage Management from University of Mumbai. Prior to the commencement of his doctoral studies with Prof. Arjo Klamer he was enrolled at the School of Business and Enterprise, Queen Margarete University (QMU). Scotland, United Kingdom. He was also a lecturer at the ITM Institute of Hotel Management where he was responsible for leading modules in Strategic Management and Business consultancy for QMU. In addition, he taught Research Methods, Strategic Management and served as a guide for bachelor's thesis for University of Mumbai.

Since his move to the Erasmus University he has been involved with the Centre for Research in Arts and Economics and stitching Economy and Culture. He has in the past served as a short-term consultant with the World Bank and has also lectured at leading Indian Institutions like the National Institute for Design and CEPT University. He has also been part of the core team to lead summer programs in culture economics in Amsterdam, India, Uganda, Sri Lanka and Italy.

He is currently in the process of Co -editing (with dr. Anna Mignosa) a book on the economics of craft titled *The cultural economic perspective on crafts* to be Published by Palgrave Macmillan.