

**ALLEVIATING POVERTY AT THE GRASSROOTS THROUGH
EXPORT DEVELOPMENT: A CASE STUDY OF THE BLUE
POTTERY INDUSTRY, JAIPUR, INDIA.**

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Introduction

Alleviation of poverty has been the basic aim of policy makers ever since the developing countries became independent. In these countries poverty has been endemic throughout their history but was accentuated mainly because of colonial rule of one form or another. Up to the 17th century, India was a prosperous country, but poverty became acute during the colonial rule as the British systematically destroyed rural and cottage industries and India was reduced to supplying raw materials to England and the finished machine made products were dumped in India. This policy led to decimation of these industries with the result hundreds of people in villages and towns were deprived of their occupations and became poor overnight. Poverty became acute in India, and the colonial masters during their two hundred years of occupation never tried to resolve this problem.

When India became independent the first task before the policy makers became removal of poverty and related problems. Nehru and other National leaders, during the freedom struggle had given serious thought to this problem and had worked out a broad strategy to overcome the degradation of India after the colonial rule was over.

On the eve of independence on 14 August 1947, Nehru declared: 'Long years ago we made a tryst with destiny, and now the time comes when we shall redeem our pledge. The achievement we celebrate today is but a step, an opening of opportunity to the great triumphs and achievements that await us.'¹ This famous speech has guided the policy makers across India, shaping the nature and contents of various public policies. Centralized economic planning was resorted to remove evils like poverty, disease, hunger, malnutrition, illiteracy. Massive investments were made by governments in heavy industries, machine tools, steel, fertilizers, coal, infrastructure, transportation, power and communications. Besides a large number of projects and schemes, for rural and community development were started with the objective of improving abysmal low productivity in agriculture, which directly or indirectly affected seventy percent of the population, as well as improving the living conditions in the countryside. Not only did the rural masses face abject poverty, disease, deprivation and hunger, there was almost total lack of elementary schools, dispensaries, power, roads, banks and clean drinking water in the countryside. Social backwardness too was reflected in rigid caste system, child marriages, social rituals, superstition, female infanticide and host of social and community controls which kept the masses ignorant and under bondage.

India's development effort reflects a strategy, which despite undergoing several changes since independence reflects a keen desire to overcome such obstacles and provide opportunities of growth and prosperity for its teeming millions. As is obvious, the developmental policies all these years have concentrated directly or indirectly in attacking and finding a solution to one basic problem: human poverty.

India: The Current Economic Scenario

Despite increase in GDP, industrial and agricultural production, improvements in economic and social infrastructure, India still presents a picture of extensive poverty and social deprivation. Estimates of poverty in India over the last forty years show a decline from 54.9 per cent in 1973-4 to 44.48 per cent in 1983-84 to further 26.10 percent in 1999-2000. It was a decline of nearly 8.5 percentage points in the ten year period between 1983 and 1993-94 followed by a further decline of nearly 10 percentage points in the period between 1993-94 and 1999-2000.² In absolute terms, the number of poor declined from about 323 million in 1983 to 260 million in 1999-2000. The decline has not been uniform across the States and in rural and urban areas. While the proportion of poor in the rural areas declined from 45.65 percent in 1983 to 27.09 percent in 1999-2000, the decline in urban areas has been from 40.79 percent to 23.62 percent during this period.³ The Tenth plan document of Planning Commission estimates reduction in poverty to 19.3 percent by the end 2007 which in absolute terms comes to 220 million assuming that GDP growth averages around 8 percent during 2005-07. If this happens it would be a significant reduction in poverty levels in India.

These statistics, however, mask the spread of poverty in India. If we look at statistics of income, the per capita income estimate at current prices is Rs. 23,241 (\$517) per annum for the year 2004.05, which amounts to \$43 per month or \$ 1.43 per day.⁴ According to World Bank estimates 34.7 percent of the population survives on \$1 a day and 79.9 percent on \$2 a day or less for the period 1999-2000.⁵ As Arvind Adiga points out:

In no Asian Country is the need to address poverty so pressing as in India. Despite seeing robust economic growth since reforms were first introduced in the early 1990s some 250 million Indians still live in grinding poverty, making it the country with the largest population of poor people in the world.⁶

This widespread poverty and unemployment rate of 7.3 percent coupled with other social and economic deprivations, force people to live and survive in acute misery often skipping a meal, living in shanties, unable to send children to school or seek Medicare for the family. Extreme poverty defined by World Bank as getting by on an income of less than \$ 1 a day.⁷ This means that household cannot meet basic needs for survival. As Sachs points out:

They are chronically hungry, unable to get health care, lack safe drinking water and sanitation, cannot afford education for their children and perhaps lack rudimentary shelter, a roof to keep rain out of the hut and basic articles of clothing, like shoes, We can describe extreme poverty as the "poverty that kills."⁸

In terms of other social indicators too, India lags behind in many sectors like literacy, primary education, hospitals, housing, clean drinking water, power, sanitation and means of communication. Life expectancy has improved and is 63 years for males and 64 for females, primary education completion rate in 2003-04 is 81 percent, under-five mortality rate is 87 per 1000, maternal mortality rate 540 per 100,000 live births, child malnutrition for under 5 children is 53.2 percent.⁹ The condition of poor in relation to housing, clean toilets, drinking water is none too rosy. The achievement of Millennium Development Goals¹⁰ is still a far cry for governments in India. The Human Development Index for India is a dismal low of 127.¹¹

POVERTY ALLEVIATION AT THE GRASSROOTS: THE INDIAN APPROACH

The development strategies in the last fifteen years in most of the countries of the Third World have shifted to increasing the pace of industrialization as agricultural growth has peaked or stagnated and the demands and imperatives of globalization have also forced governments to look outward and strengthen their trade and specially export oriented strategies and policies. Increase in exports can also be used as a means of guaranteeing employment to the poor in the developing countries thereby alleviating poverty. Specific policies can be developed to help poor in both rural and urban areas to link them with the export development process. In some cases it may be difficult for the governments to ensure direct linkages between the poor and the export earnings, but through careful policy initiatives and strategies, mechanisms can be developed to reduce poverty levels in general. In India, majority of people live in the countryside and many of those working in unskilled or semi-skilled jobs in factories, offices, and homes belong to rural areas, temporarily settled in the cities and towns. In other words, any export strategy that brings poor into the export process would directly and indirectly benefit the population in the countryside to a considerable extent, where poverty is endemic.

During the heyday of socialism, when severe controls were imposed on the private sector, the industrial policies were geared toward promoting small-scale and cottage industries which were given significant incentives and a number of sectors in the economy were reserved for them. The basic aim was to stop monopolies, provide more employment with less investment and reduce poverty. Over the last 50 years these industries have had limited success. Though handloom, leather, brassware, woolen and carpet industries did reasonably well, many cottage industries did not fare well. When, in the 80's public tastes changed and income levels started rising, the domestic demand for ethnic goods increased along with their exports. Governments at Federal and the State levels began reshaping their policies in more realistic ways so as to promote handicrafts in terms of improving product, quality, design and marketing. The governments realized their potential in terms of generating employment opportunities in rural areas which would also slacken the pace of migration to urban areas. Such policies would not only improve the livelihoods of rural people, but could also revive many dormant crafts and help in earning scarce foreign exchange through exports.

If we compare India with China in the area of export of handicrafts, India's share is only 2 percent of the world market while China's share is 17 percent.¹³ In India, handicrafts account for 15-20 percent of

the manufacturing workforce¹⁴ and yet market linkages for rural Indian artisans are mostly limited to local markets. Through careful policy management, the immense potential inherent in the handicrafts sector can be enhanced by generating demand in local and foreign markets with consequent increase in incomes in poor rural and urban households in India thus reducing poverty to a great extent.

The Indian approach to poverty alleviation has relied basically on a variety of schemes and programmes mostly designed by the Planning Commission and other Federal and State departments with the objective of providing various services, benefits, facilities or creating assets for the poor at the grassroots level. A large chunk of these programmes are meant for the poor, downtrodden, untouchables often referred to as scheduled castes (SC's) and scheduled Tribes (ST's), women, small and marginal farmers, landless labour, artisans and the like and the strategy is to ensure that benefits directly reach these targeted groups.

The anti-poverty programmes broadly fall under three categories: (a) wage employment programmes such as the Employment Guarantee Schemes (EGS), Employment Assurance Scheme (EAS), Jawahar Rozgar Yojana (JRY), Public Works Projects etc, (b) Self Employment Programmes such as the Integrated Rural Development Programme (IRDP), micro-credit etc. and (c) subsidized food and goods provided through the Food for Work Programme and Public Distribution System (PDS) for Below Poverty Line (BPL) families or nutrition programmes such as Integrated Child Development Scheme (ICDS).¹² Besides these, there is a plethora of programmes for uplifting of rural and handicraft industries, promoting health care, provident fund schemes, pension schemes for old persons and widows and so on. In the budgets of 2005 and 2006 the Federal Government has embarked on a massive National Rural Employment Guarantee Scheme, which will ensure at least 100 days of employment for at least one person in a BPL family in every village in India.

In the States, execution of these programmes became the responsibility of specific Departments like Health, Education, Agriculture, Industry, Irrigation, Social Welfare, but many schemes, for the welfare of women and children, SC's, and ST's became sometimes the joint responsibility of two or more departments with one of them being designed as a nodal Department to coordinate the activities of other Departments and also to ensure a modicum of responsibility. Even in the case of Department specific schemes, their successful implementation required coordinated action with the other Departments and sometimes with the Federal departments. As far as evaluation of these programmes is concerned, Departments of Federal and State Governments as well as the Planning Commission shouldered the responsibility.

Besides, a number of subordinate organizations were created under these departments to implement these programmes of development at the grassroots. The Federal Government too has created a number of subordinate organizations which work under the supervision and guidance of a parent Ministry/Department in New Delhi, and these have started directly intervening in some areas in policy implementation, working in conjunction with the State Governments though usually these play a supporting role as a facilitator.

This trend is visible more in the case of activities related to the rural non-farm sector especially in the arena of handicrafts including textiles, handlooms, leather, ceramics and pottery, Khadi etc. The Federal agencies functions relate more to promotion, design development, marketing, study and research, formation of database and monitoring of various schemes, which are funded by the Federal Government. The added emphasis is to augment the skills of artisans and craftsmen who are mainly rural based, and barely eke out a living, to bring them above the poverty line. Thus in India both the Federal and the State Governments have joined hands in implementing the poverty reduction programmes although the latter plays the interventionist role and the former a supporting one with NGO's voluntary agencies and corporate houses also contributing in the process.

The experience of India and several other developing countries indicates that any policy of poverty reduction of necessity had to operate at the grassroots and without a coordinated and targeted approach on the part of governments and its various departments, this objective cannot be achieved. These programmes need administrative and financial support, the initiative for which must emanate from the Central and State governments. In India, the basic responsibility of implementing schemes of poverty alleviation has been of the State Governments with Federal Government providing necessary, policy, technical and administrative support.

An important though to some extent neglected sector in many developing countries is the rural sector specially dealing with handloom and handicrafts. Only few countries have been able to evolve strategies to promote this sector, which has potential for creating new jobs as well as enhancing incomes of the concerned people. Since many of these handicrafts possess considerable export potential, their promotion can help earn precious foreign exchange as well. Handicrafts in general, can act as a strong link between the pro-poor strategies of the country and export development. Due to their typical ethnic and artistic appeal, these items can be used for personal or household purposes. These industries are environment friendly and require less investment per capita in terms of employment.

The Economic Environment In Rajasthan

The State of Rajasthan, wherein this study has been undertaken, is one of the poorest States in India though it is rich in mineral wealth, has tremendous potential to exploit its tourist resources as well as the handicraft sector. In terms of agricultural production, its position is much better than may other States in India, even though two thirds of its area is under desert. Rajasthan is ranked number one in oilseeds production (rape seed and mustard) and is a major producer of pulses, cotton, wheat, barely etc. but overall its food grain production is 6.6 percent of India's total production.¹⁵ In terms of economic indicators, its per capita income is Rs. 14748.00 (\$335), literacy rate 60.4 percent life expectancy of 62.2 years (all lower than national average), its rank in Human Development Index is 9th among the 15 of the 32 States for which it was calculated, presents a somewhat misleading picture.¹⁶ The contribution of industrial production to the State's GDP is 25.7 percent.¹⁷ The industrial sector, both large and medium size has investment of Rs. 13740 crore employs 1.70 lakhs people, while small – scale industries including handicraft sector has capital investment of Rs. 3571 crores and employs 9.27 lakh people.¹⁸ The export of handicrafts of various types rose of Rs. 176.2 crores in 1996-97 from Rs. 28.4 crores in 1991-92.

The overall annual growth rate in Rajasthan during 1961-1990 was 4.2 percent, which rose to 7.64 per cent during 1992-97, the highest growth rate ever achieved but it declined to 1.5 per cent during 1997-99 due to draughts and economic depression. The overall average since 1997-02 was around 4.3 percent. The decadal population growth rate was 28.37 percent one of the highest in India and the percentage of people below poverty line 15.28 for 1999-2000.¹⁹ More than 80 percent of the people live in the villages and 60 percent of the population is dependant on agriculture. In spite of attempts to encourage industrialization, the mainstay of Rajasthan's economy is still agriculture and animal husbandry, which together with cottage industries and handicrafts and the tourism industry, provide employment to large numbers of semi-skilled and illiterate landless people and marginal farmers. Only 32.4 percent of agricultural cropland is under irrigation and the perennial shortage of water make growth prospects limited in agriculture.²⁰

Rajasthan is known for chivalry of its rulers, formidable forts, beautiful palaces, rich age-old culture comprising folk songs, colourful dances, and a rich tradition of arts and crafts, exquisite jewellery, brassware, ceramics, textiles, stone and terracotta sculptures, ivory and lacquer works and a host of other handicrafts spread over into almost every nook and corner of the State. In terms of its rich cultural traditions, arts and crafts, songs, dresses, and culinary traditions, no other State in India can match its kaleidoscopic diversity.

One area of Rajasthan's economy which could help partially overcome the economic backwardness and lack of employment opportunities and more importantly poverty is the small scale sector, comprising village and cottage industries, dairying, leather, handloom products, handmade paper and ceramics including Blue Pottery. Handicrafts have existed in one form or another since several centuries in Rajasthan and have sustained a large part of the population by providing direct or indirect employment to approximately 30 percent of the population. The handicraft industries have low per capita investment, employ semi-skilled or unskilled labour and provide more employment per capita, need to be encouraged, nurtured and sustained with concerted efforts, innovative policies, long term vision, and sense of commitment on the part of both the politicians and the administrators. Given the right environment, proper infrastructure and policy initiatives, these industries can give fillip to Rajasthan's economic growth and prosperity by becoming a major source of employment thus alleviating poverty at the grassroots level by generating direct employment as well as secondary source of income generation for many small and marginal farmers.

The present paper in the light of foregoing premises seeks to investigate some of these core issues relating to a very special handicraft industry, the Blue Pottery. This unique industry is confined to Jaipur city and its surrounding villages and is not found anywhere else in Rajasthan, or in India

except for a lone potter in Delhi or any other place in the world. Chinese pottery in some ways resembles Blue Pottery but is machine-made and uses clay and its designs and patterns are different. Jaipur Blue Pottery's uniqueness is also unequalled in terms of its design, style, the quality and the type of raw materials used. The production process is devoid of any use of machinery. Being an attractive and useful handicraft item, with a rich past of cultural and historical traditions and royal patronage, and above all its potential to generate employment for a large number of people in rural and urban areas and as an anti-poverty stratagem as well as capacity to earn valuable foreign exchange by establishing direct or indirect linkages with the export process, attracted the attention of authors to explore and investigate in depth the problems and prospects of Blue Pottery industry in Jaipur, India. (For a brief history of Blue Pottery, see Appendix-I)

BLUE POTTERY INDUSTRY: THE MANUFACTURING PROCESS

Blue pottery, which came from abroad, is at present based almost entirely on the use of indigenous technology and local raw materials. The process of manufacturing Blue Pottery is a simple one and can be mastered by even an illiterate or unskilled person and a unit can be set up with a small investment and needs only little technical know-how. The following materials and equipment are the essential requirement: (1) the raw materials in the form of (a) Quartz, Katira Gum, Saji a product of vegetable origin, Multani Clay, (fuller's earth) Maida (White Flour), glass cullet (white), green glass, which are waste-material of glass making factories, (b) various colors for painting of articles, (c) for glazing of products, red lead and Borax (Suhaga), (d) firewood used for firing kilns, (2) grinder made of stone to grind various raw materials, (3) kiln, which is made by artisans themselves using mud and bricks, (4) kiln furniture which was locally made of mud but now a local ceramics factory supplies them which is much more sturdier, (5) packaging material like bubble top plastics, cardboard boxes etc.

All these materials are locally available in abundance in and around Jaipur and some are available in nearby towns of Agra and Firozabad. The manufacturers are facing problems relating to firewood which has become expensive due to ban on cutting of forests.

There is a clear-cut division of functions in the manufacturing process, which passes through several stages. (see Figure I) In the first stage exact proportion of ingredients like quartz, glass cullet, are very finely grinded in a hand-driven stone grinder. Next a solution is made of binders and additives like Katira gum, Saji and Multani clay with water and this is added to the grinded ingredients and then the contents are kneaded into dough. In the next stage they are given shape on a potter's wheel or are put into plaster moulds of various shapes and sizes. These plaster moulds are prepared by the artisans themselves using plaster of Paris. The articles then are left to dry in sun for two to three days. Alongside ather (engobe) is prepared using quartz powder, white glass, white flour and water and this solution is applied on the sun dried articles.

After the articles dry up they are hand painted by artists who are either employed by the owner or in many cases the owner himself does this work as many of them have learnt to paint. In fact many artists/painters have taken up the manufacture of Blue Pottery. Once the articles have been painted and dried they are glazed by applying a solution containing red lead, borax, white glass powder, and left to dry indoors. After the articles have dried up they are put into the kiln, which is then fired upto a temperature of approximately 800°C which is regulated through observation and experience. After the firing process, the articles are left for 2-3 days in the kiln. They are then taken out and rubbed with sand paper to bring about the final finish and are ready for dispatch.

The entire manufacturing process uses locally available raw materials and no power is used. This process, as it turned out, is full of various glitches making life tough for the manufacturers. More importantly, it is environment friendly, can be set up in a small area and with an initial investment of around sixty thousand rupees (\$ 1300) excluding the rental charges. Many of these craftsmen have set up units especially in villages in their own residences.

BLUE POTTERY AND STAKEHOLDERS

Before proceeding to the main focus of this research, it would be pertinent to give a brief about the various stakeholders and institutions related to manufacture, marketing, sustenance and support to

Blue Pottery industry in Jaipur, Rajasthan. Some of the key stakeholders identified for in-depth study are:

- (a) **Individual and the units involved in manufacture including NGO's.**
- (b) **Important governmental agencies involved in various aspects of promotion and sustenance of Blue Pottery.**
- (c) **Exporters/Showroom, owners.**

A brief description of these categories is given below:

(A) Units Manufacturing Blue Pottery

On the basis of survey, Blue Pottery units have been classified into 5 categories: (1) Single family ownership, (2) Joint-Family Ownership; (3) Single Artist Owned, (4) Unit supported by an NGO, and (5) Self Help Group Ownership.

The majority of units belong to the categories (1) and (2). The characteristics of these units are being described in brief in the following paragraphs. One unit was chosen from each of these for an in-depth study.

For a detailed description of selected units, see Appendix-II.

(1) Single Family Ownership Units

Majority of units in this industry are owned by single families, where all the members have a task assigned to them. A typical feature of these units and also others is that majority of owners and workers belong to potter's community who have been in the business of crafting earthenware for domestic use for centuries.

In the villages and as well in cities, these units are usually located in the residence of owners, occupy a small area including one kiln and on the average number of workers varies between 15-20 including family members.

(2) Joint-Family Ownership Units

Next to single family owned units, this category of units is also found in the handicraft sector including Blue Pottery where all members of the joint family contribute in the manufacturing process. Due to synergy, these units are better placed in terms of combating problems and challenges facing this industry and the quality, quantity and marketing techniques of products is much superior. The family chosen for this study has 22 members.

(3) Artist Owned Unit

This unit is representative of this industry in many respects, as it is owned by Mr. Kripal Singh Shekhawat, who is responsible for revival of this industry and is also an artist of international repute. He paints many of his products and uses traditional designs and motives, which bear the stamp of his artistic prowess. There are two other such artist owned units.

(4) NGO supported unit

This is an unique unit supported by an N.G.O. This NGO was established by a famous philanthropic industrialist in Neota village near Jaipur to create self-employment opportunities for rural unemployed youth. A training-cum-production centre was established to train youth in leather work, cutting of semi-precious and precious stones for jewellery trade and Blue Pottery.

Over the years it has trained number of artisans and has become self-sufficient by selling Blue Pottery products, employs 20-30 people and accepts bulk orders both from domestic and foreign buyers due to lot of space available and has two kilns (one is experimental) and is a big player in industry.

(5) Self Help Group Unit

There are two SHG units. The one chosen for study is located in a village near Jaipur and comprises nine families (initially they were eleven) who were earlier producing and marketing Blue Pottery on their own, but now through formal understanding and guidance from government agencies, have joined hands and pooled their resources to form a bigger entity, the Self Help Group.

The SHG is prominent in the Blue Pottery domain and is able to partially combat the challenges and exploitation to which its members were subjected by buyers and exporters due to being illiterate, poor and gullible villagers. This SHG is a unique experiment and its role and success would be detailed later as it has thrown up certain possibilities in poverty reduction arena. The group has 9 kilns and a membership of 54. The profits are equally shared by all the families.

The manufacturing process used by all these and other units is similar, i.e. based on traditional technology, indigenous raw materials, and is almost devoid of mechanization. However these differ in terms of extent and magnitude of problems relating to quantity, marketing and export of their products.

(B) Governmental Agencies and Blue Pottery

The industrial policies of the successive Federal Governments have always pronounced promotion and protection to the handicraft sector. The last policy statement in 1991²¹ was concerned more with liberalization, privatization issues than with promotion of small-scale or handicraft sector but earlier

pronouncements continued to apply. However, Khadi and Village Industries Commission, a Federal agency has been entrusted with promotion of rural industries in which Blue Pottery gets covered under mineral-based industries.

In Rajasthan, the present government, which came to power in 2003, is yet to pronounce its industrial policy, which also covers small-scale and rural industries including handicraft sector. As such the policy initiatives of previous governments are guiding the policies and strategies of the present government agencies. The Industrial Policy 1998 of Government of Rajasthan, has special reference to small-scale and cottage industries emphasizing special measures to promote them in terms of marketing, technical guidance, raw material availability, design development and exemption from sale tax and purchases by government departments.²² These provisions existed in equal measure in Industrial Policies of 1990 and 1994.

There are a number of governmental agencies which look after various aspects of development and promotion of rural, cottage and handicraft industries, ranging from departments, boards, commissions to registered societies. Important Federal level agencies are Ministry of Rural Development, National Institute of Design, Export Promotion Council of Handicrafts, Development Commissioner, Handicrafts, Small-Scale Industries Services Institute, National Bank for Rural Development, Khadi and Village Industries Commission and various nationalized banks. At the Rajasthan State level, the agencies concerned with promotion of Blue Pottery are Department of Rural Development, Rural Non-Farm Development Agency (RUDA), Rajasthan Small Industries Corporation Ltd. Small-Scale Industries Department and Khadi and Village Industries Board, Indian Institute of Crafts and Design and various banking institutions.

The role of Federal level institutions is restricted basically to providing help to State level institutions in terms of policy and technical guidance, funds, training of staff, marketing, export promotion, project and design development. It is the primary responsibility of the State governments to promote handicrafts while Federal Government basically plays the role of a facilitator.

(C) Exporters and Showroom Owners

A number of exporters and showroom owners selling handicrafts have got involved in marketing of Blue Pottery both in India and abroad. For the study three exporters connected with export of Blue Pottery as well as two showrooms selling products in the domestic market were included in the sample.

Research Concerns

The process of globalization has posed a large number of problems and challenges and has also created opportunities for the developing world to compete with the developed and make a dent in select domains, specially in the context of earning foreign exchange through exports in the handicraft sector. If the policy makers make the right decisions and choices, frame effective and innovative policies and create the right kind of environment in government and society, it should be possible for developing nations to meet these challenges with aplomb. Astute thinking, relevant strategies and appropriate policy initiatives can thus enable these nations to tide over their basic problems in realizing Millennium Development Goals.

In the context of globalization, Blue Pottery, also faces several challenges, the standard challenges from freer global trade for a local industry is firstly in the threat of cheaper competing imports which takes away its local market. For an exporting industry more competition in globalized export markets is the main threat. Blue Pottery being rather unique might at first glance seem relatively invulnerable. Though firm data are not available, it is estimated that at least 80 percent of the industry output is exported and 10 percent sold to foreign tourists in India, the remainder is bought by Indians and corporate houses. In recent years it is not uncommon to find seemingly unique Hindu religious objects on sale in India made of glass and ceramics which are actually manufactured abroad and particularly in China. Thus the unusual scenario arises where the potential boost to craft industries from the expected growth in global tourism, is in part undermined by cheaper imported imitations being sold to tourists buying "Indian artefacts".

There is also another potential threat, in response to lowered tariffs; many developed countries have sought to protect their industries by raising non-tariff barriers invoking environmental, health and labour concerns. Small traditional industries are ill prepared to meet stringent standards in these areas. This it transpires is a very real challenge to Blue Pottery. The future of Blue Pottery thus is intimately linked with external environment, the foreign tourists and exports.

The fortunes of this industry have waxed and waned in the last 40 years since its revival. The industry requires lot of institutional support on part of the government and the private players for its survival. The basic support has to be provided by the governments at both Federal and State levels and coordinated and targeted action, to resolve the ills afflicting this industry in the face of problems created by the globalization process, which are threatening its very survival.

An in-depth analysis of the problems and prospects of Blue Pottery Industry reveals four significant features viz.:

- (i) 75-80 percent of its production is exported and 10 percent sold to foreign tourists.
- (ii) Majority of owners and workers belong to the backward classes, who are way down in Indian caste hierarchy on account of their social and economic backwardness.
- (iii) More than 95 percent of workers and owners are poor rural based artisans, landless labourers or marginal farmers.
- (iv) 70 percent of the units are located in the villages.

Thus any strategy designed to improve fortunes of this industry would directly contribute to improvements in living standards of poor and enable them in overcoming shackles of social and economic backwardness afflicting them for centuries.

(A) Objective of Study and Research Questions

The main objective of this exploratory study is to investigate what measures and strategies have been adopted by the Federal and State governments to assist the Blue Pottery industry to face the problems, challenges and the opportunities posed by the internal and external environment in terms of sustaining it, as well as ensuring that it also is able to provide employment and sustenance to a large number of unemployed or underemployed people in rural and urban areas and help achieve reduction in poverty. A major focus in this research study is: The government and its various agencies through coordinated and targeted action guide, educate and encourage entrepreneurship in relation to survivability of this industry and also achieve the twin objectives of poverty reduction and export development.

The questions examined are as follows:

- 1) What problems and challenges the Blue Pottery industry is facing in the domestic and external environment?
- 2) What is the nature of the national component of the value chain in terms of its backward and forward linkages?
- 3) To what extent is this value chain poverty sensitive?
- 4) How this 'poverty-sensitive' value chain can be strengthened by reducing value erosion in the backward and forward linkages?
- 5) Have the governments evolved any strategy of coordinated and targeted action at the local levels to achieve the dual objective of poverty reduction and export development through value addition and entrepreneurship in the poverty-sensitive Jaipur Blue Pottery value chain?
- 6) Has this coordinated and targeted approach been successful in achieving its stated objectives? Is it possible to develop such an approach?
- 7) Can a cluster based poverty reduction Self Help Group creation strategy evolved by RUDA be successful at the grassroots level by linking it with export development?
- 8) What lessons can be drawn from this study in terms of linking 'pro-poor' strategies with export development in the international context for poor countries of Asia and Africa?
- 9) Can new associated value chains be generated alongside with 'pro-poor' characteristics at the grassroots levels?

(B) Sources and Methods of Mining Data

To seek answers to above questions, one unit each from the five categories of manufacturing units which number around 36 was chosen on judgmental basis to constitute a small sample. The governmental agencies which are directly involved with Blue Pottery industry were investigated belonging to both Federal and State governments. However the main focus was on State governmental agencies like Rural Non-farm Development Agency (RUDA), Khadi and Village Industries Board (KVIB), Small-Scale Industries Department and the Indian Institute of Crafts and Design and a Federal agency, the Development Commissioner, Handicrafts. Three exporters and two local showrooms selling Blue Pottery were identified to assess their evaluation of status and its survivability.

The authors made on the spot visits to all the units under study to get a first hand knowledge of the manufacturing process. The various stages in the production process were minutely observed as well as the chemicals, kiln furniture and the equipment and tools employed. Extensive in-depth interviews were conducted with the owners/ managers/supervisors regarding all dimensions of owning and operation of the units, difficulties and the obstacles faced. A major focus was the issue related to any help provided by government or its agencies in relation to production, marketing, technical guidance, incentives and other interventions. Mr. Kripal Singh Shekhawat was interviewed in detail being a pioneer in this domain.

At the government level, a number of officials in above agencies were interviewed directly or indirectly connected with the policy interventions in this field, as well as those in institutions that provide technical guidance, marketing of production, loans and subsidies.

In the Government of Rajasthan, the premier agency that was identified for nurturing and sustaining Blue Pottery and which duly deserves lot of credit in this regard is RUDA which came for special attention and therefore number of civil servants both presently working and those who earlier worked in it were interviewed. The working of this agency was an eye-opener, as it turned out to be quite different from run-of-the-mill government departments in its approach, strategy and work in meeting its objectives.

Similarly interviews were held with exporters and show-room owners to learn about their views and assessment of Blue Pottery industry and its future prospects.

Problems And Challenges Reported

On the basis of thorough investigation it was possible to identify the national component of the value chain and its backward and forward linkages. The detailed diagram (Figure 2) indicates them.

The National Component Of Value Chain: Nature And The Problems Encountered

The Backward Linkages

Before the final product takes shape, the entire process of manufacture passes through several steps as described earlier. (Figure-1) On the basis of analysis of the flow chart, the various linkages of the national component of value chain have been identified. These are detailed below:

(a) Suppliers

Raw materials like quartz, glass cullet, katira gum, chemical colours, red lead, Saji, Multani clay, plaster of Paris, stone grinder, firewood and packaging material required by the industry are supplied by different suppliers.

(b) Workforce

The nature of workforce in the industry is of following type:

- (i) *Unskilled worker* : For majority of operations unskilled workers are needed. But they have to be trained in different operations like grinding, mixing, and preparation of dough, engobe and fritz for about a week in the unit by the owner himself or by a senior worker. Majority of the workers employed belong to this category by and earn on an average around \$1.50 per day.
- (ii) *Skilled worker for kiln*: For operation relating to kiln and setting of articles on the furniture inside the kiln, considerable training and experience is required. Usually the owner or some other very experienced worker looks after the operations relating to kiln. Lot of skill and experience is needed to know when the required temperature has reached inside the kiln. Any mistake can make products brittle or blackened. These skilled workers earn \$ 2 to \$ 3 per day.
- (iii) *Designer*: In each unit at least one designer is needed. Usually the owner himself does the job or trains some other worker to perform it. Lot of skill and finesse is required for shaping the moulds. Similarly lot of skill is needed to operate and shape articles on the potter's wheel. The wages earned by skilled designers can vary from \$ 2 to \$ 4 per day but some very proficient designers can earn upto \$ 10 per day too.
- (iv) *Painter*: Painting on articles is the most difficult and crucial job in this industry. This skill is clearly reflected in the final product which affects its demand as well as the price. The quality of products in Mr. Kripal Singh's showroom immediately draws the attention of the buyer and are eagerly sought after even though prices may be two or three times more than the usual market rates. Another owner and highly qualified artist Mr. Gopal Saini has also become famous precisely for his painting skills and has no dearth of orders from local and overseas markets.

A painter is usually trained by the owner himself if he himself is proficient otherwise he sends him to be trained under some senior artist. Sometimes art students can also render their services as part-timers. Usually a painter earns between \$3 to \$5 per day and some can even earn upto \$10 per day. There is a grave shortage of these artists/painters in the industry.

- (v) *Sorting and Packaging:* The sorting of products after firing is over, is done by the owner himself as it needs an experienced eye to discern which articles need to be rejected. For packaging, not many skills are needed and any worker after being trained for a week can do the job. Wages earned are around \$ 1.50 a day.

Due to poverty and mass unemployment, there is no dearth of workers, the only problem faced relates to scarcity of skilled designers, artists/painters. A unique aspect of this industry is that 95 percent of owners belong to potter's community who know the necessary skills or they had worked in some unit earlier and after gaining enough experience have set up their own unit. Thus the owners know intricacies of all the operations, skills, techniques required for running a Blue Pottery unit.

(c) Marketing Channels: The Forward Linkages

This is one of the most important and crucial elements of the backward linkages of the national component of Jaipur Blue Pottery value chain. Without an appropriate avenue for marketing of products no industry can survive. This is very crucial in the context of handicraft industries, which are vulnerable to so many factors both internal and external. There are number of channels through which the products are marketed. These are:

- (i) Showrooms/shops owned by the manufacturers.
- (ii) Retail outlets, shops and showrooms either exclusively selling Blue Pottery or handicrafts in general.
- (iii) Government owned showrooms selling handicrafts in metropolitan and other big cities in India.
- (iv) Craft fairs/exhibitions held regularly all over India and abroad. Government facilitates the participation of producers by providing them with assistance. RUDA/Federal/State Governments.
- (v) Exporters.

Although a number of channels exist for selling Blue Pottery items, the producers at times find it very difficult to secure a fair price for their produce due to several reasons outlined in the following pages.

Backward Linkages: The Problem Areas

A study of flow chart of the manufacturing process at first glance may appear to be simple and uncomplicated but on investigation it has been revealed that the Blue Pottery industry is still facing a number of problems/obstacles, which continue to threaten its very survivability. Although exports are increasing at a slow pace, there have been periods when the demand for products slowed down in overseas markets and consequent fall in the exports led to closure of many units. The backward linkages have several leakages, which are being enumerated in the following paragraphs.

On the basis of intensive discussions with owners and exporters and RUDA officials a number of problems were identified which require attention of all the stakeholders as these lead to value erosion in the chain and affect demand and profits adversely.

RUDA after its formation had also commissioned Indian Institute of Forest Management to identify the various impediments faced by the Jaipur Blue Pottery and these concur with the findings of this study

The major problems faced by Jaipur Blue Pottery are the following:

- 1) Primitive production technology involving excessive manual labour.
- 2) Inefficient up-draught kiln with uneven temperature distribution and no method to check and control it in the kiln, causing blackening of products, leading to rejection.
- 3) High consumption of scarce firewood.
- 4) Presence of lead in dough, engobe as well as glaze is still haunting though a solution has been found to eliminate it. The lead-scare led to a considerable fall in exports during 1995-2000.
- 5) Breakage and damage to products during application of engobe, glaze or in the kiln during the firing.
- 6) Lead-based glazed offering a very short maturing range of temperature further leading to rejection of articles after firing.

- 7) Porus and fragile nature and poor quality of the products as such cannot be used for table and kitchenware.
- 8) No correct estimate about the cost of production thus ambiguity in pricing of products.
- 9) Limited capacity of units discourages acceptance of bulk orders.
- 10) Cut-throat competition among the unit owners leading to price wars.
- 11) Many owners being illiterate are unable to understand the dynamics of the market and consequently are exploited by middlemen, show-room owners and exporters.
- 12) Traditional and shoddy designs/patterns and reluctance to adopt modern designs/shapes.
- 13) Competition from Chinese machine made blue pottery is increasing day by day in the foreign markets thus affecting exports to a very great extent as it is cheaper and can be used as table and kitchen ware and has better finishing and modern designs.
- 14) Due to many of these glitches in the production process, the cost of products becomes high.
- 15) Three to four times increase in the cost of various raw materials since 1995 reducing profit margins making it difficult for this industry especially the units working on low margins.
- 16) Despite initial attempts and enthusiasm shown by RUDA to resolve many of these problems like developing lead-free production technique, not enough is being done by other government agencies to encourage and sustain Blue Pottery especially on export development front.
- 17) Absence of an organized fora/NGO to apprise their problems to the government.

These problems lead to considerable value erosion in Jaipur Blue Pottery value chain basically on account of primitive nature of the manufacturing process. Though the value chain maximizes these backward linkages but problems are becoming complex in forward linkages also due to lead scare and competition from Chinese pottery these problems need to be resolved to stop further value erosion and enhance its pro-poor character. Improvements in the technology involved in the manufacturing process can further enhance it.

An understanding of the backward linkages clearly demonstrates that majority of workers including many owners, belong to the poor strata and the spread of this industry has enabled them to cross over the poverty line to a great extent. Besides these direct beneficiaries, many other poor persons get more employment opportunities in these industries as well as those associated with manufacture of raw materials, suppliers and retailers/exporters, e.g. one artist Mr. Gopal Saini employs eighteen unskilled workers, one designer, and a painter besides he also does designing and painting work. When the size of the order is large, he outsources workers from other units, which may be idle due to lack of orders, on contract or piece-rate basis. This is replicated in other units too thus generating employment to the needy.

A basic and important fact relating to this industry is that production stops for almost three months in a year during the rainy season. The articles before firing are susceptible to absorbing moisture and in various stages of the production they have to be put under the sun for drying, so during raining season work almost comes to a standstill. If we include festivals and other holidays, a worker is paid on an average only for about 8 months (240 days) in a year. Since many of the workers are marginal farmers also or work as agricultural labour, they busy themselves in ploughing, sowing and other farm related activities in their village during rainy season.

The condition of unskilled worker in the production units is pitiable. They have no job security, no guarantee that they would be paid regularly, can be fired any time without stating reason, are not covered by any provident fund schemes. If they remain absent, wages are cut and they get work for 8 months (240 days) in a year. Some of the employees may pay them for the days when the unit is not in operation, but much depends on personal relations between the two.

A commendable step has been taken by the Federal government in starting an insurance scheme named 'Janshree Insurance Scheme' for artisans in the handicraft sector, which covers risk upto Rs.25000 to Rs.200000 depending upon the amount of premium paid. The cost of the premium is shared between the artisan who contributes 40 per cent and 60 per cent is contributed by the Federal government. It is an extremely notable scheme and the government surely needs to be complimented for this initiative.

Forward Linkages of Blue Pottery Value Chain: Problems and Emerging Issues

After the final product is packaged and ready for despatch, the basic and crucial issue of their marketing emerges. The important issue relating to the forward linkages of Jaipur Blue Pottery value chain are closely related to backward linkage.

As only around 25 percent of the production is sold in India through channels outlined earlier and the rest is marketed abroad. From the domestic sales, 50 percent is purchased by the foreign tourists visiting India. It becomes crystal clear that the fortunes of this industry are intimately linked with the external environment. The issues affecting marketing of products emanate from problems related to backward linkages. Many issues are common the important one are being enumerated below:

- (1) Poor quality of products including poor packaging.
- (2) Traditional designs/patterns and inability/disinclination of producers to adopt modern designs/shapes.
- (3) Presence of lead in the products. This lead-scare proved disastrous to the industry during 1995-2000. Due to presence of lead the items can be used only for decorative purposes.
- (4) Increasing competition in export markets from Chinese Blue Pottery on account of better quality and finishing, modern designs, cheaper in price and over and above all can be used also as tableware and kitchenware.
- (5) Not enough governmental support in marketing of products abroad.
- (6) Lack of coordinated approach among different agencies towards mitigating Blue Pottery blues.

These problems are affecting its sale abroad and as reports suggest that in next five years exports will fall drastically. These findings relating to the backward and forward linkages associated with Jaipur Blue Pottery value chain help in understanding the various internal and external dimensions and how these are affecting the fortunes of this unique handicraft industry.

Jaipur Blue Pottery Value Chain: Is It Poverty Sensitive?

An analysis of these findings indicates that value erosion in backward or forward linkages of the value chain adversely affects its fortunes. The industry is susceptible to changes in both these linkages and many leakages from backward linkages and these need to be minimized to put the industry on the right track.

Any adverse condition like escalating costs of raw materials or scarcity of firewood and a fall in demand whether due to lead-scare or competition from Chinese pottery leads to stoppage of work or closing down of units. As the fortunes of this industry are linked to a very great extent with exports and the foreign tourists, there is, therefore, need to evolve strategies to track and counter the adverse developments taking place abroad. Jaipur Blue Pottery has always been susceptible to external conditions like changes in trade policies, prohibition of child labour or environmental regulations. The issues have been haunting the producers all these years.

The value erosion due to leakages in the backward or marketing problems affecting forward linkages affect the Jaipur Blue Pottery value chain, specially the overseas developments adversely, leading to fall in demand and consequent effect on large number of poor artisans as many lose their jobs immediately being daily-wage earners. This in turn affects their families in the villages and in the case of SHG at Village Kot Jewar nine families are directly affected and in the long run the village economy is ruined too. The impact could be severe on many families, which more often than not results in depriving children from going to schools, cutting expenditure on food, clothing etc.

In the upstream industries too some such indirect impact could be traced on the daily wage earner employed in these industries. Ultimately it is the poor who suffer.

It is thus apparent that Jaipur Blue Pottery value chain is highly poverty-sensitive and perhaps a very unique handicraft industry in the world whose value chain poverty-sensitiveness is intimately linked with export development.

Current Status of Blue Pottery: Features and Pointers

On the basis of the previous description and investigation the authors have been able to draw a matrix of various facets of Jaipur Blue Pottery. Some of the facts are self-explanatory but some need to be highlighted. (see Table No.1)

- (1) The growth in number of new units being set up has slowed down since 1995 and has reached a plateau. In fact there is a fall in family ownership units. However, a new SHG was created in the village Mahla in 1997.
The records kept with a Federal agency, Development Commissioner, Handicrafts, show that till 31st July 2006, the total number of units registered was 216 but it has no record to show many are functional.²³
- (2) There was an escalation in the average annual income of all the categories between 1985 to 1995 but after that the rise has slowed down.
- (3) Growth in number of artisans employed has not declined after 1995, as the existing units are getting more orders and therefore they employ additional workers as per demand.
- (4) The total value of production data again show significant increase for the period, 1985 to 1995 but after that growth rate has slowed down and the increase is of 20 million rupees (\$440000) upto 2005
- (5) The percentage of total production exported which was 90 percent in 1985, has come down to 75 percent in 2005. This percentage fall has not affected earnings from exports as there is an increase in value and the quantity and profits earned are more as compared to 1995.
- (6) The percentage of domestic sales has increased from 30 percent to 50 percent. This is because there has been lot of product diversification and demand from hotel and construction industry has increased almost three-fold for Blue Pottery items. In monetary terms the value of sales is much more today than it was in 1995. This is true for both domestic consumption and sales to foreign tourists.
In fact there has also been a tremendous increase in tourist arrivals in India since 2003 and consequent increase in sales to them has compensated to some extent the slowing down of exports.
- (7) Regarding industry's contribution to the village economy of Kot Jewar the village under focus, it has been estimated that initially it was around 10 percent and after formation of SHG it has increased from 20 percent to 30 percent in 2005 of the average annual income of the group. This steady increase is due to the fact that the artisans are able to spend more money on their houses, purchasing new household goods and clothes, equipment, fertilizers for farms or getting a new well/hand pump bored.
All families of SHG now have *pucca* houses made from stone and cement concrete instead of mud houses with thatched roofs. One member of the group now owns a car, four of them own motorcycles, two have telephones and seven have mobile phones. More importantly their children including girls are attending schools. It has dawned upon them that the main reason for their poor plight or not able to strike a better sales deal or inability to ward off exploitation by buyers and exporters is due to their illiteracy and consequent ignorance. Their socio-economic status has increased in the village community and in their own caste. They can get better matches for their daughters as they can give more dowry now.

Due to rise in the incomes of the families, mainly due to increase in exports and getting a better value for their products, their children look well fed, better clothed. Thus Blue Pottery business has enabled these poor farmers/landless labourers/artisans who were almost starving and barely able to make both ends meet, overcome the shackles of centuries old economic and social deprivation and cross over the poverty line.

The economics of production of 20 Blue Pottery Single Family owned units prepared by the Rajasthan Chamber of Commerce and Industries gives us an insight into the various dimensions like product profile, no of artisans, their average output, average selling price, sales raw material cost, expenditure on wages, packing and transport sales expenses, overall cost of production and profit. These units employ 404 artisans and their total sales amount to Rs. 34735000 equivalent to \$ 771889. Although no details are available regarding the various categories of units included in the sample, the average profit per unit per annum is Rs. 87657 (\$ 1950) or Rs. 7300 (\$ 162) per month.²⁴ (See Table No.2)
Above calculations are slightly misleading as many units do not spend a single rupee on advertising, and during the survey it was found that only one artist owner had a brochure printed. The advertisement expenses per unit per annum from this table is around Rs.34000 (\$ 755) which majority of owners simply cannot afford. Therefore, the average annual profit per unit without including expenses on advertisements is around Rs. 1,00,000 or \$ 2700 or Rs.10,000 (\$225 per month, per unit).

This study by Chamber of Commerce related to Single Family units and this average annual profit / income tallies with our estimates of average annual income per family in 2005. (Table 1) This table shows increases in income of these families from around Rs.2,000 (\$45) per month in 1985 to \$ 225 in 2005 is a substantial jump although there has been roughly an escalation in cost of living by 30 percent.

These estimates do not reflect the true state of affairs of the industry as many of the expenses which have been included are not incurred by these primitive units and many owners do not keep records properly and never reveal their exact income. Table no. 1 clearly indicates that average annual income of all the categories have been increasing since 1985.

It is thus obvious that majority of these families/unit owners who in 1985 were subsisting on around \$1 per day, their average earnings have increased by seven times in the last 20 years. How this turn around had come about will be the focus of analysis in the ensuing pages.

Blue Pottery And Minimizing Value Erosion: Governmental Interventions And The Emergence Of Ruda

The Jaipur Blue Pottery value chain and its various backward and forward linkages, as we have seen has many leakages still plaguing it leading to value erosion. If these leakages can be minimised, there is every hope that the industry as a whole would benefit and its profit making capacity would be further strengthened.

The turn around in the industry has come after 1995 mainly due to governmental intervention. Earlier the unit owners had to struggle to make profits as no single agency was there to help them out of the glitches they encountered, although there were number of Federal and State agencies promoting handicrafts in general, but no coordinated institutional support was visible.

The year 1995 can be termed as a landmark year for the Blue Pottery and other handicrafts when the Rajasthan State government decided to focus attention on a neglected sector of the economy, the rural non-farm sector, which seemed to have latent potential to create additional job opportunities in the rural areas, besides reviving dormant handicrafts. In accordance with this policy initiative, the Rajasthan Government established RUDA (Rural Non Farm Development Agency) in 1995, a semi-autonomous body to promote various activities in the rural non-farm sector.²⁵

RUDA at the outset identified three sub sectors, wool, leather and minor minerals for a detailed investigation and strategy of intervention to revive rural industries in these areas. Within minor minerals sub sector, rechristened as stone-ceramic pottery (SCP), the famous Blue Pottery came for special attention, owing to its unique floral patterns, turquoise colour schemes and heritage value and its potential to generate employment in rural areas. When RUDA chose Blue Pottery, for its revival and development, it was in a pitiable state, units suffering from piled up inventories, rejection of items due to poor quality, shoddy designs, poor marketability, exploitation by middleman and exporters.

Before developing a strategy for interventions in Blue Pottery Industry RUDA commissioned Indian Institute of Forest Management to conduct a study to identify the basic problems afflicting it. These problems have been enumerated on the previous pages. After a careful analysis of these problems RUDA developed its strategy for intervention at micro and macro levels. A detailed description of the strategy RUDA adopted is called for.

(1) Selection of Kot-Jewar Village and Nurturing of SHG

The mandate given to RUDA for intervention in rural non farm sector necessitated choosing a location to start interventions which would achieve its objectives. After a careful study village Kot-Jewar, where a number of poor artisans were manufacturing Blue Pottery, was chosen for intervention due to its remoteness and poverty-stricken inhabitants, and their enthusiastic response during the preliminary studies conducted by RUDA officials.²⁶

A Rajesh Jain puts it:

"the idea was to start at a micro level with macro level objectives, believing that a micro level would provide manageable scale of interventions whose successes could be duplicated later on by demonstrating the same at a larger level, Furthermore, the conditions of the village and the artisans posed

a challenge that if something could be done for them, it would mean greater success in other places."²⁷

Through guiding and coaxing these poor and illiterate villagers and making them realise that they could overcome their misery and abominable conditions which were on account of small nature of their units, cross-cutting of prices, high raw material costs, inability to secure funding, exploitation by middleman and exporters, if they form a group through informal understanding. It was impressed upon them, that their interests were common and the synergy of the group would enable them to overcome their individual limitations and they could benefit on all fronts. RUDA officials assured them all possible help in this connection and the genuineness of their concerns and promises convinced them to form a Self Help Group. Formation to form group being easier as they all belonged to the potter's community.

(2) Technological Interventions

The major problems afflicting the industry were of technical nature related to the production process. Inefficient up-draught kiln using excessive firewood, porous and fragile nature of products, excessive breakage at every state of production, blackening and cracking and presence of lead and traces of cadmium in the products, were the major problems staring in the faces of these rural artisans. Sometimes the damages to products could be to the tune of 40 percent and it was even not possible to sell these as 'seconds'. Also they could not deal with problem of presence of lead which led to fall in the exports and many units had to close down.

Since RUDA lacked necessary expertise to tackle these problems it was decided to involve and convince other organizations to lend their support in this noble cause.

(a) Enlisting Central Glass and Ceramic Research Institute, Ahemdabad: The Lead Scare

RUDA took the initiative in developing technology to eliminate lead from the products and improve their strength and to make them non-porous and contacted Central Glass and Ceramics Research Institute, Ahemdabad a Federal Government Agency to conduct research on this problem.²⁸ The CGCRI also contacted Kot Jewar artisans to seek their suggestions and came out with a process of making lead-free pottery which at the same time not only made products four times stronger than the traditional ones but also removed the problem of blackening of the glaze as well as their porosity.²⁹ This definitely proved to be a milestone in the history of Blue Pottery industry as it opened the doors for making kitchen and table-ware items thus enlarging their range of manufacture. This technology was developed without imposing any change in existing techniques of manufacture, and still permits use of easily available raw materials.³⁰ This new technology was demonstrated by RUDA and CGRI in a workshop attended by Blue Pottery manufacturers. All the details of the ingredients and new technology were made available at nominal rates to those manufacturing units which showed interest.³¹ Scientists of CGCRI too got involved and explained to the artisans the advantages of the new technology and it motivated them a lot, as it was their first direct experience to demonstrate its efficacy to people belonging to the rural areas.³² This unique initiative by RUDA had helped overcome a major problem which threatened the survivability of Blue Pottery.

(b) Involving NGO's: Aid to Artisans (USA) and Artisan Trust (UK) to develop Down-Draught Kiln.

Artisan Trust, UK was approached to develop energy efficient kilns, funding for which was provided by DFID, Government of U.K. Their team made two visits during in 1998, and after interaction with the manufacturers identified the various problems of manufacture of Blue Pottery. Their efforts culminated in the development of two energy efficient down-draught kilns with the help of Mr. David Frith and Joe Finch of Development Alternatives. These kilns are energy efficient, reduce blackening of products and use much less firewood.³³ However, one of these kilns is lying unused in Kots Jewar. Further research on kilns has come to a halt due to inability of DFID to provide further funding. The producers were not convinced about their viability as no proper demonstrations were conducted to show their efficacy.

These experts also gave a number of new design concepts which were brought into production with the help of Mr. Sashi Gopal of IICD (Indian Institute of Crafts & Design, Jaipur) and other young designers from NID.³⁴

(c) Developing Efficient and Strong Kiln Furniture

The kiln furniture used by manufactures of Blue Pottery was of poor quality and not strong enough to withstand high temperatures and as a result it would itself crack during firing damaging the articles. RUDA persuaded a private ceramics factory to design new kiln furniture for the SHG. The factory designed a better and stronger kiln furniture which has proved highly beneficial and damage to

articles during firing has reduced considerably and being stronger lasts longer leading to reduction in costs thus minimising value erosion to a great extent.³⁵

(d) Development of Electric Potter's Wheel, and Electric Grinders and Gas-fired Kiln

RUDA also took initiative in introducing electric potter's wheel and a grinding machine with help of Aid to Artisans. SHG at Kot Jewar is using electric grinder saving lot of human drudgery and time, but again power cuts reduce their usage. A gas-fired kiln is being tested in IICD for Blue Pottery and if successful, it will be another milestone in the industry as control of temperature in the kiln would become easier, saving lot of firewood as well as reducing cracking or blackening of articles. The earlier experiment with down-draught kilns failed miserably.³⁶

In these projects ATA is sharing 60 percent and SHG 40 percent of the cost.

(3) Training Interventions : Development of new Designs and Product Ranges:

A major drawback with which Jaipur Blue Pottery suffered was shoddy, old and traditional designs and colours and a limited range of products. RUDA succeeded in enlisting support of National Institute of Design, Ahmedabad, Indian Institute of Craft and Design, Jaipur and leading designers and also David Frith and Joe Finch also contributed in organizing training for the artists in the development of new design, motifs, patterns and colours for the product range.³⁷

A new product range consisting of tiles, co-ordinated sets for bathroom, table-top accessories, tea-coasters, door-knobs, incense stick stands and items of jewellery like beads, strings have been developed and this value addition to the Jaipur Blue Pottery value chain has had a profound impact on both domestic and overseas sales. The tiles have proved very popular in construction and hotel industry and at times orders received are so large that even 10 units together cannot fulfill it.³⁸

(4) Marketing Interventions

This part of the value chain is equally crucial to sustain the industry. Before RUDA's entry, a basic problem faced by small manufacturers specially SHG's in rural areas related to marketing of products. In the absence of suitable mechanism, they fell into the clutches of big exporters, showroom owners and middlemen. To help them in this regard RUDA has arranged several buyer-sellers meetings with retailers, exporters, trading organizations and supported them to participate in various trade fairs in both India and abroad thus opening new linkages for marketing of their products.³⁹ In fact, these days RUDA is concentrating its efforts on marketing channels and is organizing craft fairs in big cities on a large scale and helps these artisans to put up their shops to sell their items. Many importers of Blue Pottery from abroad are now directly approaching SHG to buy their products. This has helped the group in getting better prices for their products. This direct and continuous interaction and feedback with the buyers has also helped SGH in realizing that changes are necessary in the design and style of their products and in order to survive they must change their modes of production. This value addition to the national component of Blue Pottery chain is due to direct impact of interventions by RUDA as exports had started falling due to lead scare, shoddy products and poor packaging.

(5) Linkages with Raw Material Suppliers and Laboratories

RUDA has also facilitated meetings between the raw material suppliers and the SHG and other manufacturers to supply quality raw materials and chemicals needed by the industry at concessional rates. Besides laboratories to test quality of raw material being supplied have been contacted to ensure that suppliers do not renege from their promises.⁴⁰

(6) Credit Facilitation

This was a big problem faced by the SHG. The newly established market linkages meant increase in orders necessitating need to expand and diversify which meant requiring more financial resources. RUDA helped SHG in securing a loan of Rs. 1,00,000 (\$2200) from a Bank and at the moment Banks are willingly giving them loans without any guarantee. DCH has also extended help in this regard and those artisans who get registered with it are issued identity cards which enables them to secure direct loans from banks without any guarantee or mortgage.⁴¹

Ruda's Role As A Catalyst, Educator And Facilitator: An Assessment

A question we posed earlier was: can a sub-sectoral, integrated and cluster-based approach for promoting rural micro-enterprises as viable avenues of poverty reduction at the grassroots level be successful by linking it with export development? The preceding discourse succinctly provides answer to the above question and which in this case is, yes it can. The Jaipur Blue Pottery's revival and SHG formation and its subsequent coming of age with an active role played by RUDA as an educator, catalyst and facilitator has proved highly successful and it simultaneously also highlights that a government organization with will, dedication, loyalty and motivation can succeed immensely at the

grassroots level in harnessing the latent initiative and enterprise of a section of poverty stricken, illiterate, exploited and neglected people into a highly successful, motivated, spirited and entrepreneurial group to make a big impact in a domain where even many urban-bred educated people have not succeeded.

The experiment at Kot Jewar demonstrates that governmental support through education, coaching and proper guidance can elicit participation and positive response from the populace in its programmes, provided the intentions, methods and approaches are honest, down to earth and in accordance with their hopes, aspirations and needs.

RUDA after initial success at Kot Jewar has helped form another SHG at Mahla Village and this experiment is being replicated in other areas like block-printing and Pokhran Pottery Project.

Another poser related to: can a coordinated – targeted approach be successful at grassroots level in achieving poverty-reduction goals? The answer again is yes and part of the answer can be found in the previous discussion. The success which RUDA achieved at Kot Jewar experiment in the revival of Blue Pottery when it was in a pitiable condition can be squarely attributed to its holistic, target-oriented grassroots approach.

RUDAs co-ordinated targeted approach was immensely successful in roping various governmental, both Federal and State organizations in achieving following objectives:

- (i) Stopping value erosion by minimizing various leakages from the value chain (lead scare, porous and brittle nature of product).
- (ii) Value addition through training and awareness building in developing new ranges of design and products, improved body strength and better style and finishing.⁴²
- (iii) Value creation and entrepreneurship stimulation through improving access to finance.
- (iv) Developing and strengthening linkages of SHG with suppliers, marketing channels, government institutions.
- (v) Focused cluster-based approach zeroing in on Kot Jewar SHG.
- (vi) Dissemination of knowledge, techniques new ideas through interlinking of scientists, designers, buyers, exporters with the SHG and other manufacturers.
- (vii) Successfully coordinating the efforts of various governmental i.e. both Federal and State, as well as semi-autonomous agencies NGO's, private entrepreneurs in helping in the revival of industry benefiting all stakeholders in the process.

This strategy was targeted at SHG, but these interventions have benefited the industry as a whole, with benefits percolating down to all the owners, artisans, workers, designers and painters. An important development in marketing of products has been giving a brand name to the industry. RUDA's constant efforts have convinced the Rajasthan Government to give it a brand name "The Jaipur Blue". This branding would add to its value and image all over the world. Similarly a plan is in offing to develop Rural Business Hub (RBH) at Kot Jewar on Chinese pattern. The purpose is to ensure that the requirements of the group like raw materials, grinders etc. would be available in the village itself which would save lot of botheration to these poor villagers as also savings in transportation costs.

This concept of RBH could help in developing associational value chains like when there is a slack in demand some of the workers could become suppliers of raw materials, or learn to repair grinders, kilns or packaging work. Since dairying has been in existence in villages since centuries, some of the workers can be provided with loans and technical help in conjunction with other agencies to start a dairy or poultry or they can be taught skills like repairing of handpumps, generators and tractors. Some associated value chains like carpet-weaving, handlooms, hand-block printing, leather, terracotta and stone-sculpting which are sub-sectors covered under RUDA's activities, can come handy in providing employment to not only the artisans but also other poor in the villages. These activities would contribute by strengthening the village economy as well as become a second source of income generation for poor in the countryside.

Despite these commendable efforts by RUDA to solve various problems adversely affecting its survivability, some of these still persist e.g. the lead scare and some new ones like severe competition from Chinese Pottery. Presence of lead in products has generally been eliminated but many producers continue to persist with old technology without recognising the severity of danger ahead. The efforts of RUDA in this regard seem to be slackening and this attitude of benign neglect may

prove disastrous for its future. As a first step RUDA should convene a meeting of all the producers again and it should be explained clearly to them if they do not mend their ways, results would be disastrous.

Consumers all over the world demand better style design and packaging in not only items of daily use, but to some extent, in the handicraft items also. The globalization process has accentuated the impact of these choices on the products, and therefore many of these requirements cannot be ignored by the manufactures. These facts need to be brought home to the tradition bound manufacturers who are very resistant to accept changes in their traditional modes of functioning.

Perhaps there is a process of denial. For instance, when the threat of Chinese competition is posed a basic counter-proposition that emerged during these interactions was that Indian Blue Pottery is sufficiently distinctive being primarily used for decorative purposes while Chinese pottery is used for kitchenware and tableware. Furthermore, Blue Pottery is essentially hand made, whereas Chinese pottery is made of clay, is machine-made and even the designs, styling etc, are all mechanized. Thus it was argued Chinese pottery, unlike Blue Pottery, cannot be classified as an handicraft item and with the two being separate categories altogether, many did not perceive any significant threat on account of imports of crockery being permitted from various countries, including China or in overseas markets. However, though the distinctiveness may apply to discerning connoisseurs, it is unlikely to affect the average buyer.

Studies be undertaken to reduce cost as due to leakages prices are high affecting their marketability. Workshops be organised regularly to train them and help of IICD should be availed of. Incentives be offered to them like giving such producers preference in allotment of space in exhibitions or in foreign countries as well as in government emporia.

There is need to advertise in domestic but specially foreign markets regarding its unique characteristics like being hand-made ethnic and heritage value, and its pro-poor character. Indian embassies and trade representatives be asked to popularise it. There is urgent need to patent the Blue Pottery products as increasingly its designs, styles and patterns are being copied in foreign countries. The government of India has woken up and initiated action in this regard.

Producers be asked to diversify to make kitchen and table-ware and jewellery items. Technical problems that still remain be resolved, by contacting concerned organisations. NGO's and corporate houses be persuaded to help in these areas. At home such efforts too are warranted. Federal and State Governments be persuaded to buy Blue Pottery items for decoration and for office use. If proper steps are taken, its sale in India can increase hundred fold. If the governments do not wake up now its fortunes would be on downside within no time.

Another dimension of this study is that a governmental bureaucratic organization, part of a vast rigid, rule-oriented, centralized administrative system, breaking these bureaucratic shackles has immensely succeeded in not only evolving a cluster-based, 'pro-poor' grassroots approach in addressing the problems of a rural backward community by making an impact of a profound nature on their habits attitudes and beliefs but also organizing it into a cohesive group to face up the problems and challenges of a complex and turbulent world. Here is an example where the 'pro-poor' policies of the government were successfully, integrated with export development process via revival of an handicraft industry by a bunch of committed, motivated, visionary bureaucrats.

Credit for this change in the working of bureaucracy has to be given to RUDA where some of the officers, belonging to both Indian Administrative Service (IAS) selected and controlled by the Federal Government and the State Civil Services, have been influenced by its informal and more functional work culture. This resulted in facing up to the challenges and evolving successful innovative strategies. This open and less hierarchical work culture is mainly because RUDA is manned by specialists in different fields who are less bogged down by bureaucratic rules and practices. The Chairman and the Managing Directors have been generalist Indian Administrative Service Officers with a strong sense of purpose, a feature that has contributed to its success specially as IAS members can with ease coordinate the efforts of Federal and State level agencies. Organizations start moving fast if the CEO shows keen interest in the accomplishment of objectives.

Harnessing Local Initiatives In Poverty Alleviation Strategy: The Grassroots Experience And Some Lessons

This case study helps us in understanding that to address poverty reduction issues at the grassroots levels, limited coordinated targeted approaches can lead to greater successes provided there is carefully designed strategy to manage the local initiatives for resolving issues and concerns affecting grassroots levels. In developing countries of Asia and Africa where many social, political and economic problems affecting the local level communities are still waiting for a satisfactory solution, it becomes imperative for policy makers to identify those areas in the economy which, with a well-thoughtout strategy can achieve objectives of poverty alleviation without dislocation of social and economic life of the targeted groups. This can be achieved by activating those activities which are part of their lives and whose development would enable them to overcome life of misery. Such strategies would certainly spur them to take initiatives and elicit positive response.

Since majority of population in these countries resides in rural areas, it becomes imperative that governments evolve policies which are effective, efficient and able to address the basic problem of human poverty. The present case study of Jaipur Blue Pottery, an handicraft industry intimately associated with grassroots rural population, demonstrates that such crafts with the help of human and capital resources coupled with local initiatives can not only revive them and help people cross poverty line but at the same time in some specific sectors they can achieve the twin objectives of export development and poverty reduction. A positive strategy suggested is:

- (1) Identify the poverty stricken areas/sectors where there are clusters and self help groups can be formed on the basis of some common activity/crafts/trade/occupation in relation to their export potential.
- (2) Locate specific agency or agencies in the government which are responsible for promotional activities in the sector or if there is none create an agency like RUDA. Also identify NGO's, charitable organizations, consultants, corporate houses who have experience or expertise in the area or can lend any kind of useful support, aid within and outside the country.
- (3) Ask the agency to seek help of consultants if required, to study group problems and identify material and specific needs in relation to their craft/profession/vocation keeping in mind their social milieu.
- (4) Let the agency, after securing the mandate identify the potential leaders within the group who show promise, initiative in improving their and community's upliftment.
- (5) Develop a tentative plan/strategy after securing their participation for the promotion/development of their craft.
- (6) Outline the strategy/tasks to be performed in open before the group, the stages, the agency or agency's, specific individuals who would be responsible for the implementation of the plan and the time limit.
- (7) At each stage of the implementation of scheme, secure a feedback and take appropriate follow up action accordingly.
- (8) For skill development activities locate those who have special knowledge or skills in that area and utilize their services for education and training purposes as well as for promoting the activity.
- (9) Identify the backward linkages of the national component of the value chain and develop strategies to strengthen these and minimize value erosion keeping in mind the twin objectives of poverty reduction and export development.
- (10) Ensure that any benefits that accrue from the promotion/ development of the activity reach the targeted groups/ individuals.
- (11) Only committed, motivated trained and knowledgeable bureaucrats be entrusted with these responsibilities and ensure that in all actions of the agency and the bureaucrats, impartiality and honesty is the key norm.
- (12) Make action research integral part of the strategy.

This strategy is only illustrative and could differ from country to country in terms of the specific needs, nature of the activity, crafts/profession/vocation, specific environment and the characteristics of the group and its social milieu. In the initial stages there would be failures, mistakes and policymakers should be prepared to face these with confidence and courage.

Grassroots Approach To Poverty Alleviation Through Export Development: An Epilogue

The preceding analysis demonstrates that in spite of attempts to reduce the role of government in economic development in developing countries, still there is no alternative to it and policymakers of

necessity have to rely on governmental agencies to push through their developmental agenda. Whether it is industrial or infrastructure development or setting up of educational or health institutions, government has to intervene and take positive action. Removal of poverty has been and will remain for considerable periods in the developing world in the hands of government. The debate as to how poor can be brought into the export process will have to hover around both the interventionist as well as its role as a facilitator in achieving this difficult objective.

As this study has demonstrated, the government agencies can, if given conducive environment requisite autonomy in operations, flexibility, mandate to decide policies and strategies at own levels as the situations warrant, effectively play the role of intervener, facilitator, educator, entrepreneur, all at the same time in achieving desired objectives with aplomb, efficiently serving community and national interests. RUDA's mandate to create alternative avenues of employment, generate incremental incomes in relation to rural non farm sector, has been more than successful in achieving its objectives with praiseworthy efficiency.

The success of RUDA and its efforts in ensuring a coordinated and targeted action at the local levels harnessing local resources and initiatives, have supported the premise that problems affecting village community including poverty alleviation can be achieved by linking it with export development at the grassroots. It is crystal clear that strategies for poverty alleviation in all countries must of necessity tap and encourage local initiatives and link them with policies and schemes and the implementation be left to local governmental agencies in conjunction with the community, the NGO's, voluntary agencies, with community keeping a constant watch over the interveners or the facilitators.

The Jaipur Blue Pottery case is quite unique in that the fortunes of this industry are almost completely linked with export development and the foreign tourists. Any incident or development like lead-scare or the competition from the Chinese pottery can lead to fall in exports throwing many people from a secured living into a life of misery and penury. Vulnerability of the industry has led many producers to opt for a side vocation to guard against such eventualities.

The policy makers, therefore, need to track rather anticipate such changes and build such capacities and capabilities in their systems, strategies that can ensure success in facing them or to minimize the impact of such changes. This can be done by creating, through careful policy planning, new associated value chains. RUDA though has not developed such value chains specifically linked to Blue Pottery but there is a need to do so due to its obvious vulnerability to outside factors.

It remains to be seen whether or not globalization will impinge on the industry in the form of more competition from countries like China producing very similar products. But, as noted earlier, globalization also is imposing restrictions on technology and management in the name of the environment, health, work conditions etc., and India may have difficulties overcoming these non-tariff barriers. The issue of lead in traditional Blue Pottery and how it has been handled to date, constitute an interesting mini case study of how enterprising is industry, government and bureaucracy in meeting the challenge.

Another important aspect of this study is that if government support and intentions are genuine, it increases the participation of targeted groups in the programs designed for their welfare and the sense of participation heightens their levels of enterprise and creativity. For example, many producers of blue pottery have come up with innovative designs like embossed tiles, using pink colour and patterns and making it moisture proof. A producer has come out with a different range of blue-pottery in which pink colour dominates and he has rhymed it with another name for Jaipur, 'The Pink City'.

This case study suggests that in democratic societies, any policies, strategies, schemes, meant for poor and downtrodden must of necessity take into account local conditions, characteristics of groups, communities the likely beneficiaries and ensure their fullest participation at every state of their formulation, implementation and evaluation. The best means of achieving these objectives is to activate the local level agencies and give them enough responsibility to enlist at their own level, support of other agencies, advocacy groups to ensure that interests of the local communities at the grassroots are well looked after and protected. The grassroots approach is an effective strategy for solution of local problems even if they are associated with poverty alleviation and export development. From this exploratory, but wide-ranging case study, it may be concluded that developing countries world over, faced with challenges, opportunities and perils of a globalized world should look inwards

and search for those areas in their domain, where by using indigenous know-how and technologies, they can ensure substantial benefits to their populace and achieve the main objective of poverty alleviation. The need of the hour is to devise innovative policies, strategy and approaches to ensure a proper mix of indigenous and exogenous technologies to overcome social, economic and political traps and take nations on the path of peace, progress and prosperity in this fast paced turbulent environment.

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Appendix-I A Brief History Of Blue Pottery

Pottery is an ancient craft and one of the oldest in Rajasthan. Many schools of pottery still exist in different parts of the state. The most popular and unusual pottery is known as the Blue Pottery of Jaipur. Its uniqueness lies in the fact that it is primarily a ceramic body made of quartz, unlike other potteries, which are made of clay. The completely hand painted motifs add to its exclusivity.¹ The peculiar ceramic composition makes pottery rather a misnomer, the only allegiance to pottery being the 'potter's wheel' used by the potters.² Dating back to possibly 5000 BC in Egypt, this art has traveled down the ages and to different lands, but the true home of this art was Mesopotamia where the ancient civilization of Babylonia and Assyria thrived.³

Some historians trace its origins to China from where it travelled to Persia and through the first Muslim incursions into Sind, and the city of Multan was the cradle of this art. During the Mughal period, the technique, basically Persian was adapted and put to uses in the Indian context. Its reaching Jaipur as late as mid 19th century has an interesting story behind it. Maharaja Sawai Ram Singh II was very fond of flying kites. He indeed maintained a separate department (Patang-Khana) with an officer in charge of it. Promissory notes were attached to the Maharaja's kites for anyone who would cut the string and capture the kite. Few were successful but in that rare event, no heads were chopped. Rather, they were treated as royal guests and the Maharaja shrewdly tried to extract the secret of their success.⁴

"It is said that on one such occasion two persons from Achnera (near Agra) challenged the royal kite and, after an exciting tussle, easily cut its string and carried the day. Reassured by the Maharaja, the winners overcame the fear and told him the reason of their success. They were poor potters and practiced the art of Blue Pottery and their potter's glass and a bit of gum on the string of their kite gave it a razor sharp bite. The potters were enticed to stay in Jaipur and practice their art. Thus it was that the families of Churaman and Kaluram migrated from Achnera and settled down in the Ganga Meharon Ki Gali (a street) within the four walls of the Pink City."⁵ Meanwhile in 1866, Maharaja Sawai Ram Singh II, established a School of Arts and Industries in Kishanpole Bazaar in Jaipur and Churaman was made head of the Blue Pottery section.

"The families of Churaman and Kaluram were no saints and they made it their business to keep the art within the confines of their immediate families. They took care that the ingredients would not be easily discovered or available. It is interesting to note that though the glass was easily available at Jalesar, nearby, it was transported to Firozabad and then bought by the school at a premium. Even the simple product of copper oxide, available in plenty at the local coppersmiths, was bought from them secretly, crushed, and then clandestinely smuggled to the local shop of Har Dayal who himself did not know what he was selling and this secret magic potion was then bought by the School at sky high prices. It was always shown that great effort had to be made to acquire the rare material."⁶

Unfortunately, for generations these families restricted to themselves the practice of this art. It was bought purely for its ethnic value and for decorative purposes by the princes and the rich people who sustained it in Jaipur for a century. The common man could ill afford such art being expensive and had no use for it. The princes and the gentry lost their interest in Blue Pottery in course of time. The families gradually lost their hold in the School of Art and the art of Blue Pottery almost vanished by the time of India's Independence (1947). The revival of this craft in 1960 was due to Maharani Gayatri Devi who provided land, building, patronage and Ms. Kamala Devi Chattopadhyaya of the Handicraft Board, Government of India who provided the finance to set up a training school of blue pottery for unemployed youth.⁷ The school, established in 1963, was named Sawai Ram Singh Shilp Kala Mandir and Shri Kripal Singh Shekhawat, a renowned artist of Rajasthan was made its first director to train unemployed and poor people in Blue Pottery. A three year diploma course was started and all the trainees got stipends.⁸ Many of these trainees came from the villages and a majority of them belonging to potter's caste started their own independent units or became workers in these factories and since 1980's a lot more people have set up units thus sustaining this craft.

The one person who gave this dying art a real impetus is Mr. Shekhawat, who has also set up his own unit and has won reverential administration not only from art lovers in the country but from the connoisseurs of art abroad as well for reviving this industry and putting it on the world map. Blue pottery is now a growing handcraft industry and it provides livelihood

to hundreds of people in rural and urban areas. However, as its history shows it is also a vulnerable one that has needed external aid for sustenance.

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APPENDIX-II PROFILE OF UNITS MANUFACTURING BLUE POTTERY

(1) Single Family Ownership Units

One such unit was established by Mr. Bhag Chand Doria in 1967 which was the first unit in Sanganer, a small satellite town of Jaipur, known basically for hand-made recycled paper and hand-block printed textiles. Mr. Bhag Chand is a pioneer in this area as he got trained in the Sawai Ram Singh Shilp Kala Mandir under Shri Kripal Singh Shekhawat. His father was poor mason supporting a family of seven children. Being unemployed for a long time he borrowed money from friends and relatives to establish this unit. Initially as there was hardly any market for Blue Pottery products and profits were meagre, he got himself trained as a stenographer and one of this buyers helped him getting a job in government. This job helped him in maintaining his family consisting of spouse, two sons and two daughters. He runs this unit from his house and his factory is situated very near to it. The showroom is also located in the front the portion of his house on the main road. His two sons are now looking after the business on full time basis. He himself is a good artist and has trained family members in various aspects of pottery making. He employs just three workers but hires part time labor in case he receives a large order.

Mr. Bhagchand is noted for his innovative designs and has experimented on his own by using different colors and at present is experimenting with pink pottery, as according to him, this can become a brand of Jaipur also known as Pink City. He has produced embossed blue pottery articles which are quite unique but the designs he uses are by and large traditional. For marketing, he is dependent on direct sales through his showroom, exporters and through participation in various handicraft fairs organized by the government and other organizations in different cities in India and abroad. His assessment regarding future of Blue Pottery was a bit ambivalent as there has been a slump in the demand since 1995 and the market has enlivened only since last two years. A major reason in this slump was the 'lead scare' which resulted in slackening of demand from Europe and US.

(2) Joint Family Ownership Unit

This unit in comparison to the former is much bigger in size and their factory is located at two places, the showroom though situated in their house, is one of the largest in Jaipur and has branches at three locations in Jaipur city and sells its products through direct retailing. This unit has linkages with a number of exporters and of late has started exporting on its own. This joint family unit is owned by four brothers, the eldest who started the business is also a drawing teacher in a famous English medium girl's school. Their off springs are well educated and one of them is an MBA and is looking after the marketing business and does online networking with buyers and exporters. The eldest brother was the prime mover in the business and educated his younger brothers who also later joined the business. They all live in the same premises and share profits equally. Due to fluctuations in the

demand of blue pottery they have also branched out in hand-block printing textile business. This unit has adopted mechanization on a small scale by installing a power grinder. Majority of units in the industry are single or joint family owned both in rural and urban areas.

(3) Artist Owned Unit

This unit, known as 'Kripal-Kumbh', is a very unique one and its inclusion we thought was essential in our research study as its owner is an artist/painter of international fame and is one person very much responsible for the revival of this Blue Pottery art. He too has not adopted mechanization, employs between 10-12 workers and he himself paints most of the products, which bear the stamp of his artistic prowess, command high price and are eagerly sought by connoisseurs of art both at home and abroad. Many tourists go directly to his showroom for purchasing Blue Pottery items. His workshop is located in his residence in Bani Park, Jaipur. Many persons including younger men come to his unit to learn about this art. Almost all the owners of the units, which came into existence in 1980's, acquired training under him in the Shilp Kala Mandir. They express their indebtedness to him and still consider him as their mentor and seek his guidance whenever they face any problem. But all the trainees were not blessed with the same fortitude. Many artists who trained under him tried to start their own business but could not succeed.

(4) NGO Supported Unit

This again is a unique venture started by a philanthropic industrialist with the aim of all-round development of a village, Neota 25 kilometers south west of Jaipur. The industrialist Mr. B.M. Birla adopted this village in 1981 with intention of providing livelihood to the village populace and he initiated the process by reviving rural industries like pottery, leatherwork, and also arranged for the training of unemployed youth in cutting of semi-precious and precious stones, as such trained artisans are in great demand in Jaipur which is famous for its jewellery world over. Since Mr. Kripal Singh Shekhawat was known to Mr. Birla he suggested to him to start a training center for Blue Pottery for the rural unemployed youth. An NGO, Neota Development Association was established under the tutelage of Mr. Birla and a training-cum-production center was established in the village Neota. Over the years it has trained a large number of rural youth belonging to Neota and nearby villages as well as far off places. Initial inputs were provided by the Birla's, specially the funding and other infrastructure like land and building, and the technical know how was provided under the watchful eye of Shri Kripal Singh. It soon acquired a name for itself in the realms of Blue Pottery industry. This center also manufactures Blue Pottery products and the income generated now fully meets its funding requirements, and is no longer dependent on the Birlas for funding etc. although the management finally lies in the hands of this family (Birla). The major contribution of this organization is that it has trained over 400 people in various aspects of Blue Pottery work and many of them started their own units and are doing quite well. Unfortunately due to slump in its demand since 1995 they have closed the training center as demand for trained artisans dropped almost totally. Now instead of providing training on regular basis it is provided as per demand. This unit is now surviving by selling its products but occasionally some persons do troop in either to get training or enquire about setting up their own units. A remarkable aspect of this unit and a reason for its survival till date is the commitment exhibited by two individuals, Mr. Bhimsen and Mr. Kashyap who belong to Himachal Pradesh, a cold region in the northern part of India, but have remained with this centre right from its inception. They were highly appreciative of Mr. Kripal Singh's role in the creation of this center and his contribution in nurturing it till it could stand on its own. He still visits this center and provides any help or guidance whenever required.

The NDA due to efforts of the two individuals has come out with innovative products but the showroom lacked the finesse of a privately owned business. The haphazard arrangement of items in shelves with dust gathering on them indicates that NDA is not much concerned in making profits on a large scale. It does sell its products to various showrooms, exporters and at times receives direct orders both from within India and abroad and they also depend upon the Birlas to provide them opportunities for selling their products especially in the corporate sector.

Many of the Birla firms use Blue Pottery items as corporate gifts. Overall, despite its seminal contribution in training artisans and being a mentor to many owners of the industry, the zeal,

enthusiasm seems to be missing from their work culture. This center at present employs around 15 people.

(5) Self-Help Group Unit

The visit to this unit was also an eye opener in many respect to the authors. The benefits from this business seem to flow directly to the owners cum members of the Self-Help Group (SHG). The success of this SHG has become a model to be emulated not only in the Blue Pottery industry but in other areas of rural and handicraft sector. In the village Kot Jewar, located about 50 kilometers west of Jaipur, a marginal farmer Lala Ram who had been trained in Blue Pottery work by Design and Development Research Centre, in Jaipur, started a Blue Pottery unit in this village and due to its limited success, other persons in the village too followed his example and set up their own units. But being illiterate, they were exploited by raw material suppliers and buyers and also due to personal rivalries, they were unable to make enough profits and many of them had to close down their units, due to recurring losses. Other reasons for low profits were poor quality of their products, which was low both in terms of shape and designs as well as the high percentage of breakage and blackening of items in the manufacturing process was also proving detrimental to the sustenance of these units.

The Rural Non-farm Development Agency (RUDA) a government organization which came into existence in 1995 with the mandate to promote sustainable livelihood in the rural non-farm sector stepped in to help resolve many of their problems and took the lead in the creation of this SHG of the artisans at Kot Jewar, to support it in terms of designing and marketing of products as well as by providing technical help. The SHG was formed by encouraging these individual manufacturers to come together with the aim of stopping competition among them and instead to pool their resources and expertise and share profits. The SHG is not a co-operative society but a group of small owners of units, formed on the basis of informal understanding. These people who were earlier solely dependant on an exporter, were able to stand on their own and form a SHG which has become self-sufficient to a great extent in marketing of its products and has emerged as a major player in the Blue Pottery domain.

The manufacturing process used by all these and other units is similar i.e. based on traditional technology, indigenous raw materials, and is almost devoid of mechanisation. However, they differ in terms extent and magnitude of problems relating to marketing and export of their products.