

## **7th Standard- Social Science**

### **Civics- A Shirt in the Market**

#### Cotton Farmer in Kurnool

- Cultivation of cotton is very expensive and a difficult task.
- A small farmer grows cotton on his small piece of land. Once the harvesting is done, cotton balls are collected.
- These are taken to the local trader as the farmer had borrowed money from the trader to buy seeds, fertilisers, etc. for cultivation.
- Even though the market price is high, the trader buys it at a meagre price from the farmer.

#### The Cloth Market of Erode

- The bi-weekly market of Erode in Tamil Nadu is one of the biggest cloth markets in the world.
- Cloth made by weavers from all over comes here for sale.
- Instructions about the type of cloth to be made are given in advance.
- The weavers get yam from the merchants and supply them the cloth.
- The arrangement between the merchant and the weaver is termed as a putting-out system.
- It saves money of the weavers as they do not have to buy yam. Likewise, the problem of selling the cloth is also taken care of.
- Since weavers do not know the price of the cloth, they are at a loss and get a very small amount.

### The Garment Exporting Factory Near Delhi

- Erode merchants send the cloth to garments export centre in Delhi.
- The garments factory makes shirts to be sold to the chain of business from the US and Europe.
- They set a standard of quality and time.
- Faced with the pressure the garment centre tries to extract maximum work from their workers of the lowest cost.
- Most hired workers are temporary and get a low salary.

### The Shirt in the US

- The shirts sent from garments export centres are sold in dollars in the US.
- The shirts sold at Rs 200 by the garment export centre sell at Rs 1,200 in the US.
- Thus, a chain of markets links the producers of cotton to the buyers at the supermarket.

### Market and Equality

- Foreign businessmen make huge profits in the market.
- Garment manufacturers only make moderate profits.
- Weavers at Erode market and small farmers don't make a huge profit.
- Poor people have no option but to depend on the rich.
- Poor are exploited in the market.
- Laws should be made to protect the interest of weavers and small farmers.

Cultivation of cotton is a very complicated and difficult task. It is very expensive too because it requires high levels of inputs such as fertilisers and pesticides. Farmers, therefore, have to incur heavy expenses for which they need to borrow money from the local traders.

The local traders are very clever people. They give loan to such farmers and in turn, make them promise to sell all their cotton to them. Thus, they take advantage of the poor financial condition of the farmers. Here, we can give an example of Swapna, who is also a cotton farmer and takes a loan from a local trader to meet all the expenses on cotton cultivation. As a result, she has to sell all her cotton to that local trader at a low price. Thus, farmers, in spite of their hard labour, never get a fair price.

A large variety of cloth is sold in Erode's bi-weekly cloth market in Tamil Nadu. The cloth that is made by weavers is also brought here for sale. This cloth is bought by the cloth merchants and other traders.

There are other weavers who make cloth under the instruction of the cloth merchants. These merchants supply cloth on order to garment manufacturers and exporters around the country. They purchase the yarn and give instructions to the weavers about the kind of cloth that is to be made.

The weavers are happy because they do not have to spend their money on the purchase of yarn. They also get rid of the problem of selling the finished cloth. But at the same time, they lose their freedom. They begin to depend on the merchants both for raw materials and markets.

The arrangement between the merchant and the weavers is termed as the putting-out system.

The Erode merchant supplies the cotton cloth produced by the weavers to a garment-exporting factory near Delhi. The garment exporting factory use the cloth to make shirts to export them to foreign buyers. These foreign buyers are powerful business persons. They demand the lowest price from the supplier. In addition, they set high standards for quality of production and timely delivery.

These conditions put the exporter in a light situation. Still, they accept the deal, because they have nothing to do at the cost of their own benefit. They start cutting costs. They get the maximum work out of the workers at the lowest possible wages. Thus, their profit remains intact. The sufferers are always the workers/labourers who hardly fulfil their day-to-day needs. The weavers too are an exploited lot. Thus, everyone does not gain equality in the market. Some make huge profits, some make moderate profits. But nobody thinks about those who are working at the root level. They remain poor in spite of their hard labour.

**Ginning Mill:** It is a factory where seeds are removed from cotton bolls. The cotton is pressed into bales which are sent for spinning into thread.

**Putting-Out system:** In this system, the cloth merchant supplies the raw material to the weavers and receives the finished product.

**Exporter:** One who sells goods in foreign countries.

**Profit:** The amount that is left or gained from earnings after deducting all the costs.

