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Introduction

Industrialization is inseparable from economic development as it is both a means of higher productivity and a consequence of higher incomes. It plays a major role in the economic development of developing economies. According to the structural transformation theories put forward by Clark, Fissure etc; when an economy grows there will be a gradual shift from agricultural sector to industrial sector and then to service sector. Almost all the developed countries of the world followed this pattern of structural transformation. Unlike this general trend, in India the shift from agricultural sector to service sector bypassed industrial sector. Even though some agriculture based industries performed well and laid the foundation for our industrial sector. Jute and cotton industries are classic examples which are playing very important role in the industrial development right from the British period. Indian economy is still dependent on agricultural sector but in the case of developed countries, its backbone lies in major industries. Net value outputs per capita in industrial economies are comparatively higher. This advantage is mainly due to the existence of greater external and internal economies in industrial sector compared to agricultural sector.

The natural suitability for the growth of the jute fibre helped in the thriving of jute industry in West Bengal, Assam and some parts of Tamil Nadu. Even though partition has affected the supply of raw

jute; India was able to overcome the problem as a result of initiatives from the authorities particularly from the Jute Matting Development Council. In the case of India, the important jute products exported are tarpaulin, sacks and other types of products. If we analyze the industry during the plan period, we can see that the production of jute was increasing. But export share has declined over the years. At the same time the share of India's jute industry in the world is high when compared with other countries.

In the industrial map of Kerala, the modern jute industry has got much significance as it employs a large number of people in Alappuzha district who were suffering from the doom of coir industry due to the problem of shortage of raw materials, lack of demand for its products, increasing competition, high cost of production etc. The technological innovations taking place in this industry is very high that there is increase in the production annually. There are wide varieties of mats and mattings produced here with different types of jute purchased from West Bengal.

The study of jute industry in Kerala is absent as it is a new industry here and thus this study has got much relevance. Most of the studies about jute industry concentrate on the production of tarpaulins, raw jute, sacks and other products i.e.; the studies about the production of mats and mattings are absent. The scope of this study in this book should be viewed considering the developments which are taking place in this industry and the future changes it can contribute to the state of Kerala.

This study is mainly based on secondary data and primary data collected from leading exporting firms, trade unions, district labour office, Jute Matting Development Council publications, Small Scale Manufacturing Producers' organizations etc. In depth discussions with concerned people were also made part of the study. Analysis is done with the help of simple statistical methods like averages, growth rate and shares.

This book has been organized into eight chapters including the present introductory chapter. The second chapter gives an overview of the

evolution of the jute industry in India which explains the historical perspective, the trends in cultivation production of raw Jute in India since 1985, how the partition affected the production of raw jute and a brief review of the production trends running through the Five Year Plans. The third chapter gives an overview of the significance of Jute to the environment. This chapter reviews the Jute studies done in this regard. Fourth chapter explains the initiatives in jute cultivation and production of Jute Mats & Matting in Kerala. The fifth chapter is about the marketing and other related issues in this industry. Sixth chapter deals with the problems and scope of Jute Industry in Kerala. The seventh one deal with the labourers and the wage structure and the concluding one provide the suggestions and policy prescriptions in this regard.