

The Clothes Line

Cotton and trade background information

About cotton

Cotton is the most important of all natural fibres, accounting for almost half of all textiles in the world. It is an excellent clothing material with a huge variety of uses. Because it is so strong it can be made into fine, thin textiles, as well as hard-wearing fabrics like denim.

Cotton is now the world's most important non-food crop, covering five per cent of the planet's cultivated land area. It is grown in more than 80 countries around the world. For a good crop a long, sunny growing season, with at least 180 frost-free days and plenty of water, is needed. These conditions are found in a band that stretches around the world between latitudes 45° north and 30° south.

Cotton has been grown and used by people in many parts of the world for at least 5000 years. Pieces of woven and dyed cloth dating back as far as 3000 BC have been found near the Indus river in India. For ancient Greeks and Romans, the muslins of the Ganges delta area were an exotic and expensive luxury.

Trade links with India

Britain's first links with India came about through trading cotton and other goods. In the seventeenth century, the East India Company began bringing cloth from west India, shawls and silks from Kashmir, spices from the East Indies and Ceylon, and sugar from Bengal. In return India bought metals, novelties, and ivory. Visitors to India were impressed by the sophistication and skill of its craftspeople, by the range of products, and by the way in which manufacturing was organised and controlled by the State. Indian cloths were so popular that they transformed European fashion.

For many years, Europe could not compete with India in terms of trade and so set about finding ways to reduce dependence on these luxury imports. The Industrial Revolution provided that impetus. Britain began to impose trade barriers on imported Indian-manufactured cloths. Gradually, with crippling taxes, India was forced to export raw cotton instead. This cotton was then processed in Britain's newly established mills, which began producing cloth for the Indian market. Faced with such competition, the Indian textile industry declined. In 1840 the East India Company boasted that 'encouraged and assisted by our great manufacturing ingenuity and skill, [we have] succeeded in converting India from a manufacturing country into a country exporting raw produce'.

Cotton and independence

When the protectionist legislation was abandoned in 1925, India was again confirmed as a major exporter of cloth. Over the years the production of cloth and garments came to be linked with India's struggle for independence. Mahatma Gandhi used the domestic weaving industry as a way of alerting people to the reality of commercial domination by foreign rulers. 'Khadi' (cloth hand-woven from locally grown hand-spun cotton) became a symbol of independence and reinvigorated the hand-loom industry of India.

Like many other cotton-producing countries in the South, India has again faced problems in recent years. Many countries depend on exporting a few raw materials such as cotton or coffee. They are encouraged to export more cash crops as a way of ending their poverty. This may seem simple, but when world markets are flooded, prices fluctuate enormously. And it is small-scale farmers, who have no other source of income, who lose most when prices fall.

Cotton and textile-producing countries have also suffered in recent years from trade barriers. The Multi-Fibre Arrangement (MFA) restricted exports from textile-producing countries. These trade barriers cost poor countries almost \$50 billion per year -- as much as all Western aid put together. Although this quota system was severely criticised, it did at least offer stability for textile exporters.

Changes in trade

The MFA has now been phased out, but changes in world trading conditions have had an adverse effect on the countries of the South. With the freeing up of trade, India's clothing industry has been opened up to more competition from abroad. As retailers compete to sell clothes, they demand ever lower production costs. This forces companies in places such as India to cut wages, reduce job security, and allow safety standards to decline.

The textile industry is a massive employer in India and a major source of earnings. The textile industry employs some 35 million people and makes up roughly 20 per cent of India's exports. In 2006, textiles made up one sixth of India's total export earnings, giving it 4 per cent of the global share. India is currently the third largest producer of cotton. In the year 2005/2006, 19.6 million tonnes were harvested there.

Cloth is produced either in factories by machine or on hand-looms. There are approximately 12.5 million hand-loom weavers in India who usually work at home or in small production units, often selling their cloth to middlemen.

In recent years hand-loom weavers in particular have suffered major setbacks in their work. The international price of cotton yarn has risen and so cotton growers now prefer to export. Hand-loom weavers have been unable to compete with factories that can afford to buy yarn at the higher prices. Thousands have lost their livelihoods and been reduced to starvation.

Links to the UK

The last link in The Clothes Line is in the shops on the UK high street. In 2001, people in the UK spent £27 billion on clothes (that's the equivalent of £460 per person). A large proportion of these clothes were imported from Asia, but many people in the UK also work in the garment industry. Much of this production is done by women working from their own homes -- there are more than a million homeworkers in the UK. They often face similar problems to their counterparts in India, being forced to work for low wages so that their products can be sold as cheaply as possible.

Recently a large number of organisations have begun calling for 'clean clothes' which have not been made under exploitative conditions. They are asking retailers in the UK to introduce a code of conduct -- or to strengthen existing codes -- to guarantee humane working conditions for the people who make clothes. Some of their demands are for reasonable working hours, fair pay, job security, equality of treatment between different workers, no employment of children, and no forced labour.

Today, at the very end of The Clothes Line, customers are realising that they have power as consumers and can ask for clothes that have been made under fair conditions.

Through Fair Trade initiatives, Oxfam has been campaigning for decades for a better deal for Third World producers.