



1. Did Swapna get a fair price on the cotton?

Answer: No. Swapna did not get a fair price on the cotton. The local trader paid her low price.

2. Why did the trader pay Swapna a low price?

Answer: The trader had lent Swapna money at the beginning of the cropping season on a condition that she would sell all her cotton to him. Thus, Swapna was in his grip. The trader took advantage of this situation and paid her a low price.

3. Where do you think large farmers would sell their cotton? How is their situation different from Swapna?

Answer: Large farmers would sell their cotton in the market. Their situation is different from Swapna. Unlike Swapna, they grew cotton on their own and therefore they are free to sell them anywhere they wish.

4. What are the following people doing at the Erode cloth market—merchants, weavers, exporters?

Answer: Merchants. They supply cloth on order to garment manufactures 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.

Weavers. They make cloth and bring this to the Erode cloth market for sale. They also make cloth on order from the merchant.

Exporters. They use the cloth to make shirts to export them to foreign buyers.

5. In what ways are weavers dependent on cloth merchants?

Answer: Weavers are dependent on cloth merchants for raw materials and markets.

6. If the weavers were to buy yarn on their own and sell cloth, they would probably earn three times more. Do you think this is possible? How? Discuss.

Answer: In such a situation the weavers would definitely earn more. They would buy yarn at the lowest possible price and would sell cloth at the highest possible price. They would select the market of their choice for better price.

7. You might have heard of cooperatives in your area. It could be in milk, provisions, paddy, etc. Find out for whose benefit they were set up?

Answer: They were set up for the benefit of those who were in want of capital.

8. What are the demands foreign buyers make on the garment exporters? Why do the garment exporters agree to these demands?

Answer: They demand the lowest prices from the garment exporters.

They set high standards for quality of production and timely delivery. Any defects or delay in delivery is dealt with strictly.

The garment exporters agree to these demands because they are able to gain maximum profits even after that.

9. How do the garment exporters meet the conditions set by the

foreign buyers?

Answer: The garment exporters cut costs. They get maximum work out of the workers at the lowest possible wages.

10. Why do you think more women are employed in the Impex garment factory? Discuss.

Answer: More women are employed in the Impex garment factory because they agree to work even at the lowest possible wages.

11. Compare the earnings per shirt of the worker in the garment factory, the garment exporter and the business person in the market abroad. What do you find?

Answer: The business person abroad makes profit of Rs. 600 on one shirt and the garment exporter gains Rs. 100 on one shirt. So far the worker's earning is concerned, he gets only Rs. 15 per shirt.

12. What are the reasons that the business person is able to make a huge profit in the market?

Answer: There are various reasons why the business person is able to make a huge profit in the market:

Some of them are given below :

1. He sells his shirts to people belonging to high income group.
2. He is able to sell a large number of shirts everyday.
3. He knows the ways how to get work done by the garment exporters at the lowest possible price.

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