

Faculty of Economics and Finance

Department: Institute for Economic Research on  
Innovation

**Invitation to attend the Institute for Economic Research on Innovation<sup>1</sup> (IERI)  
Seminar by Keshab Das<sup>2</sup> keshabdas@gmail.com**

This seminar is part of the programme of the National Institute for the Humanities and Social Sciences (NIHSS) and the Indian Council of Social Sciences Research (ICSSR). It is implemented through the Institute of Economic Research on Innovation in South Africa and the Gujarat Institute of Development Research in India. The programme seeks to foster collaborations between South African academics and their colleagues in India.

**Seminar Topic: Inclusive Innovation Challenges: Artisan Clusters in Rural India**

The huge presence of craft clusters in rural India has not only been a source of local resource use and non-farm income generation for but also of opportunities for innovation promising product diversification, reaching out to newer markets and networking between relevant business-state-research stakeholders. A particular concern in this enquiry has been to assess if the innovation systems have been inclusive or pro-poor, in terms of access to available options in innovation be that technological or institutional. Despite a certain eulogising the craftsmanship/heritage of it, artisan clusters have suffered severe neglect in terms of inadequate policy attention that largely deprived the enterprises from participating as active entities within the regional or national systems of innovation and even displaying

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<sup>1</sup>The Institute for Economic Research on Innovation is a Department of Science and Technology Centre of Excellence in Scientometrics and Science, Technology and Innovation Policy.

<sup>2</sup>Keshab Das is Professor at the Gujarat Institute of Development Research in Ahmedabad, India. He is visiting professor at the Institute for Economic Research on Innovation.

business dynamism. This in more than one manner reflects the state of micro and small enterprises, especially in rural India, which are seriously constrained by both declining financial support and lack of business infrastructure. Paucity of official statistics on the sector is an issue of concern as well. All these have perpetuated a situation whereby there has been little improvement in product and process standards depressing demand for output from rural clusters. In addition to well-known supply-side constraints at the cluster level, absence of or weak collective action by cluster constituents has been recognised as a major limitation of rural clusters to move up. However, quite different from the supply-side constraints, markets as existing or potential would determine the nature and extent of innovation that would be possible at the cluster level.

An increasing incidence of casualisation and informalisation in the sphere of work and livelihood pursuits has been alarming. The institutional inertia to change has emerged the most serious challenge to inclusive innovation in rural clusters. While it is obvious that state policies have been irresponsive to the needs of ‘real services’ by rural clusters in terms of better business infrastructure, linking with innovation systems and accessing wider markets, an approach akin to ‘poverty eradication’ to rural cluster development has undermined the *spatial* infirmities of business. Challenges to inclusive innovation and the dynamics of perpetuation of what we have termed *subsistence industrialization* have been looked into. Primary survey based findings in diverse rural clusters in India form the empirical core of this presentation.

**Venue: IERI, 159 Nana Sita Street, Pretoria, 0001**

**Date: 28 February 2017**

**Time: 11h00-12h30**

Kindly RSVP to Ms. Bongiwe Khoza at [Khozaba@tut.ac.za](mailto:Khozaba@tut.ac.za) or [MadialL@tut.ac.za](mailto:MadialL@tut.ac.za) by Monday 27 February 2017



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