



## Women Empowerment Role of Self Help Groups

G. NIRMALA  
JYOTHI

Lecturer in Economics, S.P.M.H.KALASALA, MACHILIPATNAM

### ABSTRACT

*This paper throws light on the Policy issues in Rural livelihood Diversification & Emergence of self-help groups and also deals with the aims of Dwacra and women empowerment. It is to be discussed the support of Government and how it is to be discussed the support of Government and how it is useful for the upliftment empowerment of women.*

### KEYWORDS :

### INTRODUCTION

- Rural livelihood diversification cuts across a number of typically self bounded arenas of policy discussion in development studies including rural poverty.
- Rural non-farm activity and rural – urban migration.
- While overlaps occur between these arenas, each of them tends to bring rather partial insights to bear on the causes, opportunities, effects and policy implications of diversification.
- Diversification may occur either as a deliberate household strategy or as an involuntary response to a crisis, it is found both to diminish and to accentuate rural inequality.
- It can act both as a safety valve for the rural poor and as a means of accumulation for the rural rich.
- It can benefit farm investment and productivity or improve agriculture by withdrawing critical resources.

### SALIENT FUTURES

- Rural livelihood diversification, poverty reduction and income distribution are therefore affected by policies that promote alternative IGAs.
- The operationalisation of IGAs in severely constrained due to inherent institutional rigidities of formal institutions to give credit to the rural poor.
- Thus, the removal of constraints and expansion of opportunities for rural livelihood diversification through initiation of IGAs constitute desirable policy objectives because they give households greater capabilities to improve their livelihood security.

### POLICY ISSUES IN RURAL LIVELIHOOD DIVERSIFICATION

- A number of policy areas are identified for diversifying the income generating options of individuals and groups in rural areas.
- The first policy issue is the identification of the social group that is most Vulnerable to events and shocks which could lead to poverty and deprivation (Lipton and Ravallion, 1995)
- Education and skill possession is a great facilitator of livelihood diversification lack of education and skill has been identified to poorer households is likely to have a relatively large impact on their ability to diversity income sources. In many circumstances, the service sector can play a larger role in employment and income generation that is conventionally thought to be the case (Hag blade et al., 1998).
- Access to electricity is a pre-requisite for the location of many types of manufacturing industries in the rural areas.
- In addition, livestock husbandry is still a major source of income for the largest proportion of poor people in low-income countries.
- The crop-livestock systems in agriculture can make important contributions to income diversity.
- The key feature here is to take advantage of new markets for different outputs created by economic growth and changes in trade regimes.
- Rapid growth in the production of high value fruit and vegetable crops, for urban and international markets has been achieved in some sub-saharan rural areas (Jaffee and Morton 1995).

### EMERGENCE OF SELF – HELP GROUPS

- The formal financial sector is not effectively serving the rural population in the third world countries (Bouman, 1984). Which is due to the failure of financial intermediaries in fulfilling their basic functions such as production credit to finance IGAs.
- Consumption credit to maintain and expand human productive capacity.
- Quality saving schemes for increasing risk-bearing capacity of the rural households.
- Moreover these institutions have failed to promote any of their social objectives (Desai and Nambodiri, 1996).
- In order to reach to poor, institutional innovations are needed that enable service to be expanded, while substantially reducing transaction costs for both financial institutions and clients (Zeller and Sharma, 1998).
- In many countries, micro-credit programmers have succeeded in generating self-employment by providing access to small capital for people living in poverty (United Nations, 1998).

### EMERGENCE OF SELF-HELP GROUPS

Moreover, newly introduced systems could also learn from the informal sector. (World Bank, 1983)

- “The informal sector as the oldest center of enterprise preceding the arrival of formal institutions, is a natural and legitimate part of rural financial markets and it is better policy to acknowledge that to deplore the fact”. (Bouman, 1989).
- It thus seems clear that an informal financial system and an informal lender are not on the same footing. While the latter may be explorative and charging a usurious rate of interest, the former, by minimizing the information gap and offering flexibility, may be appropriate and efficient for the rural poor.
- In order to bridge the gap between the formal and informal systems, Grameen Bank (GB) was established in Bangladesh in 1983 (Khandker et al., 1995).

### EMERGENCE OF SELF-HELP GROUPS

- In India, initiatives taken by the National Bank for Agriculture and Rural Development (NABARD, 1995) have resulted in the creation of a large number of SHGs across the country. The results have been quite encouraging.
- In 1996, the Reserve Bank of India (RBI) advised banks that lending to the SHGs should be considered as additional segment under priority sector advances and integrated with the mainstream credit operation.
- As a result, the SHGs have become a result component of the Indian financial system since 1996.
- In India, the SHGs were intended to bring together people, particularly the economically weaker sections, to take up income generating activities.
- The initial growth of SHGs has been in the areas where in they received support from non-government organizations (NGOs).

### DWCRA and Women Empowerment

- The group formations under micro-credit institutions are based on a growing institutional concept in terms of resources and management skills of the members to get involved in develop-

ment programmes.

#### AIMS OF DWCRA

- DWCRA recognizes that banks do not cater to the consumption needs of rural women, hence they selected 'Thrift and Credit' for self-reliance.
- Improving the status and quality of life of poor women and children in the rural areas.
- Improving the impact of ongoing development programmes by stimulating, supplementing, strengthening and integrating them.
- Involving the community in planning and implementing the programme so that need based development activity will be carried on by the communities even after outside's assistance is withdrawn.

#### GOVERNMENT'S SUPPORT

- In the World Micro Credit Summit held in Washington, it has been recognized that women's self help movement is one of the most themes to tackle social-economic poverty.
- As per the theme of the summit a total of 100 million women of Women's Empowerment as one of the main agenda items to tackle Rural Poverty and socio-Economic issues.
- The Government of India has taken up the theme of Women's Empowerment as one of the main agenda items to tackle Rural Poverty and Socio-Economic issues.
- Self help movement through thrift and savings has been taken up as a mass movement by women a path chosen by the women to shape their future destiny. Development agenda of the state in the last few years has been to place the poor, especially women in the forefront has facilitated formation of a large number of self help groups throughout the lengthened breadth of the state.
- The Government is consciously making an effort to assist these self help groups by providing fund under DWCRA.

#### OBJECTIVES OF STUDY

In the light of above, the study has the following objectives

- To study the process of implementation of DWCRA programme in Machilipatnam (in and around)
- To analyse the impact of DWCRA programme on rural women.
- To access the effects of Self- Help Groups on the Socio-Economic aspects of women.
- To examine the attitude of the officials / Groups Leaders / Co-beneficiaries / Family Members / Villagers and others towards the DWCRA programme.

#### REFERENCES

1. Krishna, P (2003) Poverty Reduction:- Self-Help Group Strategy UBSPD New Delhi p.180 | 2. Dadhich, C.L. Lessons from the Micro Credit Experience of India, [www.aprocha.th.com](http://www.aprocha.th.com) | 3. Kamesan, Vepa(2003), "Indian Economic Scenario – yesterday – today – tomorrow. Inaugural Address at | 4. Seminar on Banking – Agriculture – Industry – IT – New – Hopes – New challenges organized by Telugu Vaibhavam at Hyderabad, Sep,16. | 5. Purohit, Sheela, "Micro Credit and Women Empowerment, <http://www.gdre.org> |