



THE EFFECT OF MICRO-FINANCE ON THE EMPOWERMENT OF WOMEN AND ITS SOCIETAL CONSEQUENCES: A STUDY OF WOMEN SELF-HELP GROUPS MEMBERS IN TAMIL NADU

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ABSTRACT This paper have been discussed on Empowerment of Women in India covering variety of problems and issues, micro, macro and regional levels, and almost all general aspects of related to women empowerment have been studies by social sciences. Micro-finance has emerged as a powerful tool for women empowerment in the new economy. In India, microfinance distribution is mainly dominated by Self Help Groups (SHGs). It aims at providing a cost effective mechanism for providing financial services to the poor section of the society. As apparent from the preceding detailed discussion on the existing literature on the empowerment of women at different levels in India, attempts made so far suffer discerningly although with the following significant limitations: (i) All the studies reveals a predominant bias of being macro level studies. Such studies by their very nature do not touch the core of reality, since it is not possible to know from the inner base of the mountain, the problem. The correct approach necessary is to dissect the problem into small pieces and then make an intensive effort to assess the reality; (ii) in the present development context in India; rapid changes are taking place on the economic scene, which bring in their trail, far reaching changes in the social, cultural, and political aspects of life. Therefore, even though a number of micro-studies existing, initiating of a new study in this area would have undiluted importance as such an attempt is bound to throw up several new facts in any empirical exercise having a bearing on policy issues. Thus, on its own, the necessity of a new micro study remains evergreen.

KEYWORDS :

INTRODUCTION

Empowering women is a vital tool for alleviating poverty. Empowered women contribute to the health and productivity of whole families and communities and to improved prospects for the next generation Srivastava M (2009). There have been several institutions advocating for women empowerment, but women are still poor and vulnerable as compared to men. The main reasons for the same are economic dependence on male members, rapid increase in population, unemployment, illiteracy and lack of access to credit. Women empowerment plays a significant role in the domestic and socio-economic life of the society and therefore, national development is not possible without developing this segment of the society Urmila M (2011). For the development of poor women it is essential to improve their economic and social status. When their economic, cultural and social status improves, it is known as women empowerment Suja S (2012).

MICRO FINANCE

Microfinance is "the provision of financial services to poor and very poor self-employed people" Otero M (1999). Schreiner and Colombet (2001) define microfinance as "the attempt to improve access to small deposits and small loans for poor households neglected by banks". Therefore, the purpose of microfinance is to raise the income of poor people by providing financial services or products of very small amount. These financial services are not limited to savings and credit but can also embrace other financial services such as insurance and payment services Ledgerwood J (1999). When poor people are unable to obtain financial services from banks directly then microfinance plays an important role in providing financial services. According to Robinson (2002) microfinance helps poor people to increase, protect and diversify their income, as well as to accumulate assets, reducing their vulnerability to income and consumption shocks.

MICRO FINANCE AND WOMEN EMPOWERMENT

Goetz and Sen Gupta (1996) made qualitative and quantitative analysis to examine the empowerment in the context of the household decision-making process. Their index of 'Managerial Control' classified the borrowers into five categories ranging from no control to full control on the use of the loans. Another study by Hashemi et al. (1996) designed an 'empowerment index' to measure the impact of microcredit on women's empowerment. They used eight empowerment indicators, namely mobility, economic security, ability to make small purchases, ability to make larger purchases, involvement in major decisions, participation in public protests and political campaigning, relative freedom from family domination and political and legal awareness. Findings revealed that woman contributing to her

household's income is a significant contributing factor towards her empowerment. Sarumathi and Mohan (2011) used psychological, social, economic indicators to examine the role of microfinance in empowerment in Pondicherry region. Findings of the study revealed that microfinance assisted women in gaining psychological and social empowerment than economic empowerment. Several studies have concluded that microfinance helps bring poor people out of poverty, although, all microfinance programs are not equally proficient King EM (2008).

REVIEW OF LITERATURE

Empowerment is authorizing someone to exercise some specific power or offering someone certain means to achieve a given end Elahi KQI (2003). Empowerment, as defined by Kabeer .N. (1999) is the process by which those who lack the ability to make strategic life choices previously acquire such ability. Banu et al. (2001) defined women's empowerment as the capacity of women in reducing their socio-economic vulnerability and dependency on male household members, improving involvement and control over household decisions, economic activities and resources, contribution to household expenses, increased self confidence and awareness of social issues.

Suguna, M., (2011) compares women education in India at present and Past. Author highlighted that there has a good progress in overall enrolment of girl students in schools. The term empowers means to give lawful power or authority to act. It is the process of acquiring some activities of women.

Baruah B. (2013) has highlighted that health of women members of SHG have certainly taken a turn to better. It clearly shows that health of women members discuss among themselves about health related problems of other members and their children and make them aware of various Government provisions specially meant for them.

Duflo E. (2011) Does Female Empowerment Promote Economic Development? This study is an empirical analysis suggesting that money in the hands of mothers benefits children. This study developed a series of non cooperative family bargaining models to understand what kind of frictions can give rise to the observed empirical relationship.

FINDINGS OF THE STUDY

1. Globalization, Liberalization and other Socio - Economic forces have given some respite to a large proportion of the population. However, there are still quite a few areas where women

- empowerment in India is largely lacking.
2. There needs to be a sea – change in the mind set of the people in the country. Not just the women themselves, but the men have to wake up to wake up to a world that is moving towards equality and equity. It is better that this is embraced earlier than later for our own good.
 3. There are several Government programmes and NGOs in the Country, there is still a wide gap that exists between those under protection and those not.
 4. Poverty and illiteracy add to these complications, The Empowerment of Women begins with a guarantee of their health and safety.
 5. Empowerment of Women could only be achieved if their economic and social status is improved. This could be possible only by adopting definite social and economic policies with a view of total development of women and to make them realize that they have the potential to be strong human beings.
 6. In order to create a sustainable world, we must begin to Empower Women. XIV.

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SUGGESTIONS

1. The first and foremost priority should be given to the education of women, which is the grassroots problem. Hence, education for women has to be paid special attention.
2. Awareness programmes need to be organized for creating awareness among women especially belonging to weaker sections about their rights.
3. Women should be allowed to work and should be provided enough safety and support to work. They should be provided with proper wages and work at par with men so that their status can be elevated in the society.
4. Strict implementation of Programmes and Acts should be there to curb the mal-practices prevalent in the society.

CONCLUSIONS

“When women move forward the family moves, the village moves and the nation moves”. It is essential as their thought and their value systems lead the development of a good family, good society and ultimately a good nation. The best way of empowerment is perhaps through inducting women in the mainstream of development. Women empowerment will be real and effective only when they are endowed income and property so that they may stand on their feet and build up their identity in the society.

The Empowerment of Women has become one of the most important concerns of 21st century not only at national level but also at the international level. Government initiatives alone would not be sufficient to achieve this goal. Society must take initiative to create a climate in which there is no gender discrimination and women have full opportunities of self decision making and participating in social, political and economic life of the country with a sense of equality.

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