



ECONOMIC SELF-HELP GROUP PROGRAMMES FOR IMPROVING RURAL WOMEN'S EMPOWERMENT

Commerce

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ABSTRACT

Women's empowerment has been visible in recent years as a focal topic in determining their status. The objective of the analysis is intended to replicate the social impact of the self-help group of women to investigate the changes in the SHGs social clause, to assess the influence of the SHGs on the social status of individuals and to differentiate the attitude of individuals from the SHGs and their social impact. One way governments, development agencies and grassroots women's groups have tried to address these inequalities and achieve women's empowerment is through women's economic selfhelp group (SHG) programmes. The basic assumptions underpinning these income-generating programmes are that giving women access to working capital and technical support, such as training, can increase their ability to 'generate choices and exercise bargaining power as well as develop a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life'. SHGs could facilitate these goals and improve women's empowerment through the development of social capital and the mobilisation of women. Many perspectives, definitions, measures and outcomes have been associated with women's empowerment, a term that has been used interchangeably with others, such as autonomy, status and agency.

KEYWORDS

Mobilization, Empowerment Interchangeably

INTRODUCTION:

SHGs are defined as small, voluntary groups of 10–20 women, formed by people related by an affinity for a specific purpose, who provide support for each other. Numerous types of SHGs exist in developing countries, with women coming together for objectives that include economic, legal, health-related and cultural reasons. There are also multisectoral SHGs. These groups are created with the underlying assumption that when individuals come together to take action towards overcoming obstacles and attaining social change, the result can be individual and/or collective empowerment.

Women bear an unequal share of the burden of poverty globally, due to societal and structural inequality. Fewer girls are enrolled in school than boys, resulting in more than two thirds of the world's illiterate adults being women. Women experience unequal access to healthcare starting from birth and throughout their reproductive years and are conspicuous by their absence from all levels of government – local, regional and national. Women also have limited economic freedom. In Sub-Saharan Africa, only 16–18 per cent of loans issued to small and medium-sized businesses are to women business owners; in South Asia, this figure is only 6 per cent. In many countries, women may not own land. In South and Southeast Asia, women comprise more than 60 per cent of the agricultural labour force, but in India, Nepal and Thailand, for example, less than 10 per cent of women farmers own land. These facts describe the 'feminisation of poverty', a phrase that captures women's unequal share of poverty in terms of wealth, choices and opportunities.

Economic inequalities: self-help group programmes

One way governments, development agencies and grassroots women's groups have tried to address these inequalities and achieve women's empowerment is through women's economic selfhelp group (SHG) programmes. The basic assumptions underpinning these income-generating programmes are that giving women access to working capital and technical support, such as training, can increase their ability to 'generate choices and exercise bargaining power as well as develop a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life'. SHGs could facilitate these goals and improve women's empowerment through the development of social capital and the mobilisation of women. Many perspectives, definitions, measures and outcomes have been associated with women's empowerment, a term that has been used interchangeably with others, such as autonomy, status and agency. The concept also has been measured in different ways; for example, women's autonomy has been measured by assessing the degree to which women participate in decision-making in their households or with respect to their mobility. Another challenge in defining and measuring women's empowerment is the variations in socio-cultural contexts that affect how it may occur. Mobility could be a central issue to women's empowerment in one setting and a peripheral issue in another. The growing literature presents many definitions of empowerment, none of which seem to be universally accepted.

The systematic review we summarise in this report uses this definition of empowerment. Much of the research suggests that empowerment is a process and an outcome that can occur at multiple levels and have different dimensions. After the 1994 International Conference on Population and Development in Cairo, the United Nations released a paper that delineated five major components of empowerment: women's sense of self-worth; women's right to have and to determine choices; women's right to have access to opportunities and resources; women's right to have the power to control their own lives, both within and outside the home; and women's ability to influence the direction of social change to create a more just social and economic order, nationally and internationally.

OBJECTIVES

This report summarises a systematic review on the effects of economic SHG programmes on women's empowerment. The objective of the systematic review was to answer two research questions:

- I. What are the impacts of women's economic SHGs on women's individual-level empowerment in low- and middle-income countries?
- II. What are the perspectives of female participants on how they benefitted from economic SHGs in low- and middle-income countries?

The review focuses on groups that offer women a collective finance, enterprise and/or livelihood component. Collective finance and enterprise can include savings and loans, group credit, collective income-generation and micro-insurance. Livelihood interventions can include life skills training, business training, financial education, and support for organising themselves into labour and trade groups. The canonical economic SHG model starts with an initial period of collective savings within the group to facilitate intragroup lending. The idea underlying this model is that over time, groups will build creditworthiness through good internal repayment practices and graduate to larger loans from banks or other formal financial institutions. SHGs can be linked directly with banks or can function through NGOs and tend to be more fundamentally grassroots in nature than the many microfinance institutes that exist worldwide. SHG programmes often provide training to members, which can take multiple forms; for example, training can focus on women's rights to resources, identity, political participation, information and justice.

Key Elements of Empowerment

- Access to Information: Informed citizens are better equipped to take advantage of opportunities, access services, exercise their rights, negotiate effectively, and hold state and non-state actors accountable.
- Inclusion and participation: Inclusion of poor people and other traditionally excluded groups in priority setting and decision making is critical to ensure that limited public resources build on local knowledge and priorities, and to build commitment to change.

- **Accountability:** It refers to the ability to call public officials, private employers or service providers to account, requiring that they be answerable for their policies, actions and use of funds.
- **Local organizational capacity:** It refers to the ability of people to work together, organize themselves, and mobilize resources to solve problems of common interest. Often outside the reach of formal systems, poor people turn to each other for support and strength to solve their everyday problems.

Empowerment: Focus on Poor Women

Women are an integral part of every economy. All round development and harmonious growth of a nation would be possible only when women are considered as equal partners in progress with men. However, in most developing countries, women have a low socio and economic status. In such countries effective empowerment of women is essential to harness the women labour in the main stream of economic development. Although women constitute half of world's population yet they are the largest group which is excluded from the benefits of social and economic development. Women constitute a strong labour force which needs to be mobilized and encouraged to make an effective contribution to the development process. In India, the work participation rate for women is less than half that of men. Despite efforts made towards economic empowerment of women, majority of the active female population continue to be confined to micro, small scale enterprises and the informal sector. Women have been the vulnerable section of society and constitute a sizeable segment of the poverty-struck population. Women face gender specific barriers to access education, health, employment etc. The poor women are most disadvantaged – they are characterized by lack of education and access of resources, both of which is required to help them work their way out of poverty and for upward economic and social mobility. Since women's empowerment is the key to socio economic development of the community; bringing women into the mainstream of national development has been a major concern of government. Ministry of Rural and Urban development has special components for women in its programmes. Funds are earmarked as "Women's component" to ensure flow of adequate resources for the same. The XI and XII Five-year Plan (2012-2017) also undertook steps to further strengthening of self-help groups and community based organizations for the empowerment of women. Special attention needs to be given to increasing employment opportunities and productive resources of women through special financial intermediaries, building women's competitiveness and increasing economic exchanges among women entrepreneurs.

Barriers to participation and adverse outcomes

Women's SHG member perspectives suggest that participation of the poorest women in SHGs is relatively low in India, Nepal and Tanzania. As White has argued, many development programmes fail because of low take-up of the programme or limited participation and dropouts. Qualitative synthesis suggests that the poorest women might not participate in SHG programmes because of limited incentives to participate and because of time constraints. In their current form, SHG programmes might bring more benefits to a group whose members have higher income and might not substantially influence the empowerment levels of the poorest women.

Implications for policy

The review findings indicate that women's SHGs often stimulate women's economic empowerment (for example, women's control over resources), social empowerment (mobility), and political empowerment (participation in decision-making on rights and entitlements). However, there is insufficient evidence to indicate whether SHGs can effectively promote women's psychological empowerment (for example, agency or self-esteem). The evidence shows that SHGs have larger effects on women's economic empowerment and positive effects on women's family size decision-making if collective finance, enterprise and livelihood components are combined with training. Although the current evidence base does not allow for distinguishing between the effects of different training components, this finding does suggest that microfinance or livelihoods components may not be sufficient to achieve benefits with SHGs in all empowerment domains. Instead, it may be necessary to integrate SHGs with other types of programmes, such as health programmes.

Impact/outcome indicators

All the poor families are organized into self managed Community based organizations. Incomes of the poor increased Improved access to

basic services like education and health. Increased access to credit and social security services and reduced dependence on private money lenders. The poor become the partners in implementation of the poverty reduction programmes through their self-reliant, self-managed and strong organizations. Health education and other related programmes are implemented through CBOs of the poor. Poor have a platform at all levels to voice their problems. Other vulnerable sections in the society improve their quality of life through their organizations. All the children are mainstreamed into schools. The poor take their own decisions which affect their lives and livelihoods.

CONCLUSION

As majority of the members of the self-help groups are illiterate, these SHGs can take up the initiative to give minimum education to uplift their state. In order to increase employment government and NGOs should come up with self-help group programs to inculcate entrepreneurship among the rural women of Karnataka. As per the analysis SHGs have led to increase in employment as well as income among the rural women. These programs have to be expanded to cover illiterate women in the urban areas. Only fifty-three respondents stated that financial assistance was taken for educating their children. The financial schemes should be made easier so that many rural women can take it up for educating their children. This way illiteracy can be eradicated. Self-help groups should take up the initiative to educate the rural family members as to how women contribute equally to the family income and they should not be confined to the house. Based on the analysis the members of the self-help groups have contributed towards the rural development. Therefore, the level of the awareness of the working of self-groups should be increased among the rural population. SHGs should also promote the products manufactured by its members by conducting exhibitions in rural and urban areas. This initiative will increase the awareness level as well as give the rural women member a wider exposure. This in turn will increase the employment, income and economic development of the rural areas thereby reducing the regional imbalance of income and wealth in the country. The core SHG philosophy is in women empowerment through increasing employability, self-sufficiency and inculcating a habit of saving among the rural women. Empowerment in micro-credit will inevitably involve a significant change in attitude, change in work practices and challenging vested interests. For women's empowerment to be addressed, women need to be enabled to define their priorities and demand their rights. Micro finance can be an effective strategic instrument for poverty alleviation only if it used for income generating microenterprise development. Self Help groups as per the research are successful in rural areas, especially among women. These programs have uplifted the rural woman economically and socially in the society. Women are an integral part of the economic development of the country, therefore the government should give equal importance to the women contributors and their well-being in the society.

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