



## Self-Help Groups in Andhra Pradesh

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### Keywords :

The growing integration of economies and societies around the world is a complex process that is variously affecting different regions, countries and areas and their populations. To some, globalization is an inevitable, technologically driven process that is increasing economic and political relations between people of different countries and areas. For them, it is seen not only as a natural phenomenon, but also as something good for the world. To others, there is a much deeper concern about the related challenges and possible risks associated with the globalization process. It is widely perceived that the process produces both "winners and losers". The complex contradictory impacts of situation of women. The migration of women in search of better employment opportunities has helped to ease the problem of poverty in many cases and meet the labour needs of a number of countries in the region. More remittances are generated for the home economy and there is also a greater possibility of technology transfer and enhanced skills formation.

Globalization has also contributed to the creation of new associations of women and the strengthening of their networks of offer mutual support and resources. The global social movement of human rights, in affirming women's, equality, have provided women's, groups in the region with international standards to rise against adverse national or local codes. Instantaneous communications have facilitated the formation of alliances and coalitions, lessened isolation of women in remote or secluded areas, allowed for rapid mobilization over issues and provided support on a global basis.

In several countries in the region, new information and communications technology (ICT) have improved the access of women to health, micro-credit and employment opportunities. Access to ICT among rural women in recent years has been enabling them to participate in economic development through entrepreneurship and small-scale businesses. However, globalization has further reinforced many existing gender inequalities.

### WOMEN EMPOWERMENT



Sources Dr C VENKATESWARULU study of micro finance women groups in Andhra Pradesh (Their research area)

Women's rights and issues have always been made a subject of serious concern of academicians, intelligentsia and policy makers. From pastoral society to contemporary information and global society, the role of women has been changed drastically. The role of a typical "Grihani" (House Wife) who catered to all the requirements of the household including the rearing and upbringing of children in various sub roles like daughter, daughter-in-law, wife, mother, aunt etc., has been played quite efficiently. The continuity of changes in socio-economic and psycho- cultural aspects of human living has influenced the role of women. The process of Industrialization, Modernization and Globalization showing its deep impact on the human society all over the world, the role and responsibilities of women have attained new definition and perspective. Further this has also led to addition of responsibilities and widened the role of women to share the financial responsibilities in the household activities.

### A BRIEF HISTORY OF MICROFINANCE IN INDIA

The post-nationalization period in the banking sector, circa 1969, witnessed a substantial amount of resources being earmarked towards meeting the credit needs of the poor. As a result of this strategy, the banking network underwent an expansion phase without comparables in the world. Credit came to be recognized as a remedy for many of the ills of the poverty. There spawned several pro-poor financial services, support by both the State and Central governments, which included credit packages and programs customized to the perceived needs of the poor.

### SHELF HELP GROUPS IN INDIA

The origin of Self-Help Groups in India is the brainchild of Grameena Bank of Bangladesh, which was founded by the economist, Prof. Mahammed Yunus of Chittagong University in the year 1975. While no definitive date has been determined for the actual conception and propagation of SHGs, the practice of small groups of rural and urban people banding together to form a savings and credit organization is well established in India. In the early stages, NGOs played a pivotal role in innovating the SHG model and in implementing the model to develop the process fully. In the 1980s, policy makers took notice and worked with development organizations and bankers to discuss the possibility of promoting these savings and credit groups. Their efforts and the simplicity of SHGs helped to spread the movement across the country. State governments established revolving loan funds which were used to fund SHGs. By the 1990s, SHGs were viewed by state governments and NGOs to be more than just a financial intermediation but as a common interest group, working on other concerns as well. The agenda of SHGs included social and political issues as well. The spread of SHGs led

also to the formation of SHG Federations which are a more sophisticated form of organization that involve several SHGs forming into Village Organizations (VO) / Cluster Federations and then ultimately into higher level federations (called as Mandal Samakhya (MS) in AP or SHG Federation generally). SHG Federations are formal institutions while the SHGs are informal. Many of these SHG federations are registered as societies, mutual benefit trusts and mutually aided cooperative societies.

#### **WOMEN'S SELF - HELP GROUPS IN ANDHRA PRADESH**

The Indian state of Andhra Pradesh, has used development self-help groups (SHGs) extensively as a primary tool of poverty alleviation and empowerment. A SHG is a small group of persons who come together with the intention of finding a solution to a common problem such as medical issues, livelihood generation or watershed management, with a degree of self-sufficiency. However, in Andhra Pradesh, the groups largely are the conduit through which micro credit is routed to the poor in the belief that it will serve as a catalyst in helping them to pull out of poverty.

National and state government initiatives, as well as NGO efforts, have used SHGs to implement poverty alleviation programs in Andhra Pradesh since 1979. Self- help groups also empower poor women, more than 4.8 million of whom are mobilized into SHGs. Early programs sought to provide self-employment, empower, and incorporate rural poor women into the development process. Homogenous groups of women would choose and collectively undertake an economic activity suited to their skills and resources, supplemented by state matching grants.

The state - sponsored Velugu program working in over 860 mandals (sub- district geographical unit) in 22 districts, aims to reach 2.9 million of the poorest of rural poor. Both the number and structure of self-help groups in Andhra Pradesh has been scaled up. The state established an independent support organization to implement poverty elimination projects which aim at social mobilization to enhance livelihoods and employment generation opportunities of the poor. Self-managed grassroots institutions have been federated into village level and sub-district level groups. These groups provide an organizational identity to help SHGs realize the benefits of a larger organization without losing the advantages of small organization. Federations of SHGs are fast becoming powerful voices expressing the social and economic needs of the poor.

Capacity building is an important component in the scaling up of Andhra Pradesh's poverty alleviation initiatives. Training includes participatory training methods, SHG formation and strengthening, book keeping and financial management and also helps members and leaders develop linkages with banks and other institutions. The primary aim of the SHG Bank linkage program is to integrate informal savings and credit

groups with mainstream banking by providing them with credit to enhance their fund base. One an SHG has demonstrated its capacity to sustain and to absorb outside credit, loans are extended to it from the formal banking structure.

Andhra Pradesh has chosen social mobilization and inclusiveness as methods of addressing poverty alleviation. The process uses social mobilization as an institutional mechanism to help the poor interact with government machinery so that public resources and services are better accessed. To insure that the poor were adequately identified, and thus included, the community itself prepares a list of its poor people.

A number of social issues including gender and family, child labour, disability and health related to poverty alleviation need to be addressed in the context of SHGs. SHG formations largely take place around women since women are seen as more credit-worthy than men. But the process of empowerment and poverty alleviation can be more sustainable when all the members of the family are involved. Hence women's groups are taken as an entry point for the formation of men's groups youth groups, children groups, and groups for the physically challenged.

Innovative, action research interventions using folk theatre have addressed family issues related to gender division of labour in the house, son preference and relationships between mother-in-law and daughters-in-law. Velugu addresses child labour and high dropout rates through regular campaigns to sensitize parents - especially mothers, youth, other community members and schoolteachers- about the importance of education and its long-term implications for child welfare and poverty reduction. Velugu also aims to directly address the problems of the disabled by organising them into mutual support groups. Velugu plans a holistic approach to community based primary health care to empower people and communities to take care of their own health and take responsibility for the community's health.

Social inclusion and participation in the political process are also impacted by SHGs. Gender poverty measured in terms of gender bias with respect to norms of eating, male preference in distribution of food and access to clothing has not declined significantly. But food security of member households improved after participation in groups. There are improvements in school enrolment, attendance, drainage facilities, toilet facilities and access to electricity and gas. The political process picks up momentum with the SHGs being federated and also establishing links with local self- governing bodies. Further, SHGs have the capacity to voice the needs of the communities. There is tremendous potential in this endeavor if the vision of SHGs is expanded beyond transacting money to include local concerns about the quality of life. Under Velugu, as the social mobilization process matures in a village, communities are encouraged to analyze their livelihood situations, which in turn reveal options for the community to act.

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