

Empowering Women Self Help Groups and Microenterprises

Women, who represent half of the human resource are often not recognized and regarded so, due to their positioning in the society. Women themselves have failed to recognize that they are working though they are not paid. For the first time in 1981 the Indian Census included certain kinds of work which have market value on opportunity cost or imputation basis and succeeded in bringing activities such as fetching fuel wood, making pickle, etc. were included. However, even if women's work does get included will they command any value or recognition?

There is a tendency in general to relate women and their role predominantly to reproduction particularly biological reproduction. Women perform in addition to biological reproduction, several other tasks, but often, they are not visible. It is their biology and their reproductive role that overwhelms their productive role of earning and meeting livelihood needs. Realising this third Millennium Development Goal [MDG] has included women's empowerment and promoting gender equality among the eight MDGs.

However, given the nature of impact of gender equity in society, it need not be spelt out as a separate goal. Rather it should have been included as an integral component of each and every goal, as there is gender discrimination existing in every aspect be it education, empowerment, health, environment, etc. There is a need to change the power relations from domination and subordination to equality. This can be done only by changing the institutions which try to maintain and reinforce gender inequalities including patriarchy, culture, religion, family,

educational institutions, state, market, media, law, religions rituals, traditional practices, stereotyping of such practices and expectations. Having spelt out the need for gender equality and its need to address the same the following section deals with the concept of women empowerment.

What is empowerment?

The empowerment literature underlines that empowerment is realised by an individual by power with, power over, power in and power giving. As such empowerment is something to do with getting power and also sharing the power and remaining in power, exercising power, controlling power leading to a democratic and inclusive growth. It is not just financial independence, nor access to education, or sexual freedom, or control over reproduction, but a combination of increasing their social, political, economic and spiritual strength, both individually and collectively, removing the obstacles that penalized and prevented women from being integrated into their respective societies – from being subordinate, marginalized, deprived, oppressed, suppressed, victimized, etc. and getting out of the internalization of values of patriarchy.. It further includes addressing the discrimination that exclude women from decision-making processes, not only for reasons of equality but for the insights they could bring to the process – addressing marginalization by way of implementing equal pay for equal work, fair opportunities for career advancement and equal rights in the family. In the process, the women who chose to be mothers are to be protected, not penalized and those who find employment outside to realize economic empowerment should not have to feel guilty for not doing justice to the family by providing an enabling environment to take care of the children, doing the household activities, etc.

Gender mainstreaming and integrating gender have to be an important component in policies, programmes and practices. How do we mainstream gender and integrate the same in policies?

What is the need for integrating and mainstreaming gender?

Gender is defined as socially constructed discrimination between men and women. It deals with power relations, domination and subordination where it is generally observed that the women are often and invariably powerless, subordinates irrespective of class, caste, race, region, ethnicity, etc. Women's empowerment is to give the power to act, participate, make decision, raise voice against social evils, and fight against right and above all make conscious of their own rights and privileges and sensitize and conscientise both men and women to recognize the potential of women. Gender differences are institutionalized and maintained through family, culture, religion, educational institutions, media, law, state, market, socialization process, rituals, ceremonies, festivals, etc. Any attempt to move towards gender equality would certainly require the changing of these institutions or institutionalized practices.

Women's empowerment cannot be achieved through economic independence alone. It should also be accompanied by other social, political empowerment to attain the MDG 3, gender equality. Women must get proper education, skill training, exposure to information, training to use modern technology apply the technology through mainstreaming to all members including women in the family.

Social empowerment of women includes, changes in the socialization process, without any discrimination on gender in day to day affairs, gender sensitization and inculcating a feeling of equality instead of subordination among women. On a rights perspective equal right to be born, equal literacy, equal education, equal employment, equal property right, equal participation in decision making at home, at work place, policy making, committees, politics, etc. are to be included.

Another important component is political empowerment. If economic and social empowerment is to be achieved, political empowerment should include equal participation and power to take decision, no subordination, nor domination of men or women, recognition of work of both men and women as equals, and so on.

Technology is always seen as anti-women particularly in the context of labour market wherein mechanization and modern technology tend to displace women. Science and technology, however, served women positively in lessening the burden on household activities. In the labour market, the modern IT sector and computer applications and the knowledge revolution helped women by creating equal opportunities for men and women and helping women overcome the cultural constraints on their mobility. The question is whether the improvement in science and technology, medical technology, and recent developments in biotechnology, microbiology, etc have positively contributed to women's empowerment.

This paper tries to highlight the issues of grass root women's empowerment through micro credit and self-help group initiatives in India and what the remaining challenges are for women and how academic institutions can play a catalytic role in empowering women are discussed as under.

SHG and Women Empowerment

Micro finance and SHG intervention have brought tremendous change in the life of women at the grass root. Unlike the other kind of micro finance, self help group have savings as a base which created a binding on the part of the women and also the financial partners, say banks, to extend credit to the hitherto unreached poor, women. It has succeeded in bringing several women to compulsory savings and through some committed women in the group and NGOs support they have been able to avail micro credit in the form of revolving credit and economic assistance. However, it is not happening with all the groups so far formed nor is every member of the group able to get the micro credit and invest on enterprises. There are diversion of credit to various other essential but not productive purposes. Their priorities are different given the livelihood requirements and social commitments. For the poor celebrating comfortably in the local village festival, inviting relatives,

celebrating menarche of girls, celebrating other ceremonies with various rituals seem to be significant and take away much of their earnings, rather than investing it on girls education or getting a micro enterprise started. A woman by their socialization continue to remain in home based economic activities which tend to supplement the earnings or expenditure of the household but is not often counted as economic contribution.

SHGs have been instrumental in empowering grass root women in several areas. Evidences from different regions revealed that there are positive improvements realized in terms of all the group members becoming literate; mitigating village disputes, improving health and education of children and keep the village roads clean, giving exposure to all the members of the group to carry on the bank's transactions, etc. It has helped in many ways: in replacing money lenders, changing cropping pattern, increasing use of organic pesticides and fertilizers, creating seed banks; and creating a better awareness on nutrition, health and hygiene. It has also prompted the involvement of people in regular saving and internal lending, helped them initiate micro enterprises and manage lending schemes, avail government credit, operate savings accounts and communal funds and maintain financial records. Besides, SHGs have been instrumental in people becoming environmentally conscious, using Ecoscan toilets, constructing and using and repairing rainwater harvesting structures, participating in politics. Women have gained technical skills, and basic principles of management, and group building. These groups are also getting federated and as such the help women of different regions to unite collectively for a common cause.

A study of SHG women who had started microenterprises was conducted in Tiruchirappalli district. The main objective was to analyse the relative performance of different approaches of micro finance and their impact on economic, social and political empowerment of women at the grass roots. It was funded by the Department of Women and Child Development, Ministry of Rural Development, Government of India. The funding agency actually asked us to conduct a study on the three important models namely NGO facilitated, NGO intermediated and directly bank linked groups. But in the process of identifying these two other approaches and hence it was included.

Tamil Nadu was one of the pioneers in implementing the micro finance initiatives and hence it was chosen. Tiruchirappalli district was later chosen as the geographical area as it is one of the districts in Tamil Nadu in which the SHGs were introduced before the government of India launched and implemented the programme. The study was confined to those SHG women and groups who had succeeded in initiating micro enterprises. A list of such women was collected from the District Rural Development Agency and Mahalir Thittam.[Women's Project] which was stratified block wise. A proportionate 10 per cent 10 per cent sample was drawn from the entire district covering 110 women from around 110 groups. Of 150 units drawn around 40 units did not respond properly or they do not actually run the

enterprise or incomplete in information. Data was collected through interviews on the socio-economic characteristics of the sample women, the characteristics and nature of micro enterprises initiated, the issues associated with running of the enterprises including marketing, pre and post SHG performance in terms of income, turnover, savings etc, empowerment index pre and post SHG situations, taking as many variables as possible on economic and social empowerment, problems faced by the women in group and the group dynamics and internal issues, questions on sustainability, etc were gathered to collect the primary data. Necessary secondary data were collected from NGOs of the respective areas and also from government records, publications, office of DRDA and Mahalir Thittam, Women Development Corporation etc.

The study was confined to women who have successfully started and run the enterprise, which must be less than 1 per cent of the women in the SHG movement. Hence the data collected may not be generalized for all the women who are with SHGs who are micro entrepreneurs. Moreover, while pre and post SHG situations were studied and there were recall bias with respect to pre-SHG situations. No control group comparison with SHGs without such enterprises, nor with male SHGs was made. However, the objective of the study was to show the successful models that had emerged hence care was taken to analyse the data collected as scientifically as possible, to do away with any bias.

Features of successful women microenterprises: Provided outside employment-income; reduced dependency; enhanced women's autonomy and assertiveness; raised women's prestige and status such that they had relatively better control over material resources.

This is true of only a miniscule percentage of SHGs and micro finance initiatives in India. For enterprises launched by SHGs their cost of production was very high; the production lacked localization of material, the vision to assess and produce for the local market, and a sustained market. The market was supply led and not demand-driven and market networking was absent. SHG borrowings --- either internal credit or revolving credit from bank--- have not completely moved members out of poverty. Soft loans remove only poverty; because there is no conversion of loan to investments they improve cash flow, but do not create wealth. While they keep the exploitative moneylender away, another kind of exploitation is legitimized through the neo-institutional mechanisms of micro-credit--- banks charge high interest, the group charge very high interest in turn; there is a lot of paper work and transaction cost, and the recipients get caught in a debt trap. For instance, woman buy buffalos, own telephone kiosks but these are not replicated in meaningful numbers. A large number of NGOs have benefited; banks have found a convenient route to increase lending; and corporate have got a growing consumer market to target. Long-term sustainability, cash flow or easy credit have short term gains, but can lead to a cumulative debt trap. There are adverse consequences of moving away from primary production activities to supporting market interests.

The micro-credit ‘movement’ has eroded community feelings to think critically, and systematically blunted peoples’ political sharpness, and is side-tracking the critical question of livelihoods security.

An empowerment index evolved by the author [2003] revealed that economic empowerment has been realised and there has been social empowerment as well. The following table describes the indices both economic and social empowerment. Some 162 variables were included to construct an empowerment index whose results are presented below.

There were five models of SHG-micro finance models in the sample district including NGO facilitated which are guided by NGOs in the formation stage and linked to bank whereas NGO intermediated are SHGs which are in interior places where banks may not have direct access to and hence NGOs take the loan and in turn lend to women with a little higher interest rate; Directly bank linked are prospective groups which are not identified or identified and left out or may be identified directly by banks, NGO guided but self supported are groups formed and encouraged to start micro enterprises with the guidance of NGOs using only the internal lending without any bank linkage and completely self-supported are neither supported by NGOs nor by banks but rely completely on their own, but waiting to get linked with banks.

Table 1: Model wise Empowerment Index scores

Model	Scoring	Value of Empowerment Index	Status Obtained
Directly Related	162.80	62.61	Empowered
NGO Facilitated	177.64	68.32	Empowered
NGO intermediated	166.10	63.88	Empowered
NGO Guided by self-supported	129.4	49.76	Not Empowered
Completely Self Supported	171.1	65.76	Empowered
Total	169.89	65.34	Empowered

Source: Primary data

The NGO facilitated group has been showing relatively better empowerment status in terms of empower index scoring following completely self supported group. This result of this study tends to reveal that both guided and self supported seem to be doing more or less equally. However the NGO facilitated group has been better in terms of social empowerment than other groups which are shown in the following table as pre and post SHG performance.

Table 2: Model wise Empowerment Status pre and post SHG

Sl No	Model	Economic Index		Social Index		Composite Index	
		Pre	Post	Pre	Post	Pre	Post
1	NGO Facilitated	37.49	76.86	13.56	54.21	28.47	68.33
2	NGO intermediated	37.03	71.43	12.83	51.40	27.91	63.88
3	Directly Bank linked	30.62	67.53	13.57	54.48	24.19	62.61
4	NGO Guided by self-supported	13.33	55.30	10.20	40.61	12.15	49.76
5	Completely Self Supported	30.24	75.30	18.36	55.10	25.76	67.69
Total		35.53	73.04	13.19	52.61	26.94	65.34

Source: Primary data

Micro finance and micro enterprise initiative of the SHG women in Tamil Nadu has impacted the lives of women considerably but only a very few women in groups were able to initiate micro enterprises. Table 2 shows the pre and post SHG situations in terms of the economic, social and composite indices. It is observed that the NGO facilitated group has shown a considerable improvement in social empowerment showing a three fold increase in the index value more than the economic empowerment. The same is true with directly bank linked group also early enthusiasm must sustain and ensure access to credit.

On the basis of the analysis of this study the following recommendations were made:

- The rapport established crossing the boundaries of class, caste must be used for further strengthening the SHG
- Micro credit must lead to collective action to promote women’s empowerment
- Long term sustainability through federating and net working must be realised ultimate outcome.
- The ultimate objective of micro credit is women’s empowerment and getting rid of money lenders should not be given up
- The networking of SHG initiated micro enterprises may broaden the base of marketing of SHG products
- Organizing trade fairs periodically at all levels to introduce and increase the market share may further help women to widen their marketing.
- Proper encouragement to use SHG products by the state NGOs, group members through customer’s chain should be enabled.
- Empowerment cannot come from outside, it is from within and one should realize that they are empowered.

Achieving MDGs

India being the signatory of UN efforts to move towards achieving the MDGs, it is

necessary to understand the measures taken by government of India in achieving the MDGs with particular reference to attaining gender equality. It may be possible to realize through the following.

- Economic, social, cultural and political empowerment and feeling of gender equality and promotion of the same is the way out.
- Equal employment and recognition of women's work at home, at work place, etc.
- Self employment to those who do not wish to be employed.
- Control over resources, freedom to spend the income earned.
- Increase in WPR in non-farm sector, in non-wage operations.

Government Initiatives:

In order to attain the MDG3 the government of India and other state government have introduced several gender positive initiatives.

Gender Budget Initiatives: Gender budget initiatives analyse how governments raise and spend public money, with the aim of securing gender equality in decision-making about public resource allocation; gender equality in the distribution of the impact of government budgets, both in their benefits and in their burden. The impact of government budgets on the most disadvantaged groups of women is a focus of special attention. Gender budgeting is an exercise to translate stated gender commitments of the government into budgetary commitments and a strategy for ensuring gender sensitive resource allocation and a tool for engendering macro economic policy. It entails affirmative action for empowering women and covers assessment of gender differential impact of government budgets and policies by enabling tracking and allocating resources for women empowerment. It is an opportunity to determine the real value of resources allocated to women.

National Policy for Empowerment of Women: Another important initiative of the Government of India is the enactment of a national policy of empowerment of women. The objective of the policy is to move women towards advancement, development and empowerment, elimination of discrimination.

Parliamentary Committee on Empowerment of Women: This is looking into the aspects of gender budgeting and also reservation in parliamentary elections. There have been other initiatives also.

Tenth Plan Initiatives: The Tenth Plan indicates that 42.9 per cent of the gross budgetary support in 15 women-related ministries/departments has gone towards a commitment to gender budgeting to establish its gender-differential impact and to translate gender commitments into budgetary commitments. The Plan aims at initiating immediate action in tying up the two effective concepts of the women's component plan (WCP) and gender budgeting plays a complementary thus ensuring both preventive and post-facto action in enabling women to receive their rightful share from all the women-related general development sectors.

Remaining Challenges

How do we translate all these commitments into budgetary commitments and administrative action? How do we engender policies and programmes? The holistic and universal development of women must concentrate on the aspects of literacy, education, health and nutrition, water and sanitation, skills, technology, credit, marketing, asset base, political participation, property rights. Technology must be proactive and facilitate women. Technological development in education, health and nutrition, water and sanitation and skills development must reach all women particularly women at grass roots. Credit support, along with new technological input with assured marketing support will be the necessary inputs for development in general and women empowerment in particular. Initiatives by the government of India have been far behind this holistic development approach.

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