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Self Help Groups: Catalyst for Women's Empowerment

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Women shoulder almost all responsibility for meeting basic needs of the family, yet are systematically denied the resources, information and freedom of action they require to discharge this responsibility. The statistics about women is quite appalling. It is said, the vast majority of the world's poor are women. Besides, two-third of the world's illiterate population is female. Of the millions of school age children who are not in school, majority are girls. Studies show that **when women are supported and empowered, all of society benefits**. Their families become healthier, more children go to school, agricultural productivity grows and incomes increase. In short, communities become more prosperous and resilient. 'Gender equality' and 'women's empowerment' constitute the central focus of UNDP not only as human rights concerns, but also because they are pathways to achieve the Millennium Development Goals and sustainable development. The idea is to bring women to the mainstream development by focusing on self-reliance, capacity-building, entrepreneurship, individualistic values and welfare services .

Empowerment means having choices and ability to make choices. It is a process where women find space and time of their own and begin to reexamine their lives critically and collectively. Empowerment as a process starts from one woman either individually or collectively with others and reaches the larger audience. Hence, it is a rather horizontal approach than a top-down model. Women's empowerment refers to a stage of acquiring power for woman in order to understand her rights and enable her to perform her responsibilities towards oneself and others in a most effective way. Empowerment does not mean setting women against men. Indeed, it means making both men and women realize their changing roles and status and develop a consensus for harmonious living in the context of an egalitarian society. It means redistribution of work roles, redistributing their values to the changing world and attitudes evolving new kinds of adjustments , understanding and trust with each other .

Empowerment of Indian women is intrinsically linked to their status in society. Although over the years, there has been a slight increase in the total female population (5864 . 69 lakhs in 2011 from 4965. 14 lakhs in 2001), Life expectancy at birth (67 .08 in 2011, from 65.3 years in 1996 --- 2001) and sex ratio (940 in 2011 from 933 in 2001), the demographic imbalances between women and men continue to exist till date. There is a strong preference for the male child in India as sons are perceived to be future bread earners and also the old age security for parents , it is a well-known fact that the girl child in India faces discrimination from birth till death. The extent of discrimination is much higher if she is born to poor parents.

However, it is often viewed that the project of empowerment is not free from its own share of hurdles. It is troubled by a series of hurdles like gender discrimination, low level of education, low work participation, poor nutritional status, violence including domestic violence, patriarchal ideology, poor health and lack of access to health care. Another major hurdle in empowering Indian women is poverty in the society. There exists a vicious circle of poverty in India that has a much greater impact on women. All over the world there is realization that the best way to tackle poverty and enable the community to improve its quality of life is through social mobilization of poor, especially women into Self-Help Groups (SHGs). The concept of Self Help Groups (SHGs) has gained significance especially after 1976 when Prof. Mohammed Yunus of Bangladesh began experimenting with micro credit and women's SHGs. The strategy made a quiet revolution in Bangladesh in poverty eradication by empowering the poor women slowly, the concept was picked up by some non-governmental organizations (NGOs) in India like the self-employed and the Mysore Resettlement and Development Agency (MYRADA) for building social capital by forming women SHGs to take up economic development activities. The Self Help Group movement became a silent revolution within a short span in the rural credit delivery system in many parts of the world . It has been documented that nearly 53 developing countries including India have taken up this on a large scale.

‘All for all’ is the ideology behind the concept of Self-Help Groups. It is mainly concerned with the poor and it is for the people, by the people and of the people. At present, SHGs have become an acronym for women's groups. In order to empower the women, it has become necessary to mobilize them to form SHGs who would be able to achieve social and economic sustainability. It would also provide opportunity for the women to work together for the development of the society and village and thereby forcing the patriarchal society to recognize their contribution for developmental works. A Self-help Group is a small economically homogeneous and affinity group of poor which is voluntarily ready to contribute to a common fund to be lent to its members as per group decision, which works for group's solidarity, awareness, social and economic empowerment in the way of democratic functioning. Each SHG consists of members who are poor, having low savings capacity and generally depending on money lenders or private sources for meeting their consumption and emergent needs. A typical SHG will comprise like-

mindful individuals who volunteer to save small amounts of money in a common pool, out of which, need based loans are given to members for meeting their emergent credit requirements based on the priorities decided by the group. The group members take collective decisions on all matters including those relating to terms of credit, viz. purpose, size interest rate and repayment period. They exercise close supervision on utilization of loans and exert peer and moral pressure on the members to continue savings and repay loans promptly on time. In other words, Self Help Group can be referred to as a group of poor persons who own, manage and control a micro bank of their own.

- The ideal size of an SHG is 10 to 20 members.
- The group need not be registered.
- From one family, only one member.
- The group consists of either only men or of only women.
- Women's groups are generally found to perform better.
- Members have the same social and financial background.
- The group should meet regularly.
- Compulsory attendance.
- Intimate knowledge of members of intrinsic strength, needs and problems.
- Flexible and responsive
- Democratic in operations.
- Collective leadership, mutual discussions.
- Simple documentation.

GENESIS AND GROWTH OF SHGs IN INDIA

The Self Help Group in India has come a long way, since its inception in 1992. The spread of SHGs in India has been phenomenal. It has made dramatic progress from 500 groups in 1992 (Titus 2002) to some 16, 18, 456 groups that have taken loans from Banks. About 24. 25 million poor households have gained access to formal banking system through SHG- bank linkage programme and 90% of these groups are only women groups (NABARD 2005). The NABARD (2006) homepage declares that more than 400 women join the SHG movement every hour and an NGO joins the Micro- Finance Programme everyday. There are also agencies which provide bulk funds to the system through NGOs. Thus organizations engaged in micro- finance activities in India may be categorized as Wholesalers, NGOs supporting, SHG Federations and NGOs directly retailing credit borrowers or groups of borrower. The spread of the SHGs is highly concentrated in the southern part of the country with very few, in the north and the east. Since the advent of SHG in India, its growth rate has been very low in the states of Rajasthan, Bihar, UttarPradesh, Madhya Pradesh, Odisha and Union territory of Andaman Nicobar Islands where the status of women is still very backward and pathetic.

The SHGs have taken the form of a movement for women's social development in India. In fact as a strategy for women's development, they have arisen out of the perceived problem of women's lack of access to resources at both the household and the village level. Women's development has gone beyond the economic dimension and place emphasis on issues relating to equality, autonomy and self reliance at the individual level and on solidarity of the community (of women) at the group (Hardiman and Midgley 1982, Dube 1988, Pieterse 2001).As a group-oriented model, SHGs in India is a mechanism for women's development to bring in individual and collective empowerment through improvement in both 'condition' and 'position' of women. Women are organized as collectives towards the overall goal of achieving gender equality as well as sustainable, Comprehensive community development (Purushothaman 1998:80). Unlike the self-help projects in Kenya, the SHGs in India are primarily micro-credit groups and the direct objectives of micro-credit is to improve the 'condition' of women. Women in India are mobilized to protest against domestic violence, legal discrimination, rising prices, dowry, prohibition of liquor, rape, child marriage, female infanticide , sexual abuse, male alcoholism and so on. In dealing with women's strategic interests, women participate in collective activities through SHGs to address these strategic needs.

VISION

The fundamental principle and methodology of forming SHGs have been promotion of human and social development and empowerment of the poor. Improvement in the quality of life being the ultimate objectives of planning, various policies and programmes floated by the government are aimed at promotion of SHGs among rural poor have been to facilitate activities based on long term goals rather than for short-term pecuniary gains. Thus, some of the critical long-term goals of SHG include :

- Sustainable access to financial services
- Strong livelihood support systems
- Enhancement of collective bargaining power
- Self reliance and sense of dignity
- Improvement in overall standard of living and empowerment.

With long term goals in mind, the objectives of WSHGs have been set as follows :

- To inculcate a habit of thrift among the women community and to encourage small saving habit among them.
- To enhance the socio-economic condition of women through different income generation activities.
- To mobilize the women groups for other developmental work of the community.
- To empower the women groups to take decision for their income utilization.

SCOPE

Empowerment by way of participation in SHG can bring enviable changes and enhancement in the living conditions of women in poor and developing nations. The principles underlying the SHGs are financing the poorest of the poor, and achieving holistic empowerment. SHG phenomenon certainly brings group consciousness among women, sense of belonging, adequate self confidence. What she can not achieve as an individual, can accomplish as a member of group with sufficient understanding about her own rights, privileges, roles and responsibilities as a dignified member of society in par with man. When she becomes a member of SHG, her sense of public participation, enlarged horizon of social activities, high self-esteem, self-respect and fulfillment in life expands and enhances the quality of status of women as participants, decision makers and beneficiaries in the democratic, economic, social, and cultural spheres of life. Thus undoubtedly SHG can be an effective instrument to empower women socially and economically by which the implication on the overall development of women is indisputably possible particularly for a country like India where in still large segment of women population are underprivileged, illiterate, exploited and deprived of basic rights of social and economic spectrum.

The experiences of SHGs in many countries have been proving great success as an effective strategy and approach in recent years. Group-oriented efforts in the form of Micro-credit groups in different countries of Latin America, Africa and Asia are examples of current self-help efforts. The grameen groups in Bangladesh, Local self-help development efforts – harambee in Kenya, Tontines or Hui with 10 to 15 members involved in financial activities through cash or kind in Vietnam, self help efforts through credit unions, fishermen groups, village –based banks, irrigation groups etc. in Indonesia, the SHGs in countries like Thailand , Nepal and Sri Lanka and India are successfully proving forms of micro credit groups or SHG

Many of the business enterprises that women enterprises take up to generate income through SHG can be listed as under :

- Pickles
- Agarbatti making
- Candle making
- Cane items
- Carpets
- Animal Husbandry
- Mess
- Midday meals
- Embroidery works
- Stitching and supply School uniforms
- Hosiery
- Brick making
- Fancy leather items
- Basket weaving
- Woolen blanket weaving

- Handlooms
- Papad making

ROLE AND RELEVANCE

In India, Women's Self Help Groups have been recognized as an effective mechanism for the empowerment of women in rural as well as urban areas. Besides, income generation activities and seeking micro-credit, Self-Help Groups can work on a range of issues such as health, nutrition, agriculture, and forestry among others. In 1992, the National Bank for Rural Development (NABARD) introduced Self-Help Groups–Bank Linkage Approach for giving loans to Self-Help Groups by linking them with banks. Prior to the launching of such an initiative, members of Self–Help Groups were otherwise deprived of this facility due to their impoverished individual status. This approach was in keeping with NABARD's mission of providing developmental loans, associated services and assistance for strengthening institutions for the purpose of rural and community development. This pilot project, covering 500 Self-Help Groups was followed by setting up of the Working Group on Non Governmental Organizations and Self-Help Groups by the Reserve Bank of India in 1994. The Reserve Bank of India advised banks to mainstream loans to Self-Help Groups as a part of their rural credit operations. Its guidelines adopted certain positive features of the Self- Help Group concept such as savings-linked credit flexibility in credit usage, choice of members in fixing their repayment terms and most importantly, joint liability provisions to generate peer pressure, which is a very powerful force for repayment.

An SHG is characterized by limited membership, homogeneous nature, compulsory savings, bank linkage for credit and responsibility to maintain books and records related to money transactions. With SHGs, women begin to discover a path to public domain as against the traditional role which confined them to the private domain. By joining an SHG, women get a forum to come together, meet often, talk about self, share concerns about family situations and so on. Besides, the scope for regular interactions with the promoting institutions, concerned officials and opportunity to attend different capacity building programmes have all contributed to increased mobility, access to information, knowledge on systems and procedures and exposure to the outside world. This has greatly helped the socially and culturally marginalized women to break through the oppressive and deep rooted patriarchal values. As per the latest statistics, 90% of SHGs in India consist exclusively of women. It seems that in recent years, SHG–approach has emerged to be one of the most effective vehicles for triggering the process of empowerment -- the journey from an underpowered to an empowered state. An SHG offers the canvas to conduct social intermediation, which in turn provides women the opportunity to acquire the ability and entitlement to control their own lives, realize their own agenda, gain skills, solve problems and develop autonomy. The core mission of the project of empowerment relates to women's welfare, their entitlements, capacity building, self-

realization and self-expression. This is about a process whereby women begin to make a transition – from a state of financial dependence to one of financial independence and eventually they start asserting their worth, existence, identity and rights. A number of studies, Rao(2003); Dogra(2000); Gurumurthy(2000); Kulandaiswamy(2004); Ananth(2001); Appa Rao(2003); Sarangi(2003,2004); Sinha(2004); Tripathy(2004); Munday(2005); Rao(2005) etc. have analyzed on various aspects related to saving and investment structures of SHGs, micro-credit related SHG-Bank linkages and various issues on poverty eradications through women empowerment and entrepreneurship development along with undertaking the responsibility of developing non-credit services such as literacy, health, sanitation, creating awareness for various awareness programmes, environmental issues and related activities.

CHALLENGES

SHG has become a nation-wide movement in India and women in large number are increasingly joining the movement across the country. Kudos to the efforts of NABARD in spearheading the movement. Despite its success, the growth of SHG has been skewed. Its presence is not uniform throughout the country. There are regional disparities. It is found that SHGs have stronger presence in southern states and are in a mature phase, whereas, they are still struggling to gain their momentum in eastern states. Moreover there are some problems in the functioning of SHGs such as lack of understanding and co-operation among SHG and the possibility of rising conflicts between SHG leadership and membership based on caste and location of resident. Monopolistic power in the hands of NGO and banking agency and inability to catch the market for farm based products are other problems. While there are many successful stories about the benefits of SHGs, there are many concerns about the future of SHGs in India. The concern stems from their initial success and their geometric progression. Are they heading towards right direction of women empowerment? Are our formal lending institutions capable of handling so many illiterate women? Do we have the financial resources to lend loans to the vast number of SHGs? Are the loans given to SHGs sufficient to start an income generating activity on their own? What are the likely marketing problems or competitions, which are likely to arise when SHGs start micro-enterprises? The answers to these problems must be found out. NABARD needs to address the issue of regional disparities. In addition, it must pay special attention to capacity building of SHGs and proactive policies so as to address the challenges faced by SHGs to integrate them fully into the developmental programmes aimed at women's empowerment. There are also a few other concerns in relation to women's empowerment. First is the financial management, and organizational development. The second concern is about the gender focus in rural financial services. Despite the focus in project design, there may be gaps between the policy and its implementation. The third challenge is about how to link self-help groups to agricultural activities (an area where women being contributors), which are of key

importance for the livelihoods of small farm holders in India. It should be ensured that self-help groups take much agricultural activities, as the decisions on agriculture are mainly taken by men.

CONCLUSION

In conclusion, it may be said that without economic and social liberalization of women, no true liberation of women is possible and also without the provision of equal economic and social opportunities to women no emancipation of women truly occurs. There is a massive mobilization of women taking place as a result of the SHG movement. The SHG movement has a good potential to serve both as a human face of the economic reforms as well as contribute towards women's emancipation. There is a major onus on all actors involved in SHG promotion and development to further intensify their efforts in enabling SHGs to reach a mature stage. We need a major investment in capacity building of SHGs and proactive policies to help overcome the constraints faced by SHGs to integrate them fully into the developmental programmes aimed at women's empowerment.

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