CHAPTER VI

CONCLUSION
6.1 CONTEXT IN WHICH ORGANISATIONS WERE STARTED/PROGRAMME STARTED

Interestingly, both SEWA and BRAC were born in 1972 but in a different context. Both these organisations are leading organisations in South Asia and in their respective countries. Many researchers have termed these organisations as “learning organisation” and therefore both these organisations inspired rise and growth of several other NGOs and community organisations. However, the context in which both these organisations grew was different.

The Self-Employed Women’s Association was born in 1972 as a trade union of self-employed women. It grew out of the Textile Labour Association, (TLA), India’s oldest and largest union of textile workers founded in 1920 by a woman, Anasuya Sarabhai. The inspiration for the union came from Mahatma Gandhi, who led a successful strike of textile workers in 1917. He believed in creating positive strength by awakening the consciousness in workers. The TLA, as an embodiment of Mahatma Gandhi’s ideas, has been pioneer in expanding functions of unions. SEWA grew continuously from 1972, increasing its membership and including more and more different occupations within its fold. In 1977, SEWA’s General Secretary, Ela Bhatt, was awarded the prestigious Ramon Magsaysay Award and this brought international recognition to SEWA (SEWA, 1988).

Soon after the establishment of SEWA union, SEWA developed its joint strategy of Union and Co-operative strategy depending upon the demands and need of its members. So the second landmark development in its history was the development of SEWA Bank in 1974, which is a Co-operative Bank and then grew its other supportive services.
On co-operatives and empowerment of women, Ela Bhatt, founder of SEWA feels that "another component of empowerment for poor women is self-reliance: Self-reliance in terms of financial self-sufficiency and management in terms of decision-making. For the poor, collective empowerment is more important than individual. With collective strength, women are able to combat the outside exploitative and corrupt forces like traders and moneylenders. Also, her respect in the family and community follow soon (SEWA, 2005)."

The BRAC story also began in 1972. Bangladesh had just begun to reconstruct after the upheavals of its liberation war. The ten million refugees who fled to India during that war were returning to start their lives anew. They returned to war-torn homes and villages. BRAC's founder and Executive Director, F. H. Abed, who had been active in refugee relief work in India, also returned to Bangladesh, determined to assist the refugees. He found young nationalistic youths ready to join in their efforts. BRAC's Executive Director explains their determination, "Right after the war of liberation, 10 million refugees started trekking back home to Bangladesh from India. We followed a large party of them from Meghalaya in India to the Sulla region of Bangladesh and found village after village completely destroyed. Houses with utensils, tools, and implements left behind in terror had been burnt to the ground, the livestock killed and eaten. We felt that the great suffering of the people of this region, because of its remoteness, would not attract very much relief assistance. This is why we chose to work in the Sulla area (Chen, 1986).

In designing the vocational training, BRAC had accepted the myth that tailoring is women's work, an activity that does not interfere with their domestic responsibilities, and requires a low level of training and investment. The truth is that commercial training requires specialised skills, intensive training, a steady supply of raw materials, maintenance
and repair of machines, and a market. Early on, BRAC recognised that there was no steady supply of thread and cloth, nor a ready market for tailored goods in Sulla and the vocational training programme was terminated. BRAC's functional education programme, however, proved innovative and enduring. The failure of vocational training and the success of functional education pointed the direction for BRAC's future programme for women. BRAC's Annual Report for 1973 reads: "BRAC has, therefore, concentrated its attention on developing social consciousness of women through functional literacy and formation of women working groups." The seeds of BRAC's future women's programme had been sown. Small savings of women were used to build a group fund and then investment of group funds to increase income, assisting women in traditional skills to increase security. This also helped in forming women's groups to develop the self-confidence, self-respect and self-reliance of women. The seeds of the quiet revolution, a revolution within the women themselves and within their homes and villages had also been sown (Chen, 1986).

In short, while BRAC was started to meet the requirement of the war-torn nation when Mr. F.H. Abed and his friends felt the need and started work in the health sector and expanded to economic development and social development programmes, SEWA was a brainchild of Smt. Ela Bhatt with its root in TLA. SEWA was founded by her to organise women workers in the informal sector but everyday needs of these workers shaped the supporting services of SEWA.

6.2 NATIONAL ENVIRONMENT SUPPORTING THE GROWTH OF ORGANISATIONS

There is an issue of environment in which both these organisations are working and specially related to the government support in their
functioning as well as growth. It is evident from growth figures of both these organisations that BRAC's growth is much faster than that of SEWA, both horizontally and vertically.

Although the tradition of voluntary movement is very old in India, it became popular only in 1980s when a number of NGOs started working across India. However, there are only a few NGOs other than that of SEWA who have a larger 'national' level presence. In Bangladesh, there are at least 3-4 NGOs who have larger membership than SEWA, which has the largest membership in India. Following are the reasons, which support the fact.

- India is a vast country and therefore reaching to various states is an enormous task whereas the size of Bangladesh is suitable for expansion.
- Even the languages are different in most of the states in India whereas there is only one language in Bangladesh. So, it is difficult for staffs/organisers to work in other states.
- Due to high population density, Bangladeshi organisations can reach to more people in less time.
- In Bangladesh, after their Independence, NGOs like BRAC were involved in reconstruction process and development and the subsequent growth of NGOs like Proshika and others established good credibility which became useful for other NGOs to get established and to grow faster. In case of India, although organisation like SEWA came up in early 1970s, there was hardly any support from the government side for others to start work. Bangladeshi government has been helping the NGO establishment since its Independence. Meanwhile, in India, the incident of swindling public's money by fly-by-night operators was a major blot on the 'informal method of development'. Although they were
registered under NBFC Act of the RBI, it was a big blow for many NGOs as they also talked of community development through mobilisation and these NBFC did the same kind of mobilisation with bad intentions. It was only in early 1990s, when NABARD and RBI came up with the idea of ‘Bank linkage’ of Self-help Groups that the NGOs started rebuilding the lost faith of community. For other than micro-finance purpose, NGOs started growing in India around early 1990s. It can be concluded by saying that both government and community’s response have been vital in the growth of NGOs in both these countries and the situation for growth have been more conducive in Bangladesh than in India, initially.

6.3 COMPARISON BETWEEN MICRO-FINANCE PROGRAMME OF SEWA AND BRAC

It is quite obvious that different approaches and models would have different macro and micro level impacts. Let us examine some of the similarities between both these interventions:

- Both these organisations propagate that the micro-finance programme is a tool for poverty alleviation and empowering the poor. SEWA Bank’s published literature suggests that they believe that through small savings and credit, women are able to come out of the cycle of poverty and it has been dealt in Chapter 3 in detail. Both these organisations feel that access to financial services empower poor people. With savings in their account women feel confident and they have freedom to spend money independently. Both these organisations feel that lack of access to the formal banking system deprives them of the facilities to borrow, save and invest in productive activities, and this is a major reason why poor people remain poor. Due to lack of collateral, poor women could
hardly approach the mainstream banks. Making credit available to the poor women enables them to become involved in different income-generating activities which, in turn, allow them to become economically self-reliant. Both these interventions have created faith among their members and that is why they are constantly growing.

- Both these organisations have maintained informality in their dealings with the members which is one of the biggest strengths of their programme. Members of SEWA call SEWA Bank their 'mother place', where they can come any time for their needs. Similar experience was observed in a group meeting of BRAC members in Dhaka where they gathered at one place for their transaction as they do any other work at home. Although both at SEWA Bank and BRAC meetings, women happily fulfill all the requirements such as giving information to programme staff to fill their loan requests. These requirements are simple and developed keeping these poor women in mind where most of them are either illiterate or semi-literate.

- Savings and credit are the basic facilities with which both these organisations started their micro-finance operations.

However, there are a number of dissimilarities between the approaches of both these organisations which are discussed below:

- Although SEWA Bank exclusively caters to women workers, BRAC operates both for male and females. However, in BRAC’s micro-finance activities, more than 90% members are women.

- SEWA Bank offers a number of savings and credit products, whereas BRAC offers simple weekly savings and a credit product to its members which has been discussed in the Chapters 3 and 4. It means that the members of SEWA bank are able to avail more
flexible financial services than the members of BRAC. SEWA's insurance scheme is an integral part of SEWA activities through which women members of SEWA have access to insurance schemes at a very low premium. SEWA has collaboration with Insurance companies with whom members are insured. BRAC has no such insurance scheme. It only has a scheme called 'death benefit' for its members through which a member's nominee gets assistance of Tk. 5000 in case of her death.

- SEWA Bank has a co-operative bank model where women have individual bank accounts whereas BRAC has promoted women groups called Urban Poor Organisations and women are members of these groups. Both these models have its advantages and disadvantages. While women have more flexibility in the co-operative model of SEWA Bank, BRAC members' association with their groups has advantages of discussing or sharing their own problems during the group meetings.

- SEWA Bank has a distinct kind of financial counseling programme with the objective of making poor women understand the concept and importance of financial planning. SEWA Bank believes that 'the importance of economic security can never be overstated, especially, in the lives of those who live on a day-to-day basis in a high risk and unpredictable environment. It is here that the financial education assumes critical importance (SEWA, 2004).’ Although BRAC has a programme called "functional literacy," it does not cover the financial planning very specifically.

- SEWA Bank has all female staff at all levels whereas BRAC has more women field staff but at the supervisor level, it has more male staff. Although male staffing is no longer a bigger issue in the development field but poor women workers feel comfortable dealing with female staff.
• It was very interesting to note that the BRAC head office does not allow any woman to enter into its premises. In other words, functioning is so much centralised that the members are not required to visit the head office. During the field visit, it was observed that the poor women members of Gulshan locality which is located besides the BRAC head office at Mohakali, used to meet at the Gulshan Branch office of BRAC which is not more than 150 metres from the head office. However, when they were asked about the BRAC's office they said that they know that the office is located nearby but they never go there as all of their work is done at this office. Contrary to this, SEWA office holds regular meetings with its members at all SEWA offices. In case of SEWA Bank, it can be observed that women are standing comfortably in each corner of the Bank. While member activities at main offices are very common in SEWA, members of BRAC are not encouraged to visit BRAC's head office as most of their work is done at the field office itself.

6.4 GOVERNANCE ISSUES AND DECISION MAKING:

At BRAC, decision-making is centralised and beneficiaries are hardly consulted while developing a programme for them. However, at the group level, women do take decisions but there are very few things on which women can take decisions. For example, the repayment schedules for credit, the proportion of savings to borrow money etc. are almost fixed and are always decided at the head office level. At SEWA Bank, the Board of Directors takes decisions and the Directors are representative of women shareholders/members of SEWA Bank. They hold a monthly meeting and discuss various issues including rate of interest to be charged, products to be introduced and accordingly decisions are implemented.
However, centralised decision-making structure may be instrumental in the fast expansion of BRAC’s micro-finance programme.

6.5 SERVICES OFFERED OTHER THAN MICRO-FINANCE AND ITS RELEVANCE VIS-À-VIS LIVELIHOODS

Both BRAC and SEWA follow integrated method of development which means that the development of any woman and her family is not possible unless her whole life-cycle needs are targetted. While BRAC calls it 'credit plus approach', SEWA calls it 'integrated approach of development'.

BRAC has learned that besides lack of access to finance, the two major constraints that have prevented the poor from improving their lives are the absence of self-employment opportunities and lack of skills to sustain those activities. BRAC realised that if different employment opportunities were created, along with sufficient training and refreshers for capacity development, the poor could be linked to the mainstream economy which would ultimately bring them out of poverty (BRAC, 2002). Besides micro-finance and livelihoods programme, BRAC is involved in health and education programme and now in urban areas it is also involved in housing activities.

Similarly, SEWA’s approach of development is “integrated” and its entire programme developed after its member demanded or the need was felt at the organization level. Over the years, SEWA has developed various supportive programmes such as micro-finance, social security including health, insurance, childcare, housing, marketing, education and training etc. for its members and all these programmes are inter-connected and helpful to meet the life-cycle needs of women members.
6.6 IMPACT OF PROGRAMME ON WOMEN WORKERS

6.6.1 Accessibility of Financial Services

It is evident from the survey findings, field visit observations and the secondary sources that women’s access to financial services is a major source of confidence-building and a stepping stone towards self-reliance. Both BRAC and SEWA have established this fact that poor women are not only ‘bankable’ but they can always be trusted for financial services. Over 95 per cent repayment rate backs this notion of trust.

The formal and difficult procedure of banks used to discourage poor women from going to the banks and encouraged them to depend on informal method of lending by moneylenders. Organisations like SEWA Bank and BRAC established trust among its shareholders/depositors and members respectively. According to the Managing Director of SEWA Bank, Ms. Jayshree Vyas, ‘over 30 years of SEWA Bank’s existence have only proved that poor self-employed women are reliable, sincere and bankable.’

So, these organisations have had great impact on women workers as they created an alternative financial model which is being replicated by many organisations/MFIs and accessed by many poor.

6.6.2 Informal Mechanism

Both these organisations function more or less informally though there is a proper system for every process. Each system is designed in such a way that it is hassle-free and comfortable for women members. This informality attracts women more as they are less comfortable in formal office-like environment.

* Stated during personal interaction.
6.6.3 Women’s Participation/ Response in the Micro-Finance Programme

The micro-finance movement grew very fast in both these organisations which verifies the argument that women are liking it very well and the response is positive. Interestingly, all the micro-finance related members of SEWA and BRAC and even some of the non-members have shown interest in the programme and answered to questions positively. Overall, it has been observed in the field that women workers are quite enthusiastic about the savings and credit programme in both Dhaka and Ahmedabad city, primarily, because they find it as an opportunity to save money and keep their money at a safer place. During the interaction with women members at Dhaka, they told that if they do not keep their small savings at a safer place, then their husbands would take it and drink alcohol which disturbs their family life also. The repayment rate of both these organisations is always more than 92-93 per cent which also testifies the responsiveness of women members at both the places.

6.6.4. Impact on Livelihoods, Children Education and Decision-making

At both the places where survey was conducted, it was observed that in the self-employment category, women could significantly increase their income and they also earn better than wage workers although they need to invest capital in their business. The study findings of both the organisations show that most of the women who are involved in the micro-finance programme have assumed importance in the family and in the society at large, which is the basis of women’s growth. By getting recognition from by their husbands and getting involved in the decision-making process, women’s confidence gets a boost and the relationships become more constructive. The results of the study shows that more children are going to school as parents are taking it less as a burden and more as an opportunity to improve the life of the next generation. As
women have more say in the family, they are also able to send their girl child to school now. It can be concluded by saying that the financial services of the SEWA Bank and BRAC help its members increase their autonomy in matters of household finances and build a stronger personal financial base for their future.

6.6.5 Impact on Non-Members

At both the places in Bangladesh and India, the survey findings of non-micro-finance members reveal that they do not have access to dependable financial services. They do need to borrow money in any case, but since they do not have accounts or membership of such organisation, they are forced to borrow money from sources like moneylenders and relatives. Moneylenders charge higher rate of interest i.e. average of 60 per cent per annum from poor people but they always prefer to borrow money from these moneylenders rather than from banks as they can get money quickly and without much hassles.

6.7 CHALLENGES FOR BRAC AND SEWA BANK

Despite their excellent work for the poor people, BRAC and SEWA BANK have many challenges before them. The first and foremost challenge is to maintain quality of services as they are expanding fast. As the organisation grows, the operations become difficult and the pressure is always high. So, it is important to keep the issue of quality.

Secondly, the issue of governance is very crucial. Although SEWA Bank gets direction from its Board of Directors, it needs to maintain its democratic principles in its operations too. More women leaders need to be involved in its day-to-day operations as it helps in building mutual trust. In case of BRAC, as it has been discussed previously, the decision-making is centralised and there is not much scope for decentralisation.
Thirdly, more member-friendly staff structure needs to be maintained so that women are always at ease whenever they visit their organisations.

Though SEWA Bank keeps on developing member-friendly savings and credit products, BRAC's urban programme has still to come up with innovative solutions.

While BRAC's outreach grows very fast, SEWA Bank needs to strategise its expansion plan in order to reach more women workers.

Last but not the least, although both these organisations help their women members in their employment generation activities but the number of women getting direct benefit from employment generation programme would be less than those who are associated with the microfinance programme. This is mainly because it is difficult to find market for women's products and to compete with the machine-made products. Therefore, these organisations face a great challenge to link the microfinance programme with creating income opportunities for their members.

The findings from the survey, interaction with women workers and secondary sources prove that all the hypotheses have been tested positively.

To conclude, we can say that the intervention of both these organisations have helped thousands of women and their family. Women's position have been strengthened at the household level and at the society level, they are more confident and secure with such interventions. The impact of the micro-finance programme on their life is myriad and future is promising with options of growth coming their way. These interventions have created hope for them and they also now dream of a better future for their children. They now think that it may be possible to bring intra-generational change during their lifetime. Both these organisations have started a movement, a movement that is ready to reach to millions with hope for improved quality of their lives.