Chapter - 2

Review of Literature

2.0 - 2.11 Review of Literature 53 - 80
Chapter 2

REVIEW OF LITERATURE

2.0 Review of Literature:

Many research documents, papers and bulletins have been published in recent years on empowerment of women through Self Help Groups, microcredit, microfinance etc. A few of them are mentioned below.

2.1 Rita Marias Peas (1999) studied the Role of Different Agencies engaged in the Empowerment of Women. This research focuses on the theoretical perspectives of empowerment - concept definition, and theories developed by social scientists. These theories are emphasizing on empowerment at various levels: personal, group, and political level and accentuate the goals of both social action and social change. The study also presents the relationship between empowerment and social work. The major objective of the study is, understanding the process of empowerment, through programs conducted by NGOs. The research covers two major areas:

- the efforts in the empowerment of women
- the impact of the efforts

The researcher studied in detail the efforts of two NGOs called SEWA and Annapurna and the impacts of their programs.

Since the empowerment of women is now on the world agenda, there are large scale efforts to realize this goal through national policies, legislation and international
conferences. With regard to the impact of the NGO programs, the researcher comes to the conclusion that:

1. The organizations have contributed to the empowerment of women in varying degrees.
2. Empowerment of women is found to have a co-relation with factors like education, nature of occupation and income.
3. It is not the mere length of association with the organization that contributes to empowerment but the quality and intensity of the encounters and the services within the organization.

The programs which most of the NGOs are implementing for empowering women have got certain common elements. They are:

- Development of self image which is considered a necessary first step in empowerment.
- An integrated approach wherein economic intervention, is combined with health and service delivery and educational programs.
- The belief that women need to have greater control over their own lives and destinies.

The various approaches to women’s empowerment can be grouped into:

1. the integrated approach
2. the economic intervention approach
3. the awareness, organization and mobilization approach
4. The research, training and resource support approach.

The following are the impacts of the programs as concluded by the researcher.
1. The women gained a good level of achievement in almost all the components. The best record has been in the component of self esteem.

2. Women on the whole showed a sense of autonomous identity, and a fairly progressive attitude towards women in general.

3. Women acquired a fairly good knowledge of their basic rights and skills needed for their daily living.

4. Women had acquired a moderate level of critical reflection.

5. Very little achievement on control over material resources.

Rita Marias Peas in her study analysed the different activities and approaches of different agencies and self help groups engaged in the empowerment of women, and their impacts.

2.2 Jorgen K. Pedersen (1996) of The Institute of Peace and Development Studies, Goteborg University conducted a comparative study of SEWA and Grameen Bank. In his document, the author made a sincere effort to evaluate the strengths and weaknesses of both the models of development. Such an evaluation is important now as the World community has intensified its search for alternative models of development due to the insufficiency or failure of the theory of modernisation, and liberal market economy and in this context this study is very relevant. This document comprises a descriptive part where SEWA and Grameen Bank are introduced, compared and finally discussed in relation to their theoretical basis.

SEWA (Self Employed Women’s Association) was founded in 1971 by Mrs. Ela Bhatt in Ahmadabad and was initiated by a group of self employed women who had been discontented
with the fact that they had been denied the rights and benefits their male colleagues enjoyed.

SEWA tries systematically to bring visibility and change in women’s lives, at 3 different levels. At the grass root level SEWA supports individuals with financial and health services, at the regional and national level it lobbies various political interests to promote their ideas and at the international level it cooperates with ILO (International Labour Organisation) and ICFTU (International confederation of Free Trade Unions). The strength of SEWA is the interrelation and cooperation between its different branches. SEWA clearly seeks human, particularly women’s development, which paves way to economic growth that would lead to social harmony and national integration. Due to the above reasons the researcher defines SEWA as an alternative model for development. SEWA in the beginning worked in the labour union movement in coordination with TLA (Textile Labour Association) founded by Mahatma Gandhi in 1917. SEWA draws a great deal of inspiration from Gandhi’s works and principles of non-violence, prohibition of alcohol, use of Swadeshi goods- like khadi clothing- etc. SEWA organizes self employed women from 33 trade groups. Each group fits into one of the three general categories that follow:

- Home based producers
- Hawkers and Vendors
- Providers of Labour or Services

In rural areas SEWA used to organise saving groups comprising of four women members functioning as representatives for a bank. These women travelled to the villages to meet other poor women in the neighbourhood and
helped them start savings accounts with nationalised banks. Eventually SEWA started its own bank. Most women with leadership roles within SEWA are poor women who have developed with the movement. Gradually, with the intention of providing employment, SEWA started a video filming unit, women’s co-operative societies, health service units etc. Mrs. Ela Bhatt’s work gained widespread recognition and in 1977 she was awarded Asia’s prestigious Ramon Magsaysay Award for making a reality of the Gandhian principle of self-help among the repressed work force of self-employed women.

Grameen Foundation’s mission is “to empower the world’s poorest people to lift themselves out of poverty with dignity through access to financial services and to information.” With financial assistance from the country’s central bank, Bangladesh Bank launched the Grameen Bank Project in June 1979. The Grameen Bank began its activities with the following objectives:
1. To extend banking facilities to the poor men and women;
2. To eliminate the exploitation of the moneylenders;
3. To create opportunities for self-employment for the vast unutilized and underutilized manpower resource;
4. To bring the disadvantaged people within the folds of some organizational format so that they can understand and operate, and can gain socio-political and economic strength through mutual support.

Grameen Bank’s success is in the reduction of poverty through the sustainable benefits it has given to its borrowers. The Grameen Bank has recorded above 90 percent loan
recovery rates consistently and has had a positive impact on rural wages and poverty reduction. The long-run sustainability of the Grameen Bank in Bangladesh ultimately depends on its ability to expand its lending for more growth-oriented activities and achieve sustained cost efficiency. The Grameen Bank also promotes social development by making the poor individually and socially accountable. Mobilization of members’ savings is also an integral part of Grameen Bank’s lending. When a person wants to borrow money from the bank, he/she is asked to form a group of five people and only then the loan is provided.

With the introduction of "Sixteen Decisions," the Grameen Bank has moved into an overall development program for the poor. Credit has been an entry point and now serves as a catalyst in the development process. The benefits accrued by members and their financial performances are important indicators of the Grameen Bank’s success in alleviating poverty. It has undoubtedly empowered women to accomplish economic achievements considered impossible for them a few decades back. In a country where only few avenues are available for the poor to uplift themselves with dignity, the Grameen Bank is an outstanding institution giving the rural poor an opportunity to climb out of their desperate economic and social conditions. The Bank is founded on a bold but simple idea: the answer to poverty is not charity but credit, which must be recognized as a fundamental human right. More important, it has also fostered a great sense of pride, purpose, and achievement among its borrower-members and helped strengthen their spirit of community. To put it simply, sustainable human development is first and foremost people-centred; it puts poor people’s interests first.
and meet their basic needs. The Grameen Bank is different from other national banks, mainly in two ways, i.e. it has an exclusive focus on the poor women and it visits its clients in the villages to do business. By organising themselves to form groups with a joint responsibility, the women learn about responsibility, management and the advantages of group support. An important and common activity of both the models is banking and credit. Grameen Bank is an organisation characterised by a top-down power-over structure and does not seem to have qualified the economical growth that it is advocating, but rather sees economical development as a catalyst for human development. The researcher concludes, on the basis of the above points that, though there are advantages, Grameen Bank cannot be an alternative model for development.

2.3 Shadhidur R. Khandker, Baui Khaily & Zaeed Khan (1994)
Khan (1994) studied the Performance and Sustainability of Grameen Bank. The purpose of this study was to understand what the Grameen Bank is, what it does, whom does it serve, how and at what cost and whether it is sustainable or not?. The Grameen Bank is a unique financial institution in Bangladesh that has succeeded in providing credit to poor people particularly women. Women constitute about 94% of its members.

Though Grameen Bank was started in 1976, it began operating as a bank only in 1983. Its growth was well structured and decentralised and the organisation has seen phenomenal expansion and replication. The major cost of the program is for membership and training. Most of its programs are designed to promote social development. They also
enhance the financial viability of the bank as its existence and sustainability depend on a productive clientele. Grameen Bank’s success has made it one of the best known group based lending program in the world. It operates in rural credit markets that are characterized by imperfect information and imperfect enforcement. It has developed its own method of tackling the problems in the field. Mobilisation of member savings is also an integral part of Grameen Bank lending. Grameen Bank has instituted a social development program that sets out guidelines for activities and codes of conduct of the borrowers. It also provides organizational support to the poor make productive use of their credit and income. This type of social intermediation improves the viability of both borrowers and the lender by increasing the borrowers’ productive and human capital. Subsidised funds and grants are also instrumental in the outreach and institutional development of Grameen Bank. According to the authors of this paper Grameen Bank’s achievements have led to its many replications in over 50 countries and World Bank has also hastened its initiative in sponsoring Grameen type schemes.

2.4 K. Dinkar Rao (1990) of The National Institute of Bank Management, Pune published a document titled Conceptual Framework for a Training Strategy for Bankers on Credit Needs of Poor Women. This paper discusses the credit needs of poor women and the role of formal financial institutions. The basic objectives of this study are:

a) To strengthen the advocacy efforts of the government and the UNICEF to integrate women’s needs into main stream development.
b) To serve as the basis for the development of methodologies and materials for training module for bankers at different levels.

In order to accomplish the above, this presentation tries to:
- Identify the gaps in the perceptions, attitudes and supportive actions of bankers in reaching credit to women.
- Examine existing government schemes for women's development which provide credit services.

The author has made an attempt to discuss the link between economic independence of women and their social status; the efforts of the banks for women's development. He covers the following subjects and emphasises the importance of forming groups for easy access to credit, and its prompt repayment.
1. Relation between the economic independence of women and their social status in the context of middle class and poorer sections.
2. Bank's response and participation in government-sponsored credit-oriented developmental programs for women.
3. Issues related to credit-oriented developmental schemes for women: activities for women, sharing of extension responsibility, default by male members of the family, revolving fund etc.

The social status of middle class women improves with the improvement in their economic status. Banks are required to lend 40 percent of their total advances to priority sector which includes agriculture, allied agriculture, rural and cottage industries, small scale industries, small businesses,
services and professions. Relevant to the present context, they are expected to participate in the following beneficiary oriented programs launched by Government of India.

- IRDP - Integrated Rural Development Program.
- DWCRA - Development of Women & children in Rural Areas
- SEPUP - Development of Women & children in Rural Areas

Given below are the contents of the module 'Training Strategy for Bankers on Credit Needs of Poor Women':

- Development Concept: Women and Development
- DWCRA and IRDP
- Perceptive plan for Women's development in 5 year plan.
- Economic activities for women: Group Approach and Practice
- Implementation Problems: Backward and Forward Linkages
- Saving habit: Women's organization
- Planning for women's activities
- Training Strategy: Training Inputs and Methods
- Training women beneficiaries

2.5 The Institute of Development Studies at the University of Sussex, Brighton, UK in one of their periodicals called *IDS Bulletin, Vol. No.29* (1998) published an anthology titled *Micro-Credit: Impact, Targeting and Sustainability* edited and compiled by Saurabh Sinha, presented by different personalities; few of them are given below.

i) Susan Johnson: *Program Impact Assessment in Micro-Finance: The need for Analysis of Real Markets*
Impact assessment in micro-finance has focused on the impact of services on users, and the ability of the organisations delivering those services to sustain their operations in future.

The focus on building organisations, capable of long term provision, is based on the assumption that they will have a positive impact on the efficiency of the financial market. Since it is only an assumption, the impact must also be assessed. However, this has so far been neglected. Moreover, such an assessment must incorporate the complex array of social, political and economic relationships which financial markets embody. A fourfold analytical approach is proposed which focuses on state involvement, market organizations, market structure and social embeddedness, and it should also incorporate gender relations.

ii) Luffun K. Osmani: *Impact of Credit on the well-being of women*: This study examines the impact of Grameen Bank’s credit programs on women’s relative well-being. He assessed the impact defined by Amartya Sen, in terms of three sets of capabilities.
1. Autonomy
2. Control over decision making within the family
3. Relative access to household resources.

It is also hypothesised that the relative well being of women and men depend on their respective bargaining power which in turn depends on three factors; breakdown position, perceived contribution to the family and perceived self-interest. Researcher tested the hypothesis using a two stage estimation method to avoid the potential problem of simultaneity bias that can be caused by self selection. Results indicate the well-being of women in some dimensions, but not
in some others. Many reasons are advanced for this partial success in improving women’s welfare.

iii) Linda Mayoux: *Participatory learning for Women’s empowerment in MF Program: Negotiating Complexity, Conflict and Change*. According to the author, microfinance program for women are currently promoted not only as a strategy for poverty alleviation but also for women’s empowerment. However the complexity of empowerment itself and inter-linkage with policy make conventional research methodologies extremely lengthy and costly. This article proposes frameworks and participatory methodologies for integrating empowerment concerns into ongoing program learning. These would themselves be a contribution to empowerment. First, the program staff would be given a more representative and reliable exposure to the priorities and problems of program participants. Second, it would develop a network and decisions would be made on issues relevant to the interests and integrate them into the program decisions. The information – both quantitative and qualitative, obtained by programs and clients on an ongoing basis, would be directly and immediately made available to inform policy decisions, to enable independent outsider research and to target issues, where it is really needed for policy development, in a cost effective manner.

iv) Shahin Yaqub: *Financial Sector Liberalisation- Should the poor Applaud?* Increasingly micro-finance is being encouraged to reformulate its primary focus – shift it from explicit anti poverty work to financial sustainability. Much of this approach is predicated on neoclassical theory which calls for liberalisation of financial markets. It is asserted that apart from prudential supervision, liberalised markets would create
and enable an environment for better financial servicing of the poor and it is time that micro-finance program became financially self sustaining and therefore free of subsidies. Empirical testing of these views remains inconclusive, indicating the underlying fact that in many cases, financial markets even after liberalization, have not behaved entirely as envisaged. Though pro-poor interventions in financial markets often have been unsuccessful, they have been motivated by valid concerns of the poor being under-served. The main contention in this article is that the current wisdom overestimates what liberalisation can achieve, for greater market competition in servicing the poor. This is because of its exaggerated faith in the role of interest rates in market clearance, and its inadequate account of informal financial service providers. Stronger, rather than reduced focus on the poor and the poorest, even via subsidised micro-finance programs, would help develop financial markets. As in other areas of financial reform, selfish motives of the market may require a helping hand to sustain poor-friendly innovations in service provision.

v) Hans Dieter & Uben Parhusip: Attaining Outreach with Sustainability: A case study of a Private Micro Finance Institution in Indonesia. Financial and economic deregulation in Indonesia since 1983 has encouraged the growth of microfinance institutions. Combined with sustained economic growth, this has resulted in remarkable reduction in poverty. The experience indicates that the banks’ outreach to the poor, as a new market segment, would but initially add little to the banks’ overall profitability. The case study shows how viability and sustainability can be attained in banking with the poor and the non poor, to conclude that only financially viable
institutions can sustainably reach a significant number of poor people.

2.6 CENDERT (Centre for Development Research and Training), Bhubaneswar, Orissa, Pin-751013, conducted a study on the status of the women in Orissa and prepared a document titled *Women’s Empowerment through Self Help*. This study has called for some long term plan of action to bring about lasting changes in the life style of women in Orissa.

It describes the spirit of self-help backed by financial support (micro credit) and its impact on sustainable development. The projects and programs of CENDERT intend to address the issues of the women and satisfy the needs (both economic and social) by keeping the following long and short term objectives.

1. To promote and strengthen 3000 women SHGs in 12 districts of Orissa through social, economic and legal initiatives.
2. To facilitate women Self Help groups for reaching the entrepreneur stage.
3. To develop a tool kit frame work for analysing the empowerment stage of women’s groups.
4. To classify bench mark stages at which each SHG exists in the preparatory phase.
5. To build the capacity of groups to tackle social and legal issues.
6. To strengthen group initiatives for being economically self reliant.
7. To facilitate effective linkages of groups with financial institutions.
8. To guide the groups in the formation of federation of women SHGs and enterprise development.

CENDERT’s projects are planned for a maximum of five years of which the first year is for preparation, 2nd to 4th years are for action and the last year is for consolidation. Different phases of implementation are described below.

In the first year i.e., The preparatory phase the following activities are carried out: election of mentor organisation, staff recruitment and skill upgradation training, preparation of data base on the quantum of atrocities committed against women in each district, setting up of district resource cell, development of empowerment tool kit for classifying women’s SHGs, classification of stages of each SHG and documentation (video, audio, monograph etc.).

From the second year to the fourth year i.e., action phase, the activities are mainly coordinating with SHGs in different stages through meetings, trainings, workshops and awareness programs; facilitating the linking of the groups with financial institutes for starting income generating activities; federating SHGs; legal counselling; network meetings and exchange programs; documenting etc.

Fifth Year i.e., The consolidation phase onwards there will be gradual transference of responsibilities to the concerned SHGs and federations, strengthening of SHG federations, enterprise development, transferring of skills by SHGs in entrepreneur stage to other SHGs which are lower in hierarchy, follow up and wind up.
Although SHGs are primarily organized for savings and credit activities, they should be motivated to address social issues like poverty, unemployment, social inequality, crime, domestic violence etc. Here we are discussing the role of SHG members in controlling or ending domestic violence. The root cause of domestic violence is the unequal power play in matrimonial relationship. Domestic violence is committed mostly against young women in joint families, who are helpless and powerless in the hostile, patriarchal environment. Lack of education and lack of access to resources as well as economic dependence force them into a miserable situation. Poverty, husband's alcohol addiction and greed of in-laws are other contributing factors. The different tasks or roles which SHGs can undertake are:

i) Arbitration: Many of the domestic quarrels and disputes which result in domestic violence are triggered by misunderstandings, prejudices, lack of information, suspicion, superstitions and attitudinal problems. These can be sorted out if proper arbitration is provided by a third party, especially a senior and mature person. The SHG members could play this role effectively.

ii) Prevention: The SHG members can prevent violence by physically intervening into the scene. However, they are more effective when the violence is committed by women of the
matrimonial family. It is easier and more effective when such violence is being committed in the immediate neighbourhood.

iii) Counselling: This is an associated function of arbitration. Again, counselling is more effective on women in the matrimonial family. Men seem to be less amenable to such inputs. Counselling of the victim is also necessary for training her to avoid probable instances of violence.

iv) Police Action: Normally, police support is sought when physical violence reaches its extreme. To the extent possible, the victim and the SHG members avoid going to the police. The SHG’s involvement is highly useful at this juncture as no individual woman can/ will dare to contact the police on her own. The police also seem to pay better attention when a group of women approach them.

v) Legal Support: In cases where separation is the best option, legal support is solicited and provide by SHG members. However, in majority of the cases, the SHGs intervene to prevent violence and help the couple live amicably.

vi) Moral and Motivational Support: During the whole traumatic process, the SHG members can provide moral and motivational support to the victim. This is the most notable assistance as it cannot be provided by any other external agency.

The Advantages of SHG Action are:

i) The first important thing is that the SHGs do not face the problem of ‘locus standi’ or the ‘Who Are You’ question. One of the major obstacles in preventing domestic violence is that it is considered as a private affair of the family and hence except
for the immediate kin, other people are not allowed to intervene. The SHG, being a group of close neighbouring women, can overcome this barrier because it is a primary, family-like group. Whenever a member of the group is victimized, the SHG can rightfully intervene and stop the violence. Similarly, if an immediate relative of the member is involved, the SHG can rightfully express concern. Above all, a SHG of women can always intervene to express solidarity with fellow women. They need not seek anybody's mandate for this. They have earned it by the very nature of their group.

ii) Women's SHGs being close knit neighbourhood groups are most strategically placed to tackle the issues of domestic violence. They have the potential to rectify the distortions occurring in the institutions of marriage and family. The SHGs can serve as a help line in the event of a domestic violence. A neighbourhood SHG can be a reliable force in preventing physical abuse.

iii) SHGs can provide livelihood support to the members who are affected by violence. They are the most potent agencies in this regard.

iv) SHGs can serve as useful facilitators in seeking police intervention and legal actions

v) SHGs are best suited to provide sustained moral and motivational support to a victim of domestic violence.

Despite these strengths, the full potential of SHGs has not yet been realised. This is due to the following reasons:

The SHGs are not geared to serve as a structure to combat domestic violence. This orientation is lacking due to
their pre occupation with savings and credit activity. Moreover, they are afraid to interfere in the delicate and sensitive issues of domestic relationship. They also do not have the legal and technical knowledge to address such issues. They are dependent on the promotional NGO for motivation and guidance.

Though the positive effects of the formation of Self Help Groups for implementing economic and development activities, and their role in the process of sustainable development are confirmed, a further inquiry and deep study about the use of groups in socio-political-economic co-operation of women is essential at this juncture.

2.8 Indira Mahila Yojna, various circulars and reading materials published by Prof. Prabha Chawla (1999) on behalf of Department of Women & Child Development under the Ministry of Human Resource Development, Government of India, New Delhi, describes the concept of IMY, its mechanism, objectives, constituents, selection process etc. in detail. IMY proposes a mechanism by which there could be a systematic coordination between various developmental/welfare programs funded by different union and state government departments. IMY is an attempt to organise a well orchestrated system that will build linkages and give women the central role in the development process. The mechanism will be operated at the district level as a sub plan and allowed to percolate down to the village level through IMY.

IMY aims at the ultimate empowerment of women ensuring their direct access to resources through sustained process of mobilization and convergence of all the ongoing sectoral programs. The following are the objectives.
• To ensure convergence of local, block and district level sectoral services through active involvement of women and sectoral departments.

• To optimise the utilization of scarce resources in speeding up the process of making women the focal point of development.

• To provide information on different developmental programs and create awareness on issues of specific concern to women, equality in social status, legal rights like those to property and inheritance, constitutional safeguards etc.

• To initiate the process of awareness generation/education to enable them not only to understand and analyse their problems but also find solutions through their own collective interaction to match individual program benefits to their needs.

• To help women become self reliant and independent by their economic empowerment through income generation activities and active participation in decision making at various stages.

IMY has the following three basic constituents.

• Convergence of inter-sectoral services: Recognising the existing fragmentation in departments and programs down the line, convergence of services at the village level is envisaged to ensure that the system responds to the articulated needs of women in a holistic manner. Integration of sectoral programs by an action plan under the district level Indira Mahila Yojana would ensure cost effective delivery of sectoral services.

• Income Generation Activities: IMY recognizes that economic independence enables the empowerment of women. Income generation activities and creation of employment opportunities are essential components of IMY. It will focus on encouraging
existing thrift and credit groups to expand their income
generation activities by providing access to credit schemes
available in the various development programs.

The essence of IMY is the creation of an organizational
process, resulting in the emergence of homogeneous groups
of women who can articulate and bring about greater
relevance to program implementation by matching their needs
to program benefits. This can be achieved through a number
of means such as awareness generation, education,
sanitation, specific skill development, drinking water supply,
health, housing, social forestry, road construction etc. etc.

2.9 Jagannath Ambagudia, Research Scholar, Centre for
Political Studies, Jawaharlal Nehru University, New Delhi-
110067, has written a document titled *Empowering the
Powerless* published in a periodical called *Participative
Development* (2006). In this document the author describes
the empowerment of people - particularly in rural areas - by
giving them voice as well as the power of choice to shape
their own development. He has tried to relate the Indian
democratic system, democratic decentralisation which bring
popular participation and accountability to local governance;
the 73rd & 74th constitutional amendment, the
institutionalisation of Panchayat Raj system etc.

According to the author, efforts have been mounted
world over to reorder the societal power structure in a way
that it permits a realignment of power equations to favour the
oppressed and the excluded. Article 243D of the Indian
Constitution has been an affirmative action that provided the
much needed opportunity for the people in the rural areas to actively participate, using their political rights, in the decision making processes of their locality. The vulnerable rural communities in India participate in the decision making processes, planning, implementation, and evaluation in the PRIs (Panchayat Raj Institutions) as candidates, as members of the political parties, as elected members of PRIs, etc. Institutions that have a bearing on the every-day life of rural communities including hospitals schools, and departments of agriculture, animal husbandry, fisheries, micro irrigation, small scale industrial sector etc. are under the jurisdiction of the local self government. The Panchayats are fully responsible for poverty eradication, the upkeep of local roads, running of schools, supply of drinking water etc. The program's major achievement has been that it is pro-poor, especially in the provisioning of basic services.

The major promise of democratic decentralization is that it brings popular participation and accountability to local governance, and therefore makes local governance more responsive to citizen's desire and more effective in delivering services. Lack of proper articulation of citizens' interest and the inability to use their judgement in Panchayat Raj and decision making, questions the very notion of 'representation of every marginalised group through affirmative action'. However, PRIs have ample scope for the inclusion of the hitherto excluded rural groups in the making of decisions and formulating of programs that would affect their lives.

Today in India, SHGs have become a revolution to empower the poor people especially women. Government organizations, NGOs, Banking sector all have been collectively
waging a war against poverty. The Central and State Governments have brought about important statutes to empower people. The 73rd and 74th Constitutional amendments, the creation of Panchayat Raj, the enactment of Right of Information Act 2005 etc. are historical events for empowering the powerless. This is nothing but the dawn of democracy and the very beginning of a golden era for the underprivileged, marginalized and the common masses.

2.10 Organising Self Help Groups: A Resource Book (2000) has been published by Rhona Howarth and Karen Langdon with the assistance of Mrs. Sarojini Ganju Thakur and her team on behalf of the Department of Women & Child Development, under the Ministry of Human Resource Development, Government of India, New Delhi. This resource book brings together the experience, knowledge and skills of a wide range of people. The authors have designed this as a resource book for people supporting self help groups. Salient features of this resource book are given below:

This resource book can be used as a tool by people involved in supporting the development of self help groups, particularly when the groups are considering income generating activities. Various initiatives have been taken in all corners of the country to foster strong, independent and skilled women’s groups. The implementing functionaries help women to strengthen their self-help groups, by providing access to information and resources. The groups have benefited immensely from this linkage role played by the functionaries. The book helps to relate similar experiences and assist one to develop one’s own knowledge and skills for supporting the poor women in the community. It may help
leaders to identify important issues, and broaden their support to women by developing small scale enterprises for income generation.

Developing an effective program of support and self help must be based on a clear understanding of what people in the community need and want. Need assessment can be carried out before the groups are formed as part of the survey or they could be carried out when the group is in its early stages of development. It is easy to make assumptions about what people need and what their priorities would be. But successful SHGs are those that have identified their own needs and priorities, set their own targets and designed their own activities. SHGs must own their own problems and solutions and have a strong sense that any work they do is built around those.

Chapter 3 of this book describes the steps in the process of building sustainable groups: possible activities, how to evaluate the progress/achievements, SWOT analysis etc. To have control over their own groups, SHGs have to develop definite methods for managing their meetings and activities and for monitoring and evaluating their performance.

Chapter 4 of the book explains the importance of savings and credit to the SHGs. It talks about the savings, loans, and interest rates; managing of the group, role of group leaders, activities etc. Savings and credit groups have been set up throughout the world for supporting women to have better control over their own lives, to work and to overcome poverty. Savings and credit are not the only activities of most groups. Loans are taken by groups or individual members to achieve their own goals and targets. This might include setting up of an income generation activity
or a micro enterprise. A key activity for SHGs has been the development of income generating projects or micro enterprises. This is largely because, through these routes women are able to increase their family income.

It is important to encourage people to contribute ideas as every one may have ideas that could become potential income generation activities (IGAs). For any enterprise to be successful, it needs a plan. The plan can be simple or complex, depending upon the scale and scope of the project. While planning the enterprise, the group must agree on the following key aspects:

- The people and the management
- Who will be involved in the project & what role will each play?
- How will the project be managed?

Simultaneously, the group should discuss and agree on the product to be made and sold, raw materials required and their availability, quality and transportation of the finished product, marketing, sales, promotion, advertisement, networking, finance availability etc.

2.11 The website http://en.wikipedia.org/wiki/MillenniumDevelopment_Goals refers to the Millennium Development Goals. The Millennium Development Goals (MDGs) were established after the adoption of the United Nations Millennium Declaration. The MDG assert that every individual has the right to dignity, freedom, equality, a basic standard of living that includes freedom from hunger and violence. The MDG encourage tolerance and solidarity. The aim of the MDG is to achieve development by improving social and economic conditions in the world's poorest countries. The goals were derived from earlier international development targets and
were officially established following the Millennium Summit in 2000, where all world leaders had met and adopted the United Nations Millennium Declaration. In the 2000 Summit, 147 nations agreed that the citizens of the world must work together to put an end to severe poverty by 2015. They drafted eight important points known as The Millennium Development Goals (MDG) which, when achieved, will improve the lives of three billion people living in dire poverty. SHGs and Microfinance have the potential of becoming a powerful means of global movement to end poverty and achieving the "Millennium Development Goals". The following are the 8 goals.

1) **Eradicate Extreme Poverty and Hunger:** A World Bank study of three major microfinance programs found that five percent of the clients came out of poverty each year because of participating in the programs. According to 2003 study, "Microfinance allows poor people to protect, diversify and increase their sources of income, the essential path out of poverty and hunger."

2) **Achieve Universal Primary Education:** In many poor countries, education is not free. Regardless of family income, parents must pay school fees and buy uniforms, textbooks and supplies. In the very poorest families, children must work to help the family survive, so attending school is a luxury. A USAID-AIMS report shows that members of SHGs as well as Microfinance spend more on education when compared to their counterparts.

3) **Promote Gender Equality And Empower Women:** For many women, helping establish and operate their SHG group is their
first experience in self-governance and democracy; serving as an office bearer or representative of the SHG is their first leadership opportunity. Women’s status within the home increases as their self-confidence and economic self-sufficiency grow. They demonstrate significantly greater empowerment as measured by physical mobility, ownership and control of productive assets such as land, involvement in family decision-making and legal and political awareness and participation and their power increases the longer they stay with the microfinance programs.

4) **Reduce Child Mortality**: The health of the children will be better when their mothers can afford to feed them better. Membership and participation in SHGs and their activities lead to the enhancement of income, which means better nutrition. The child mortality rate will reduce as properly nourished pregnant women are less likely to have low birth weight babies.

5) **Improve Maternal Health**: In poor families, children do better when their mothers have the power to limit childbearing. In smaller families, each child receives a greater share of available resources, including food, clothes, health care and maternal attention. Surveys of SHGs of women indicate greater awareness of contraception as well as health, which come from attending group meetings.

6) **Combat HIV/AIDS, Malaria and Other Diseases**: In a few African countries, more than 14 percent of the population is HIV positive. In HIV/ AIDS prone countries/areas, SHG members are trained to deliver HIV/AIDS prevention and
behaviour modification messages throughout their communities. There are low premium health insurance schemes that provide medical care for SHG/ Microfinance members afflicted with HIV/AIDS.

7) **Ensure environmental sustainability:** More than 1.1 billion people live within the world's biodiversity "hotspots." While these ecologically important regions represent only 2.3 percent of the earth's surface, they are homes for nearly 60 percent of the world's poorest people. Pressurizing developing countries to adopt anti-logging, anti-poaching and other conservation policies is not enough if they do little to involve those with the most at stake. Economic and environmental sustainability are critically intertwined; microfinance can be a key tool in helping families to meet their nutritional, health and social needs without having to depend on environmentally unsustainable practices.

8) **Develop A Global Partnership For Development:** While no organization, country or individual can do it alone, it has been decided that public and private sector partnership will be encouraged for development, where the partners will work together to bring increased opportunity, income, health and education to the poorest of the working poor.

***