

CHAPTER I

INTRODUCTION

Democracy, in its true meaning, is a political system operating in an economic system that is inclusive of all the people. More often than not, the term democracy is misinterpreted by ignoring the vital aspect of economic inclusiveness. This crucial aspect is conveniently neglected by the so called democracies themselves. The third world democracies are under the impression that mere a combination of certain values, ensuring representation of all sections of the population and conducting free and fair elections complete the meaning of democracy. These are certainly some salient features of democracy. However, these alone do not make up a democracy. Democracy essentially has two dimensions- political and economic. Without economic democracy political democracy is meaningless. Unfortunately, this school of thought has not gained many subscribers because the task is seen as cumbersome, especially so in a diverse and overpopulated country, such as India. Whatever initiatives have been taken is too little. Elected governments have become 'phobic' of the metaphorical 'Pandora's box'. It needs to be realized that not attempting to ensure the survival and sustenance of the economically marginalized people can have critical repercussions which can even undermine the very political democratic principles. However, what should be encouraging is that a democratic political system is the most fertile ground for achieving economic democracy. An ideal democracy is the one in which the people contribute to the success of a democratic political system which in turn works towards attaining economic democracy. The very purpose of a democracy is defeated if political democracy does not translate into economic democracy.

Democratic society is not just a legal structure and political regime, but a system of constant cultural, social and economic improvement of citizens. Unfortunately, the politicians and political parties have hijacked the concept of democracy and given only a limited focus on their electoral agendas. A democratic system should be one that recognises and supports the economic improvement constantly and continuously. Herein lies another danger. When a democratic

political system sans economic inclusiveness sustains itself over a long period of time, politicians as well as the people will forget the economic aspect of democracy. Thus, one of the most important requirements at the present times is strengthening of democracy with various economic reforms.

In India, democracy is still in its infancy. An overwhelmingly large section of the society is left to fend for itself without having access to the benefits of the system. This leaves a wide open space for a privileged minority of wealthy entities to grab these benefits and grow richer. Reforms that can give a helping hand to the hapless, marginalised stakeholders are not initiated or implemented. India's GDP is increasing each year, but this growth does not translate into increase in resources for this group at the lower bottom of the economic arrangement. This is because the generation of the wealth happens for the rich minority. Consequently, the gap between the haves and the have-nots further increases. Hence, the per-capita income calculated does not reflect the real share of income of an average citizen. The real average income of a huge majority of Indians is abysmally low – much lower than the per-capita income – because of the obnoxious concentration of wealth in the hands of a few individuals. The pundits gloss over this steady growth of GDP and they claim that the benefits of this growth will gradually reach the lower segments through the Trickle Down Theory. However, in India, this does not seem to work spontaneously. This theory has not proven to work for a grass-root level democracy, such as India.

Part –IV of Indian Constitution Directive Principles of State Policy. The Constitution of India deals with the steps to be taken to make Indian democracy more economic rather than political. The Chairman of the Drafting Committee of Indian Constitution Dr.B.R. Ambedkar had a real contemplation regarding the democracy which is going to be operated in India after the implementation of the new Constitution. In his words our Constitution lays down what is called parliamentary democracy. By parliamentary democracy we mean 'one vote'. While we have established a political democracy, it is also the desire that we should lay down economic democracy as our ideal. We do not want merely to lay down the mechanism to enable people to come and capture power. The constitution also

wishes to lay down the ideal before those who would be forming the government. That ideal is economic democracy whereby, so far as I am concerned, I understand to mean one man, one vote. He further remarked how having regard to the fact that there are various ways by which economic democracy may be brought about, we have deliberately introduced in the language we have used, in the directive principles, something which is not fixed or rigid. We have left enough room for people of different ways of thinking with regard to the reaching of the idea of economic democracy, to strike in their own way, to persuade the electorates that it is the best way of reaching economic democracy, the fullest opportunity to act in the way in which they want to act.

Dr. Ambedkar asserted that there is “no use saying that the directive principles have no value. In my judgement, the directive principles have a great value, for they lay down that our ideal is economic democracy. Because we did not want merely a Parliamentary form of Government to be instituted through the various mechanisms provided in the Constitution, without any direction as to what our economic ideal or as to what our social order ought to be, we deliberately included the Directive Principles in our Constitution.” Thus, according to B.R. Ambedkar, there were two objectives in framing the Indian Constitution viz. to lay down the form of political democracy and to lay down that our ideal is economic democracy and also to prescribe that every Government whatsoever is in power, shall strive to bring about economic democracy.

According to G.N. Joshi, said, directive principle is a very comprehensive, political, social and economic programme for a modern democratic state.

Hence, it is necessary to have enough policies and programs to make Indian democracy an economic one as directed by the Constitution. First and foremost, the most important policy to be taken by the Government is the policy of financial inclusion and its different tools. Political decentralization in India aims at the fiscal decentralization and thereby the effective implementation of grass-root level of democracy.

Secondly, it is to have the system of e-governance to deliver the government services cheap and speedy. It will make administration more transparent, easy and

efficient. Third, there must be enough provisions of effective banking to operate the Government financial support, assistance and subsidies. Effective banking will make democracy more effective. Fourth place,, there must be the value of gender justice and gender equality is very essential to make democracy more meaningful. Fifth place, secularism is indispensable for the strengthening of democracy which will standardize the entire society from religion, caste, colour and other social evils. At sixth, an efficient public distribution system is most helpful for an effective democracy because poverty does not complement democracy.. If a state is afflicted by poverty and starvation, that system is not democratic and there will be a question why people should govern the people. Seventhly, maintaining rule of law is a vital step to refresh democracy. Last and eighth is to assure the participation of all sections of people in the local governance to make the democracy meaningful. All these policies and programmes will definitely strengthen grass-root level democracy.

The foremost step taken in India to vitalize and reform democracy is the 73rd and 74th Constitutional Amendment in 1992 known as Panchayatiraj Nagarpalika bills for decentralization of political power from top to bottom. The three-tier Panchayatiraj system and Nagarpalika system aim at participatory development through decentralized planning. The total failure of top-down approach to development projects in third world countries compelled finding out the alternative strategies for development, and this marked the beginning of the concept of people's participation. The purposes of participation are the improvement of present and future life, to identify and develop the local resources to generate self-reliance, to coordinate among different agencies in sustainable development, to mobilize the available human resources for productive and meaningful activities, development by organizing youth and women, an open forum for discussion and continuous education, accelerating socio economic development of community and encouraging people to develop their own confidence instead of depending upon the government and become self-reliant .

CHANGES IN DEMOCRACY AFTER DECENTRALISATION

1. Participation Instead Of Representation

The developmental paradigm of democracy after the implementation of decentralization has been changing, and it somewhat looks more effective. When we analyse the changes, first we will see the change of representative democracy where representatives made decisions for the sake of the people, only with vested interests. However, the implementation of decentralization changed representative democracy into participatory democracy which is the most important aim of decentralization where people are directly participating in the decision making process. The real sense of democracy is to make sure the direct presence and participation of the people in various kinds of socio-political and economic aspects. In this sense, the democracy has been strengthened as per the requirement of the times.

2. Economic Instead of Political

The concept of democracy was always focused on its political dimension .But the process of decentralization has changed this by adding the economic dimension to the political dimension. This implies that the democratic political system must have an economic space that extends up to the level of the economic survival and the subsistence of its people. Democracy will be a meaningless idea, if it is not directly touching the lives of the people.

3. Empowerment Instead of Welfare

Empowerment strategy is more suitable for developing and under developed countries. This means that the duty of decentralized local government is to channelize the resource of the people at the grass-root level and enable them to survive only with their effort, instead of providing goods and facilities and including them in different social security programmes. So, the decentralized governments are providing opportunities and assistance to its people for the economic existence rather than mere provision of goods and services.

4. Inclusion Instead of Exclusion

One of the most important weaknesses of modern democratic governments is the exclusion of people from the system leaving the non-benefitted group of people to suffer. However, the decentralized governance identifies the people who are likely to get excluded and design plans and projects to rehabilitate them within the system. In other words, the decentralized administration provides adequate support and assistance to these people instead of governing those who are already benefitted. All the democratic governments are supposed to do this work of inclusion in the absence of which it cannot be counted as a democracy.

5. Micro-Economic Approach Instead of Macro Approach

One of the most important reasons for the frequent failure of democracy in economic administration is its macro style of approach. It implies that the centralized economic administration does not consider the needs, interests and requirements of the needy sections of the people. This is not suitable at the grass-root level of life. However, the decentralized governance, with its unique micro approach, prepares its programmes taking into consideration the local needs, interest and requirements. It considers everyone's economic survival with unique plans and programmes.

6. Civil Society Interference Along With The Government

Operating of the civil society hand in hand with the decentralized local governments has become the new trend today. Financial decentralization allows the investment of the civil society for developmental and charitable purposes without aiming any profit. This type of operation of civil society bridges the gap between the needy sections of people and the government. In addition to this, it speeds up various empowerment and development programmes. The civil society operations reach all areas where the government services cannot be extended because of their limitations.

7. Bottom Level Planning Instead of Top Level Planning

Planning, which is the key to economic development in a normal third world democracy, is usually the business of the top level planning body. However, in the

decentralized system, the process of planning is at the micro level, which means that the beneficiaries themselves perform planning through direct participation and design plans and projects of their choice and requirements by considering the local factors.

8. Decentralisation of Society along with Decentralisation of Government.

As far as the government is concerned, it has already been decentralized, but the society and its operations are not decentralized so far. Absolute decentralisation requires a decentralised society along with the decentralized governance.

It implies that all people should get decision making power and the opportunity for direct participation in this democratic process.

9. Local Pattern of Democracy Instead of Global Pattern

The proclaimed structure and pattern of democracy may not be suitable for the local requirement. So, democracy needs to change in a way as is suitable for local environment. The idea is to think global as well as local. Decentralization makes democracy more local as per its requirements.

Micro Financing: The Absolute Form of Decentralised Development

The system of Kudumbasree microfinance through NHG satisfies all the requirements of decentralized developmental paradigm. As the clients of microfinance are women, they have enough opportunity to participate in the system, economic life, different types of empowerment, different types of inclusion, and all other changes brought on by decentralization. In addition to all these advantages, the system offers empowerment, such as economic security and assistance, informal/non-formal education and training all of which are effective factors that help eradicate evils like poverty and unemployment.

Statement of Problem

Indian democracy has a tendency for financial exclusion towards the weaker sections of people. The vulnerable sections of people are left to suffer for ever and at the same time we are exalting our democracy as the greatest in the world.

Poverty due to disempowerment and its different dimensions are the most critical problems faced by our country. The study regarding poverty and disempowerment is thus very significant and the need of the time. It is rightly suspected if the studies so far about poverty and disempowerment had touched upon the real problem or just superficial ones. Most of the studies were not capable of going deeper into the matter. We are in a democratic system and so the responsible democratic governance has to address the problems of poverty and disempowerment. Unfortunately, democracy in India is caught in a vicious cycle in which failure of the governments to work towards economic democracy has led to more people suffering from poverty which in turn makes it more difficult for the government to work towards economic democracy, resulting in more poor people. This is not to deny that efforts were not taken by different governments to alleviate poverty. However, these efforts were insufficient, ineffective and half-hearted largely owing to the magnitude of the problem itself. The perennial mistake of rolling out various schemes and then not ensuring that the neediest section of the population takes advantage of those schemes was repeated time and again. A democratic government has the responsibility to emancipate all the vulnerable sections of people so that they understand that they are also equals and entitled to progress and development. Reforms should reach out to these marginalised sections and these citizens should be empowered to stand up and claim their right to economic equality.

Reformation and strengthening of democracy is not possible only through political decentralization. Priority consideration should be given to economic reforms; more explicitly the economic reform for economic inclusion. The political decentralization must also lead to economic decentralization. Democratically elected Governments have miserably failed to make people included within the existing economic system. Democratic participation and decentralized planning have finally recognized the necessity for providing opportunities of income generation, financial assistance and support, especially for the stakeholders of this democratic society. For this purpose, we have adopted microfinance system and the methods propounded by the Grameen Bank of Bangladesh, founded by the world renowned economist and Nobel Prize winner Professor Dr. Muhammad Yunus. The impact of

Bangladeshi system of Microfinance and Professor Dr.Muhammad Yunus has spread all over the world, and many of the third world countries, including India, have adopted this paradigm to enable the most disempowered group of people to achieve economic progress.

The planning process in India gives prime consideration for the eradication of poverty. As per official statistics, there are about 30% of population living under poverty line in India. The increase in GDP and per capita income does not translate into poverty alleviation. The rise in per capita income is only the result of the substantial rise in the income of the 1% affluent group. As wealth is concentrated in the hands of these rich people, there is no real improvement in the income of the poor people. The bloated figures give a pathological sense of euphoria, and this drags the government into a denial mode making it believe that the problem does not exist.

Taking inspiration from Bangladesh's microfinance system, The Reserve Bank and the National Bank for Agricultural and Rural Development (NABARD) launched a programme in 1992 on an experiment basis in the Alappuzha District of Kerala, aiming at income generation and financial accessibility and protection for the weaker sections of the society under the leadership of the Panchayath level local self-Government. The researcher studies about the micro finance system through Kudumbasree which is ideal for Kerala's society. The Kudumbasree programme was formed in 1998 by the LDF Government of Kerala for the effective implementation of microfinance system. The credit goes to NABARD for the implementation of Self-help group Bank Linkage Programme (SBLP) version unique programme by NABARD which is quite different from other such experiments. The Kudumbasree programme has become deep rooted in Kerala's society, and almost one half of the population of Kerala is the beneficiary of this programme .Kottayam is one of the districts in Kerala which has been able to reap tremendous benefits from this programme under the leadership of the local self-government.

Kudumbasree is an NGO formed by the government (GONGO).It was highly influenced by other civil society organizations and NGO's serving the society especially in the area of emotional support, social participation and economic

development. The structure of Kudumbasree is three-tiered just like the panchayathiraj system. At the bottom level, there is the SHG, at the ward level there is the ADS (Area Development Society) and at the panchayath level there is the CDS (Community Development Society). Kudumbasree operates through SHG's (Self Help Groups). For Kudumbasree, these SHG's are known as NHG's (Neighbourhood Groups). An NHG comprises of 10 to 20 women from the very same panchayath ward neighbourhood in which 70% of the members are essentially from the BPL category and remaining 30% may or may not be from the APL category. The group is heterogeneous in nature in which all people from different religion, caste and categories can take membership. As far as Kottayam district is concerned, the method of utilization of economic opportunities by the Kudumbasree members is to be measured and evaluated. As there is a very high correlation between gender justice, equality or women empowerment and democracy, the extent of empowerment of women and the effectiveness of microfinance system in Kottayam district needs to be investigated. The problem to be analysed is whether the income generating activities of women are effective, whether they are receiving periodic training, financial assistance and support, banking facilities, informal and non-formal education which will make them empowered. The researcher seeks to find the operations and effectiveness of Kudumbasree SHG/NHG Micro Finance System and how much it helps to achieve poverty alleviation and economic democracy, and what all contributions have been given by the microfinance system through SHG's to strengthen our democracy.

OBJECTIVES

1. To understand the level of socio political participation and status of NHG members in the selected area in Kottayam District.
2. To understand the formal training received and the informal and non-formal education gained by the NHG members.
3. To understand the economic empowerment of the NGH members.
4. To gain understanding about the SBLP programme.

SIGNIFICANCE OF THE STUDY

The macro-economic approach of Indian economy is helping only the rich people, and at the same time the poor tend to grow poorer. This type of an approach is not effective at the grass root level where the poor must be economically uplifted. In this respect, a micro economic approach can be adopted in India. According to the Global Risk Report of World Economic Forum in 2017 at Davos in Switzerland, the economic disparities, inequalities, social polarization, and climatic change will affect the world economy adversely. As far as India is concerned, the most important thing is that there is only very little possibility to create more employment opportunities. 2. Another study report presented by rights group, Oxfam, ahead of the World Economic Forum annual meeting 2017 exposes the dangerous system of wealth and resources distribution in India. The richest 1% owns 58% of wealth and resource in India. This statistics reveals a very serious issue of concentration of wealth in few hands and a drastic decrease in the consuming potentiality of poor, and the poor becoming poorer.

The 10th Five-Year Plan 2002-2007 recorded an annual growth rate of 7.2 % and the 11th plan proposes to achieve 7.2% growth rate per annum. But these developments in the GDP and per capita have not reflected in the real life of the poor people in India. The poor and disempowered sections of the people are left to suffer forever in this 'greatest' democracy. It shows the weakness of our political democracy sans economic democracy. So, democracy needs to be strengthened by economic reforms. Now the democratic world has realized that the role of civil society in democracy can change the economic life of the people, especially their survival and the sustenance. The NGO model operations throughout the world have redefined the socio economic life of the people. The democratic governments are also following this pattern by forming NGO's to satisfy the needs of the disempowered by acting as micro-financing institutions(MFIs). Both, government constituted NGO's and civil society organizations offer economic services for the public in the form of micro financing.

The structure of micro financing is not alike all over the world. In India, in 1992, the Reserve Bank entrusted the NABARD to provide micro credits and loans

to SHGs constituted by different NGOs and micro finance institutions(MFI) through different public commercial banks, private commercial banks, regional rural banks and even from co-operative banks. This programme is known as Self-help group Bank Linkage Programme (SBLP).

In Kerala, the story of Kudumbasree, a government organized non-governmental organization (GONGO) inaugurated in the year 1992 by the then LDF government, is one of admirable success. The Kudumbasree microfinance system is a very effective tool for socio economic inclusion, poverty alleviation programme through women empowerment and sustainable development. The programme has drawn world attention and also praise by the UNO. Kottayam is one of the districts of Kerala with different types of particularities, successfully operating the SHG microfinance system. Thus, it is very significant to study about the empowerment of women in Kottayam district.

REVIEW OF LITERATURE

1. Constitution of India reveals the administrative procedure and administrative structure. Fundamental rights and directive principles of state policy are clearly defined. Democracy in India has been highlighted throughout the constitution in its economic form especially through directive principles of state policy. It is very helpful to understand the fundamentals of the spirit and structure of Indian society.
2. The edited work “Constitution and Constitutionalism in India by Surya Narayan Misra, Subas Chandra Hazare and Amareswar Mishra comprises an in-depth study of constitutional framework and modern trends in Government. It is also dealt with women empowerment in India –socio-political milieu. The documents regarding grass root level democracy,73rd and 74th constitutional amendment are very useful. The concepts of democracy, nationalism and decentralized governance are closely observed. The book satisfies the requirement of a scholar in constitution, democracy, women empowerment and decentralisation.

3. Satheesh Deshpande, with his celebrated work, "Contemporary India - a Sociological View - analyses globalization and culture very deeply. The book covers also the modern trends in society. Nehruvian version of development, casteism and the present social conditions. The book is indispensable to achieve the exact dimension of research study.
4. The book, Indian Government and Politics, written by Dr. Prakash Chander gives an easy understanding about the development of Indian Political System, its structure and working and extra constitutional factors. Directive principles of state policy and its definitions are very clear. The contemplations of the framers of the constitution regarding the directive principles of state policy have been explicitly expressed. It is a real support for researches relating to the constitution. The book is very interesting because it covers almost all parts of the origin, progress and evolution of Indian political system.
5. Through the book, Responsible Governance-A Case Study Approach, Steven G Koven provides a clear picture of responsible governance. Different types of responsibility of different types of governance are discussed in detail. Competence of governance is well-defined. International law and its guiding documents are put forward for analysis. The factors of ethics and responsibility are closely observed. The book is very useful for the study of public interest, natural law, rule of law and ethical behaviour.
6. B. Mohanan's authentic work, Decentralized Governance -Participatory Development Issues, Constrains and Prospects, gives the possibilities in participatory planning and democratic decentralisation with special reference to Kerala, examining various aspects of people's participation and campaigning for decentralized planning. It is an extensive field study based on decentralized planning. It depicts a clear picture of a grass root level democracy by exposing the local 'Gramasabha'. The work will be very useful for researchers, policy makers, students and public workers.
7. Each chapter of the book "India – Economy, Politics, Society" by Stuart Corbridge, John Harris and Craig Jeffrey deals with the problems and

prospects of economy, politics and society of India. Social justice and inclusive growth are well discussed. Effectiveness and responsibility of Indian democracy has been critically analysed. The participation of civil society and the issues like caste, gender, justice and economic development are well correlated. The book is very effective to understand growth and development of India through a very complex social pattern .The authors have first-hand experience of the social, economic and political aspects of India.

8. “Indian Women”, the book written by N.L. Gupta gives an analysis of the socio-cultural phenomena in which Indian women have grown and are growing. This book helps the readers to systematize the ideas and concerns for the emancipation of the women –folk. The book dwells deeply on the impact of the socio cultural scenario and the traditional value system on the development of women in India. The book may contribute to the awakening of Indian women by realizing that ‘they can’. It is also an effective study in the light of various philosophies and the role of voluntary organizations.
9. “Empowering Women” written by Arun Kumar narrates various development and empowerment strategies. Innovations and fresh challenges can be seen when we read the book. Globalization and technological innovations do not facilitate the empowerment of women.. The concepts of gender and development are discussed effectively. The book suggests that solving basic problems, like poverty, illiteracy and environmental degradation can be effectively addressed by the empowerment of women. The book suggests effective strategies for employment and income generation by women. The book is practically very useful and can be an effective tool for authorities who are responsible for women empowerment.
10. Kerala Sasthra Sahithya Parishadhas made an effective attempt with their work “Sthreepadnam Kerala – Sthree Engane Jeevikunnu Engane Chindikunnu” to understand the participation of women in different spheres of social life. The book finds the reasons why women population are not benefited by the opportunities even though they rank very high in Gender Development

Indexes. The study finds that empowerment of women is not only the responsibility of women population, but on the contrary, it is the responsibility of the entire society. The achievements of women are notable in Kerala and it is highlighted as the most important part of Kerala model development. The study and analysis in this book are very useful and effective for anyone who is moving in this direction.

11. Women's role and status in the society are accurately measured by Anuradha Sharma through her book "Encyclopaedia of Indian Women". Women empowerment through social reformation is clearly depicted in the study. Almost all problems and perspectives regarding women in India are covered by the author. One must essentially read this book whenever they are going to study about Indian women.
12. An in-depth study covering the problems and perspectives of self-help groups and women is the book, "Empowerment of Women Through Self Help Group" by Dr.G. Sreeramulu. The study evaluates the implementation of several schemes and suggests different measures for women empowerment. The study covers public policy and theoretical perspective in this regard. It defines clearly the meaning of empowerment and how it is to be achieved. It is an outstanding text cum reference book which will be useful for scholars, administrators, planners, policy makers and even students.
13. Dr. Arjun Y. Pangannvar, with his idea of rural poverty eradication through the book "Rural Poverty Eradication through Women Empowerment in India' - an impact study on SHG Program - effectively deals with self-help group operations and women. The study explains the inverse relationship between women empowerment and poverty. The author has some concrete suggestions regarding women empowerment to the Government authorities. The concept of Self-help Group Bank Linkage Programme (SBLP) has been effectively discussed. The author justifies his effort by finding out real problems and their solutions technically. The book is effective and useful

and can be referred by everyone who are studying, determining policies and are working in this area.

14. DrE.V. Swarnalatha's book "Empowerment of Women Through Self Help Groups" is a study in the form of a training manual on educational and occupational aspirations of women". According to her the women of low socio-economic status can be empowered through thrift and credit programme. For the successful group operations, the book recommends effective training and community involvement. The book also focuses on equal considerations for both urban and rural sectors of disempowered women. The book will be a practical help and support for development workers, local bodies and trainers.
15. "Microfinance - Redefining the Future", a work done by DrV.S.Somanath, is a great effort to understand the fundamentals of microfinance. Reaching out to the poor people in India, their economic improvement and enhancing their capabilities are difficult tasks. The work suggests micro level financing and stresses the necessity of their own enterprises for the economic development of the poor. It emphasises the importance of SHGS, NGOs, MFI and sustainable measures to reduce poverty. The study seeks to convey the importance of getting connected with banks and technology for the development of the disempowered. The book gives us a clear understanding about important concepts like SHGS, NGOs, MFI, SBLP, Micro-level financing.
16. Prof. Debadutta K. Panda describes microfinance as a business in his book named "Understanding Microfinance". He gives the lessons on theories, principles, practices and case studies of microfinance. The book emphasises microfinance marketing and innovative concepts developed in microfinance in the recent past. The book discusses all important models of microfinance, development operations and functions. Finally, it familiarizes the reader with real examples of many institutions of microfinance and the disasters of microfinance. This book is meant for students of rural management microfinance and NGOs in India.

17. The book “Microfinance - Intervention and Empowerment of Women” written by Dr. N. Lalitha deals with SHG entrepreneurship and empowerment process. The role of banks and microfinance institutions are covered in great detail. The book discusses the importance of women’s access to market and technology. The book affirms the view that provision of financial services is not easy and that it is very difficult to empower women overnight. The book investigates the outreach of microfinance to women and its impact on empowerment, SHG system and its deterring factors. The book covers almost all areas of microfinance and women empowerment. It is very useful and essential for the research and study of the concept of women empowerment through microfinance system.
18. Prof. Dr Thomas Piketty of Paris School of Economics, with his great work Capital in 21st Century, explains the grand dynamics of political economy. The book deals with accumulation and distribution of capital and the long-term resolution of inequality. The author firmly believes that economic growth always lies at political economy. He suggests that the solutions for poverty, marginalization and exclusion should be by direct governmental intervention and decisions, and not by the implementation of any so called economic theories, GDP, per-capita etc. The work reorients our economic history, and must be read by everyone who studies, researches or works in the field of political economy, empowerment and the history of economy.
19. The book - Economics of Microfinance - takes a fresh look into the realities of micro lending, scale, financing, management, gender bias and even subsidies. The book puts forward an experiment-based methodology which is particularly suited to microfinance experiments, and the book provides an evidence-based aid. Millions of poor people around the world receive small loans without collateral, build up assets, and buy insurance. Both authors have pursued the subject not only in academia but also in the field. The authors move beyond the usual theoretical focus in the microfinance literature and draw on new developments in theories of contracts and incentives. They challenge conventional assumptions about how poor

households save and build assets and how institutions can overcome market failures. The book provides an overview of microfinance by addressing a range of issues, including lessons from informal markets, savings and insurance, the role of women, the availability of subsidies, impact measurement, and management incentives. *The Economics of Microfinance* can be used by students in economics, public policy, and development studies. Mathematical notation is used to clarify some arguments, but the main points can be grasped without the maths.

20. For decades, liberal democracy has been extolled as the best system of governance to have emerged out of the long experience of history. Today, such a confident assertion is far from self-evident. Democracy, in crisis across the West, must prove itself. In the West today, the authors argue, we no longer live in "industrial democracies," but "consumer democracies" in which the governing ethos has ended up drowning households and governments in debt and resulted in paralyzing partisanship. In contrast, the long-term focus of the decisive and unified leadership of China is boldly moving its nation into the future. However, China also faces challenges arising from its meteoric rise. Its burgeoning middle class will increasingly demand more participation, accountability of government, curbing corruption and the rule of law. As the 21st Century unfolds, both of these core systems of the global order must contend with the same reality: a genuinely multi-polar world where no single power dominates and in which societies are becoming increasingly diverse. The authors argue that a new system of "intelligent governance" is required to meet these new challenges. To cope, the authors argue that both East and West can benefit by adapting each other's best practices. Examining this in relation to widely varying political and cultural contexts, the authors quip that while China must lighten up, the US must tighten up. This highly timely volume is both a conceptual and practical guide of impressive scope to the challenges of good governance as the world continues to undergo profound transformation in the coming decades.

21. "Inclusion and Exclusion in Local Governance", edited by B.S.Baviskar and George Mathew is a very good field study of exclusion and inclusion in local governance. The article written by B.S.Baviskar titled "Including the Excluded: Empowering the Powerless through Panchayatiraj in Maharashtra" reveals the actual working of democratic decentralisation in Indian villages. It highlights the correct picture of women, SC and ST, and backward sections of the people. Likewise, the article written by T.G.Suresh, "Understanding Grassroots Power and Excluded Communities in Kerala" give exact information about the intensity of exclusion in Kerala. The methodology used is qualitative. It is a micro level study about the subject. This collection will be of considerable interest to students, researchers, academicians and practitioners working in the field of local governance and rural development.
22. Bidyuth Chakrabarvathi and Rajendra Kumar Pandey while presenting a standard book "Indian Government and Politics" discusses the essentials of Panchayat governance. Utmost importance is given to deepening of democracy, gender and environment. It has adopted a multidisciplinary approach and takes a fresh look at the socio-political and economic scenario of contemporary India. The strength of this book is its focused content and the book is very useful in the study and research in micro politics and micro economics.
23. Thebook, "Local Governance in India-Decentralisation and Beyond", edited by (select articles) Niraja Gopal Jayan, Amith Prakash, and Pradeep K Sharma studies and analyses the complexities of local governance, both rural and urban. The essays point out the lesser known aspects of panchayat governance like intervention by panchayat and other institutions in local governance. The role of parastatal agencies and civil society organizations are highlighted. This book will be useful to political scientists, local government mechanisms and bureaucrats.
24. "Innovating Democracy-Democratic Theory and Practice after the Deliberative Turn", written by Robert E Goodin", speaks about deliberative

turn in democracy instead of mere balloting. The author requests the citizens to reason together. This is a guideline for representative democracy. He also shares the expectations in advanced democracy and new orientations rather than mere voting. The book is a good guide to revitalizing of democracy and is useful for theoreticians and scientists in this field.

25. The edited work of John Ravenhill, "Global Political Economy", is an authentic document of international political economy. The book is rich with the details of the world economic crisis shaking the political structure and global governance. The approach is historical and theoretical. It is an up-to-date introduction on global political economy and would be an asset in the field of political economy. The book is very essential role in the study and research of political economy.
26. With a comprehensive analysis on Indian Political Economy, Francine R Frankel through his work, "India's Political Economy" gives a clear picture of the economic realm of India since 1990. It is an explorative work of both cultural and economic aspects of India. Further, it is an excellent review on the political influences of India's economy and policies. It is an essential reading for various sections of academicians, administrators and interested laymen. The work is authentic and imparts a lot of essential knowledge regarding the socio-cultural, economic and political aspects of Indian economy.
27. "Economic Development in India", a brilliant work edited by "Babesh Sen and Mitali Chinara, exposes the contradiction of more GDP growth and less human development index. The article written by Shovan Ray, "Education for Development: India in the Asian Perspective", looks at development and education in the Asian perspective. The book written by Sudhakar Panda named 'Growth and Poverty -An Assessment' is a clear illustration in the definition of growth and poverty. The essay, Education, Poverty and Economic Development in India' highlights the correlation between education, poverty and economic development in India. Mrinal Mandal and Gopasamanda, with their essay - NREGA and Rural Poverty - states how

poverty is effectively tackled by the scheme. It finds that India's recent economic growth is commendable but it has not been reflected in the lives of poor people and vulnerable sections of the society. The articles provide deep insight into India's growth pattern and deficiencies. The lack of investment in health and education is noted as a serious issue. The work is very useful to guide the Indian economy in the right direction.

28. "Encyclopaedia of Indian Women" Vol.2, written by Anuradha Sharma, is an assessment on women and social frame work, cultural norms and value systems .It is a close analysis of women from family to a larger society. The study gives us the role of women and her significance to the family and nation alike. The cultural frame work and value system of India is clearly assessed to understand the status of Indian women. The impact of the book is capable of leading to a social change in this regard. Socio-cultural empowerment and problems of women are properly addressed. The book is highly effective for students, academicians, researchers and even laymen.
29. T.M.Thomas Isaac and Richard W Frank had a clear perspective regarding community based development and effective decentralisation. The book "Local Democracy and Development" seeks to achieve the empowerment of local bodies through mass movements and to create an environment for radical institutional reforms at local level. The study evaluates the effectiveness and progress of decentralized planning during its first three years in Kerala. The process of decentralisation today advocated by the people has been clearly depicted through this work. Participatory development experiment is also well studied. The study expertly combines theoretical analysis with empirical research. The book would be an asset for planners, economists, administrators and social activists.
30. "Decentralisation in India - Critical Issues is a brilliant work done by G.Palanithurai about the decentralisation process of both society and governance. The study deals with the existing conditions and problems associated with democratization and decentralization in different fields. The study highlights the necessary changes to be introduced in the administrative

system at the grass root level. The effort teaches how to tackle the drawbacks of representative democracy through decentralisation. Also, the author tries to establish a relationship between decentralisation and the inclusion of vulnerable sections of people. That the governance of marginalized sections can be effectively carried out through decentralisation is the central theme of this book. The book is very useful for academicians, researchers and policy makers.

31. “Development and Underdevelopment – The Political Economy of Global Inequality” -the book edited by Mitchell A Seligson and John T Passe-Smith -is an excellent selection of materials exposing economic inequality. The book discusses the international gap between rich and poor nations and the domestic gap in wealth. The articles, “The World Economy: A Millennial Perspective” (Angus Maddison), ”Economic “Growth and Income Inequality” (Simon Kuznets), “The Achievement Motive in Economic Growth” (DavidC McCell), “The Effect of Cultural Values on Economic Development: Theory, Hypothesis and Some Empirical Tests” (Jim Granato, Ronald Inglehart, and David Leblang), “Political Regimes and Economic Growth” (Adam Przeworski and Fernando Limongi), “Globalization and Inequality” (Branko Milanovic) and “The New Wave of Globalization and Its Economic Effects” (A World Bank Policy Research Report)vividly illustrate the global development process, inequalities in income and global economic reconstruction. The struggle over resources and wealth are the central theme of these works. The studies focus also on the growth of economy and political regimes. These scholarly pieces of writings will be very useful for scholars and researchers in development and global economy.
32. The work edited by Carolyn M Elliott, “Civil Society and Democracy”, deals with the role of civil society in democracy which is one of the latest areas of study in social science. ‘Civil Society and Democracy’ by Carolyn M Elliott, ‘Rethinking the Public Sphere’ by Nancy Fraser, Beyond the Nation or Within’ by Partha Chatterjee, etc. highlight the interventions of civil society and its impact on various systems of democracy. The authors discuss what

types of changes have occurred in the socio-political and economic values in Indian society. It is an in-depth study about the Indian society in the context of the emergence of a powerful civil society. The study tries to make comparisons between India's experience and the systems of other Asian, Western and Middle East experience. The book presents different connotations of civil society and its influences. The book would be useful for Political Scientists, Sociologists, Researchers, Teachers and Students.

33. The book, "India – Economy, Politics and Society" co authored by Stuart Corbridge, John Harriss, and Craig Jeffrey reveals the clear manifestations of the vital changes in the economy, politics and society. It touches almost all areas of transformation of society and people. The study discusses further social formation by the interference of effective governance. It also seeks to find out the structure of civil society and its latest pattern of operations. The study brings answers to several questions, like economic development reforms, the impact of caste and the threat of Maoist insurgency. The book would be an asset for India Specialists, Scholars and Researchers.

METHODOLOGY

The study seeks to find the effectiveness of microfinance system through SHGs in Kottayam district of Kerala, and how much it has benefited the marginalized sections of women members of the Kudumbasree NHGs of Kottayam district. It is obvious that the rural and urban poor women have benefited from the operations of Kudumbasree NHG. The study is explanatory. Empirical, methods is used in this study. More or less 90% of data has been drawn from the primary source and the remaining 10% from secondary. The data for this work has been collected randomly. Since the research area consists of five Panchayats and one Municipality of Kottayam District, there was a division based on different directions such as North, South, East, West and Central regions. Each Panchayat was selected from each direction and the central region and Municipality in a random method. For more convenience and systematic sampling, five Panchayats and one Municipality have been selected from different Taluks and different Blocks. It was necessary to elicit the opinion, evaluate the performance and their attitude towards the working of

NHGs in Kottayam. From the northern region, the Mulakkulam Panchayat which shares boundaries with Ernakulam District, belongs to the Vaikom Taluk and Elanji Block. The southern region is Nedumkunnam Panchayat belonging to the Changanassery Taluk and Vazhoor Block sharing the borders with Pathanamthitta District. From the west is T.V.Puram Panchayat which is a coastal region. This belongs to Vaikom Taluk and Vaikom Block. From the east is Kootickal Panchayat which is a hilly region belonging to Kanjirapally Taluk and Kanjirapally block and Kootickal village. From the central region is Ayarkunnam Panchayat which belongs to Kottayam Taluk and Pallom Block, Ayarkunnam village. For a systematic sampling, Pala Municipality from the central region belonging to the Meenachil Taluk, Lalam Block and Lalam Village was included. Another criteria for sample selection was economic conditions, literacy rate, cultural differences, as well as rural and urban areas of Kottayam District. The total sample collected is 360 from members of NHGs in personal and group wise. CDS and ADS chairpersons and members have been consulted and all the Panchayat members and Presidents were also included in the sampling.

SOURCES OF DATA

The data for the study is made from both primary and secondary sources. The primary data is the survey data, data from personal interviews, participative observation, data from Government websites, data from Kudumbasree website, records from District Mission Offices, data from Poverty Eradication Mission, data from concerned Panchayat offices, Journals, Magazines, Periodicals and Books on concerned subjects. Data from banks and NABARD, UNDP reports, World Bank Reports, IMF reports, International Convention for Women, Millennium Development Goals, and Data from Institute of Economic Democracy. A number of articles in this respect were referred to. The survey with Questionnaire, structured and unstructured interviews covering a cross section of the people, census data, National sample survey etc. were used for analysis.

DATA COLLECTION AND TOOLS USED IN THE STUDY

Participative observations with the groups concerned was the most important primary data collection tool used in the research. For collecting data, a scientifically

designed questionnaire was used. The questionnaire consisted of items spread over behaviour areas and their personal data including name, sex, age, socio-economic, political and cultural backgrounds. Structured and unstructured questionnaires were also prepared. Different methods of social enquiries were adopted .Excel software was used for analysis.

LIMITATIONS OF THE STUDY

1. The information given by the people, depends upon their memory power, awareness and orientations, and they are not keeping any accounts, output for their income or their financial transactions. Hence, it may not be 100 %correct.
2. The respondents were hesitant to reveal their real income, investment and financial liabilities.
3. The study is about Kottayam District but the sample is extended up to 3groups with 20 members each from six Panchayats of the District.

CHAPTERWISE SCHEME

CHAPTER I:	Introduction
CHAPTER II:	Sharpening of the Concept: Microfinance, Kudumbasree, Self Help Groups and women Empowerment.
CHAPTER III:	Profile of Kudumbasree NHGs in the Study Area of Kottayam District.
CHAPTER IV:	Dimensions of Women Empowerment Through Kudumbasree in the study Area of Kottayam District.
CHAPTER V:	Conclusion, Findings and Suggestions.

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