CHAPTER I
INTRODUCTION

Role of Self Help Groups in empowering women in
Krishnagiri District, Tamil Nadu

1.1. Introduction

Women play multifaceted roles for welfare of the families, communities and the nation as they provide essential opportunities for socio-economic development of the respective regions too. The first prime minister of independent India, Pandit Jawaharlal Nehru says, ‘the status of women indicates the character of a country’. According to 2011 census nearly half proportion 48.00% of the Indian population is women and in terms of sex ratio for every 1000 men only 940 women are living in India. The literacy rate too is not in favor of women, only 46.00% of women in India are literates. Even among the girl children who belong to the age group of 6-10, 52.00% are out of schools. In India due to the 73rd and 74th constitutional amendment act 1992, women constitute 33.00% in the local governance. Still Government of India is trying to expand 33.00% women reservation in to national and state legislatures. India has many firsts in terms if women: India’s first women president is Mrs. Prathiba Devi Singh Patel, first Lok Sabha speaker is Mrs.Meera Kumar, Chair Person of UPA (United Progressive Alliance ) is Mrs.Sonia Gandhi and leader of the opposition Mrs. Sushma Swaraj are the some of the notable women play a vital role in Indian political arena at present. As for as Tamil Nadu is concerned the Chief Minister is Ms. J. Jayalalitha also is a women. The Government of India made empowerment of women as one of the principal objectives since the Ninth
Five year plan (1997-2002) onwards and also declared 2001 as the year of ‘Women’s Empowerment’. There are few successful women entrepreneurs, renowned women personalities, from the field of entertainment, sports and fashion world including films, fashion designs and sports. Aishwarya Rai Bachhan, Barkha Dutta, Ritu Kumar, Sania Mirza, Indra Krishnamurthy Nooyi, and Rajashree Birla do remarkable works in their respective areas.

1.2. Women and the Society

Our society is having bunch of inequalities in which most pervasive and widespread system functions as a center of attraction of all the inequalities. But this is not a only factor to built inequalities society. The society which has been built on cumulative inequalities has four main pillars of hierarchisation viz., social, economic, habitant and on gender. Socially, this society is divided into high and low castes. From the economic perspective, the division is among the rich and the poor. Habitant divides it into urban and rural and gender into male and female. The biological sex differences are accepted as the correct indicators for differential male-female access and participation in society. Given the socio-biological development, the biological sex differences which are real are misappropriated and made the determining factors in the social placement of males and females. In accordance with this perspective, males and females have separate and fixed roles in society. Male responsibility is fixed to earn and provide care for the family. Thus, they are the justifiable inheritors of family resources, recipients of skilled education and productive employment, education or productive skills may be denied to women, since the roles of provider/earner do not fall in the realm of the
female gender, on the other hand women are domesticated merely to bearing and rearing children and performing household chores, the gender system not only creates conditions for conforming women to household tasks, but also provide them with opportunity to acquire skills in household management and the qualities of a good nurture. The consequent implication is the denial of access to education, gainful employment to women and health services and opportunities for the males to have maximum access to resources with greater social and financial obligations and corresponding power and superiority. Over the decades, development of women has been receiving special emphasis, however, in practice, it is faltering due to various factors such as low literacy, restrictive social structure, predominance of patriarchal society, low exposure to growth opportunities, etc. Apart from all these factors the non-involvement is responsible for the lack of development among women. The limited exposure and minimized access bring the restriction of adjusting to the routine family roles. Once, women are exclusively engaged in the family roles, their involvement in activities related to income generation is rarely allowed or undertaken. Further, as they do not involve income generation activity there is hardly any chance for them to gain economic independence. The whole situation further worsens making women dependent in all aspects, this cycle repeats resulting in the dependency syndrome.

1.3. Women and Education

(a) Education is the key that opens the doors to life, develops humanity and promotes national development. The Government of India is endorsing the need for promotion of women education not only through
its Constitutional Provisions but also through various plans, policies and programmes launched at different points of time. Article 15 of the Indian Constitution prohibits any discrimination on the ground of sex. For instance in 1958, the Government of India has appointed a National Committee on Women’s Education to recommend special measures to bridge the gap between the education of girls and boys at the primary and secondary levels. Almost all the Five year Plans have given emphasis on removal of disparities in educational opportunities to women. The National Plan on Education (1989) and the Programme of Action for (1992) on women empowerment also advocate that the education should be effective tool for women, empowerment. The draft National Policy for Empowerment of women has too envisaged that measures to be taken to eliminate the discrimination, eradicate illiteracy, increase enrolment and retention rates and improve the quality of education to facilitate lifelong learning as well as developing vocational and technical skills by women.

1.4. Women and Health

The health status of rural women in India is not improving as expected by the World Health Organization. The National perspective Plan for Women (1988-2000) of Government of India noted poor health of women due to synergistic effects of high levels of infection, malnutrition and uncontrolled fertility extending over a prolonged period. The women in the rural areas are needed to be empowered to take decision about their own reproductive health and to take decision about the number of children, use of family planning methods, going for safe abortion and acquire reproductive health knowledge
from health and personal of health services and also receive quick medical
treatment, Further, the male members need to be made accountable to the
reproductive health care of women. Besides, the women panchayat members
and grassroots level health functionaries should be entrusted with the task of
starting Village Health Committees to work for upgrading the health status of
women in rural areas.

1.5. Women and Political Participation

The United Nations Economic and Social Council (UNESC) fixed a
target of involving at least 30 percent women in the decision-making process
at all levels by 1995 itself, through women constitute fifty per cent of total
population they are meagerly represented in the political process. The
feminist thinkers often maintain that the political empowerment of women
does not imply just right to vote silently but to discuss, share politics by
knowing its pros and cons and thereby to influence policies and decision
making. In recent years there have been increased participation of women at
the lower centers of decision-making. In other words, female representation
appears to be increasing at the local level and minimal at the central level.
The 73rd and 74th Constitutional Amendments of India, which introduce
Panchayat Raj Institutions throughout the country and ensure reservation of
one third seats for women in Panchayats and Municipal bodies, is a good
example of women political empowerment the grassroots.(Sujatha
Viswanathan,.1997).

Women members are to be involved at the planning, implementation,
monitoring as well as evolution stages of policies and programmes directed
towards development of their respective areas, the panchayat members are needed to be financially empowered to carry out some of the essential development activities for the formation of women committee at the grass root levels. To deal with this type activities like women illiteracy, girl child labor, women reproductive health care, economic empowerment of women, wage discrimination and other social evils and atrocities on women the essential steps to be identified. After attaining independence in 1947, in recognition of the contribution made by women to the freedom struggle and also due to the demands of social reformists, the founding fathers of Constitution have made concerted efforts to accord equal status to political spheres along with men. Accordingly, the Constitution guarantees equal rights to women with men in different fields. The Directive Principles of State Policy enshrined in the Constitution have a special bearing on the status of women. The Constitution guarantees political equality to women through the institution of adult franchise. This recognition was certainly a radical departure not only from the socio-cultural norms of the traditional society like India is but also the context of the political evolution taken place in the most advanced countries of the West. The 73rd and 74th constitutional Amendments which have been passed in 1992 provide provision for the reservation of seats to the women in the Panchayat Raj bodies and the Municipalities. Perhaps, this is the first attempt by the Parliament to provide reservations for women in the representative bodies, particularly at the gross roots. According to Article 243D of the Constitution of India, not less than one-third of the total number of seats to be filled by direct election to every panchayat shall be reserved for women. Such seas may be allotted by rotation to different constituencies in a panchayat.
1.6. Women and Entrepreneurship

Women Entrepreneurs may be defined as the women or a group of women who initiate, organize and operate a business enterprise. Government of India has defined **women entrepreneurs as an enterprise owned and controlled by a women having a minimum financial interest of 51.00% of the capital and giving at least 51.00% of employment generated in the enterprise to women.** Like a male entrepreneur a women entrepreneur has many functions. They should explore the prospects of starting new enterprise; undertake risks, introduction of new innovations, coordination of administration and control of business and providing effective leadership to all aspects of business. Empirical evidences show that women contribute significantly to the running of family businesses mostly in the from of unpaid effort and skills. The value of this effort is underestimated both by the families that take it for granted and in academic studies. On the other hand, many of the enterprises defined as being run by women (that is, enterprises in which women hold the controlling share) are in fact run in their names by men who control operations and decision making. Programmes meant to reach women entrepreneurs can succeed only if they take note of this paradox as well as of the familial and social conditioning that reduces the confidence, independence and mobility of women. Women in business are a recent phenomenon in India. By and large they had confine themselves to petty business and tiny cottage industries. Women entrepreneurs engage in business due to push and pull factors, which encourage the women to have an independent occupation and stands on their on legs. A sense towards independent decision-making on their life and career is the motivational factor behind this
urge. Saddled with household chores and domestic responsibilities women have to get independence under the influence of these factors the women entrepreneurs choose a profession as a challenge and as an urge to do something new. Such situation is described as pull factors. While in push factors women engaged in business activities due to family compulsion and the responsibility is thrust upon them.

1.7. Women and socialization process

A woman is the initiator of socialization process in the premier social institution family. She is not only socializing the child and stabilizing the adult personality also. She is very important for infant as well as elderly by giving her care, affection and labor. Many of the institutions are expecting much from the family, where women contribute their best to develop the academicians, researchers, activists, social reformers from time to time. To recognize the role of women, yet to reach the expected results. Several social indicators are not in favor of women and their status. Maternal Mortality Rates, Sex Ratio, Women Illiteracy Rate, Subordinations of Women to Men are obvious in a patriarchal society like ours. Though the maxim categorically insists that if women are educated not only in the family but whole community can be beneficiated is still underestimated. A few positives signs is now and then comes to picture as the girls students score more marks in the schools, women leaders in the local self governance deliver their best as a social entrepreneurs enjoy the market situations as police personnel and civil servants they do justice in their respective roles. In this line of thinking, though the literacy rate is lesser than men considerably, the Self Help Groups are milestones irrespective of their religion, community, literacy, rural or urban back grounds etc. As one of the functions of
Self Help Groups, the microfinance which brings the women together to discus, deliberate and make crucial decisions for their over all multifaceted development.

1.8. Truths and Myths about Women

The prevailing attitude towards women is still conditioned by religious symbolism which highlights the self-sacrificing, self–effecting pure image of women and the preferred role of a woman as a faithful wife and devoted mother, whilst at the same time emphasizing the subordination of women, i.e., a daughter or wife is a commodity or possession. Subservience of women is precisely summed up in the famous injection of the Manu’s code, where it is stated that a woman should never be independent. As a daughter she is under the surveillance of her father, as a wife of her husband and as a widow, of her son or parents or male relative. A woman is always viewed as someone’s sister, daughter, wife or mother never as a citizen in her own rights who also needs to live with dignity and self respect. In the current social climate, the significance of family is vital for women, particularly for poor women in the rural areas. Women’s survival is not socially conceivable without the family. Motherhood is the only acceptable social goal to which she can aspire. Her worth as a ‘reproducer’ confers some status on her. At the same time, the social value placed on the role of women in the family is also responsible for her subordination to men and for her lack of access to economic and political resources, even where she contributes equally or more to the family economy. The family in India, including Tamil Nadu, is largely matrilineal, in which the core of the family is the male and the women are brought as brides into the family amongst the “non backward” castes, extended joint families of several generations prevail, not this is less typical
amongst the poorer people who lack the physical resources to maintain extended kinship structures. Life in joint families is highly segregated between men and women. A wife has little contact with her husband but spends a great deal of time with other women. The tasks of running the household are shared between the women with the youngest bride shouldering the heaviest burden. The older women are given the role of controlling the younger women and enforcing the qualities of docility, obedience and submission. But nuclear families tend to bring little change in social relations the overall influence of the joint family remains, but without the emotional support and companionship of other women which life in a joint family provides. As a result, women can face increased isolation in a nuclear family situation. Whilst the way a woman lives may seem to have changed little over the years, there is some evidence that the manner in which women have begun to perceive themselves and their surroundings is beginning to undergo a change. Some women are beginning to question of this is all there is to life. The cocoon that had sheltered and given security and comfort to previous generations of women can no longer provide them to the younger women in the present highly materialistic and changing society. Effective intervention through process of oriented empowerment programmes for women may improve their status in the family and society, while giving a feeling of self worth and esteem.

1.9. Women and Economic role

The position of women in the social structure affects the way they are regarded in their economic roles as well. Firstly, it has resulted in a pervasive sexual division of labour, which reinforces the notion of the males having
more power and relegates low status occupations to women. This leads to a waste of female potential and ignores individual difference in capacities and abilities within each sex. Once occupational or task segregation takes place, it tends to be retained against all other rational criteria. Secondly, through defining women as solely responsible for family care, their incursion into the labour market, made inevitable by inadequate incomes of males or absence of male earners, is at certain levels seen as deviant behavior and results in the pervasive notion of the woman worker as a supplementary earner irrespective of the total resources contributed to the household or the time and energy spent. Thus, a woman who earns as much as 50.00% or sometimes 100.00% of the household income is still regarded her as a supplementary earner. And almost in all cases and in all levels they do not get equal wages for equal work, nor do the conditions of work offered to them take into account their dual roles. The need to combine productive work with her reproductive role and family responsibilities means that a woman’s choice of work is often dictated by what is feasible and easily available, and this need for flexibility is frequently exploited by the labour market and is easily used as another excuse to pay low wages to women. Amongst the poorer sections of the rural community, women are frequently expected to shoulder the burden of the survival of their families. As one woman put it “If there is money in the house, the control is his. If there is no money in the house, the responsibility is mine”. (Anuradha Khati Rajivan., 2000). On account of the high incidence of actualization and erratic availability of work, women are generally engaged in multiplicity of activities. Similarly, their empowerment status caries from unpaid family work to wage labour outside the home,
contract /piece work, independent work and rendering services in exchange for goods and services. Women tend to work for longer hours and contribute more than men in terms of total labour energy spent by the household members. On account of deeply entrenched social customs, taboos and prejudices, women’s work continues to be invisible and confined more to non-monetary activities. The average hours of unpaid work done by married women outside of the home varies from 6 to 8 hours per day, some of them working more than 10 hours whilst during the peak agricultural seasons it is not uncommon for them to be engaged in agricultural operations for 12 hours per day. Women are principally engaged in agricultural work in the unorganized informal sector as construction workers, petty hawkers and vendors and in traditional home based occupations such as basket and mat weaving, bidi making, lace making, agarbathis, etc. Women also involve in marketing in certain traditional areas. Marketing of agricultural products, however, is traditionally undertaken by men. Women are involved in fish trading, vegetable and flower vending and other area of petty market trading. Similarly, women involved in handicraft occupations such as basket making, etc., frequently market their products in the local shandies (bazaars). Women also heavily involve in animal husbandry, whilst the care of draught animals tends to be the man’s responsibility, care of milch animals, sheep and goats are the women’s preserve. In this connection, women involve in the collection of fodder from the forests and other communal areas.
1.10. The Self Help Groups

The concept of Self Help is often using publicly available support groups where people in similar situations join together. The people who are attracting towards a self-guided improvement economically, intellectually or emotionally often with a substantial psychological basis. There are many different self-help movements and each has its own focus, techniques, associated beliefs, proponents and leaders. The Self Help Group is a small, economically homogeneous and affinity group of women / men who voluntarily formed to save and contribute to a common fund to be lent to its members. The main purpose is to work together for social and economic uplift of their families and community.

1.11. Concept of Self Help Groups

Self Help Group is a voluntary association of persons with common interests, formed democratically without any political affiliations. They are small and homogeneous groups consist of 12.-20 members. The uniqueness of these groups lies in the fact that to a large extent they are self –supporting, self-governing organizations, free from bureaucratization and politicization. This process empowers the poor and enables them to control the direction of own development by identifying their felt needs.

1.12. Working of Self Help Groups

Self Help Groups are working in democratic manner. The upper limit of members in a group is restricted to 20. Among them, a member is selected as an ‘animate’ and two members are selected as the representatives. The animator is selected for the period of two years. The group members meet
every weekly or fortnight and they discuss about the group savings, rotation of internal funds, bank loan, repayment of loan, social and community action programmes, etc.

1.13. Characteristics of Self-Help Groups

1. All the initiatives for the management of finance (assets and liabilities) are undertaken by the poor at the micro-level (group) itself.

2. Funds are mobilized at micro-level itself and credit is extended to the group members by themselves.

3. Selection of borrows for availing credit is also done at micro-level/group level.

4. Identification of the activity, unit cost, loans size, norms and procedures for repayment is also done at micro-level.

5. Recovery of loan and recycling of funds for repeat at lending (reciprocity) to the group members (group/sanga loan) are all autonomous decisions.

6. Under the new concept the poor borrower stands as manager of credit rather than remains as so called beneficiaries belonging for credit under the micro credit programmes implemented by various Government and Non-governmental organizations.

In one line, **Self-Help Group (SHG), can be stated as a plan by the people, of the people and for the people** reflecting the real people’s participation in the process of development at micro level. The Self Help
Group movement thus has added a significant dimension to women development in the country.

When a group of poor or disadvantaged people come together on their own (or voluntarily) with the clear objectives of bringing about positive changes in the situation in which they find themselves in through self-help and self-reliance, such a group is called Self Help Group. A saving and credit groups is a specialized from of Self Help Group, where the group members agree to from themselves into a group and function in an organized manner with the specific objectives of pooling their savings so as to able to give credit to its members for meeting their consumption and production needs. The main objectives of the group are to improve the economic and social status of the members in terms of their needs and interests.

1.14. Salient Features of Self Help Groups (SHGs)

1. It is a homogeneous group in terms of economic status and interest and an affinity group.

2. It is small in size and membership of one Self Help Group is in the range of 12-20 people.

3. It is non-political and voluntary and follows democratic culture.

4. Self Help Groups maintain the transparency among themselves and they have the collective accountability of financial transactions in the group.

In all, Self Help Group is a group of people possess a common experience, problem and condition or situation who come together to share
their experience. In most developing countries, attempts have been made to develop co-operatives by bringing together people of small means for fostering thrift and mutual help for their economic betterment. *Inter-alia,* credit is brought to the poor people where the delivery system is designed to disburse loans in small amounts with a repayment system that is appropriate and where collateral and paper requirements are kept at a minimum. The very successful model is Grameen Bank of Bangladesh.

1.15. Functions of Self Help Groups

1. Self Help Groups hold meetings weekly or fortnightly.
2. Promote thrift habit among members.
3. Build common-fund slowly and systematically.
4. Establish network with financial institutions and various government departments.
5. Provide alternative regular credit delivery system.
6. Act as purveyor of development of credit.

1.16. The mission of a Self Help Group

| (+) | Let us add our strengths |
| (-) | Subtract our differences |
| (x) | Multiply our resources and |
| (/) | Divide our responsibilities |

Sources: Credit Guidelines for SELF HELP GROUPS (SHGS). TNCDW Ltd., 1999

1.17. Stages of the Groups

I. Forming stage (0-6 months)
II. Storming stage (6-12 months)
III. Norming stage 12-18 months)
IV. Performing stage (18-36 months)

V. Sustaining stage (36 onwards)

1.18. Types of Self Help Groups

The Self Help Groups promote by ‘Self Help Group Promoting agencies (SHIPs) which includes Non Governmental Organization (NGOs), Banks and Government agencies. The first type Self Help Groups promoting by Non Governmental Organizations (NGOs), the second one is promoting by Banks and third one is promoting by government agencies. In India most of the Self Help Groups are started by Non Governmental Organizations (NGOs) that generally have broad anti-poverty agendas. Self Help Groups are seen as instruments for a variety of goals including empowering women, developing leadership abilities among poor people, increasing school enrolments, and improving nutrition and the use of birth control.

1.19 Genesis of Self Help Groups

Although there may be difference of opinion as to the genesis of Self Help Groups among the development workers, it could be say that they are nothing but the refined from old ‘Mutual Aid’ societies which existed in ancient India. In the west, Olseon (Macnur Olson 1972) among others have developed the theoretical approach to collective action. According to them, the people will participate in collective action when they are organized in small groups and when the expected private benefits from such action exceed the excepted private costs of participation. Now, Self Help Groups are found all over the world particularly in developing countries like India, Bangladesh,
Indonesia, Thailand, Philippines, Nepal, Sri Lanka, Latin America, and Eastern Europe.

Gender equity is indispensable for human development. Sustained human development implies engendering the development paradigm. Of the estimated 1.3 billion people living in poverty in developing countries, more than 70 percent are women. This feminization of poverty is the tragic consequence of women’s unequal access to economic opportunities. The number of rural women living in absolute poverty rising by nearly 50.00 percent over the past decades. Increasingly, poverty has a woman’s face. (Human Development Report, 1995) one of the prime causes for woman’s limited access to income and economic opportunities lies in their work being at the margin of major development efforts. Lack of access to timely credit poses a big problem especially to rural women. Banks consider only those borrowers who provide collateral assets. In most countries, such borrowers are disproportionately males. As result, women constitute a merely small proportion of borrowers from formal credit institutions. A study of 38 branches of major banks in India finds that only 11 percent of the borrowers are women. Although rural women constitute majority of farm labour in many developing countries, they receive very little credit. In 1990, multinational banks allocating $5.8 billion for rural credit to developing countries only 5 percent reached rural women. In the national context, women in India face gender discrimination in all facets of life regardless of their caste-class status. Poverty aggravates the degree of gender inequality face by women. The very fact that women living in poverty are generally voiceless, isolated and denied access to productive resources of all kinds further perpetuates the marginalization. Poor access to
credit worsens the marginalization of women particularly women in informal sector. The worst affected are women-headed households who constitute nearly 30 percent to total households in rural India (Lalitha, N., and Nagarajan, B.S., 2002). Women access to credit in rural areas is beset with number of problems like insistence of collateral security, cultural distance between rural women and banks, high transaction cost, restricted and fixed banking hours, inflexibility in quantum and purpose of credit, inconvenient repayment schedule, cumbersome procedures, denial of credit to women due to default by male members of the family, exploitation by intermediaries and many more. Dissatisfaction with the result of many formal credit programmes has stimulated searches for modalities that may provide effective financial services to rural poor particularly to rural women.

The Self Help Groups and micro credit organizations have a long history. In Vietnam, Tontines or Hui with 10-15 members involved in financial activities in cash or in kind have been in existence for generations (Abaid, 1995). In Indonesia, Credit Unions, Fisherman Groups, Village Based Bank like institutions and Irrigation groups have been in existence since long (Koch and Soetjipto, 1993). In Bangladesh, the success story of Grameen Bank is well known (Pitt and Khandker, 1998 and Pitt et al., 2003). Taking the lesson from the experience of other developing countries like Bangladesh, Indonesia, Bolivia and Philippines where combination of formal and informal finance provides sustained and valuable services to poor, a few Non Governmental Organizations (NGOs) and Self Help Promotion Institutions (SHPIs) in India adopted systematic models such as Individual Lending, Grameen and Self Help Groups (SHG) models and started experimenting the innovative scheme
of Self Help Groups which are also called as Thrift and Credit Groups. More than 400 women join the Self Help Group movement in India every hour; a Non Government Organization joins microfinance programme every day. (Self Help Groups in India: Living up to their Promise., FAI, 2010)

1.20. Benefits for Community and Village

- Inculcation of the spirit of Self Help and team spirit
- Higher social capital –active participation networking and collective action for development
- Model effect, wherein other poor women begin to from similar groups seeing the success of the older Self Help Groups
- Improved health and family welfare, through better awareness
- Better education for children and literacy due to increased awareness
- Knowledge of various welfare programs of government and banks in villages trough linkages facilitated with government agencies
- Voicing and acting social injustice and violence against women and children
- Women gain confidence and their voices are heard
- Economic development due to better economic status of families
- Abolition of bonded labor and child labor through better economic status and increased awareness
- Environmental consciousness and conservation of natural resources
- Communal harmony, caste harmony
- Eradication of evils of alcohol and dowry
1.21. Role of Self Help Group

- Develop strong, cohesive, among women, through inculcation of the spirit of Mutual Help, Self Help and team spirit.
- Reduce vulnerability to crisis by inculcating habit of regular savings.
- Getting out of money-lender’s clutches by regular savings and internal rotation of savings
- Increased asset-base and income, through access to inexpensive and timely credit
- Increased access and control over resources at household level through income generating activities and access to credit
- Building self confidence and improving communication skills through training increased mobility, exposure and collective action among women.
- Increasing social awareness, through motivation, intermingling, networking exposure and participation in social action and reformation programmes.
- Improving status of women in the family and society, through access to credit, increased control over resources, improved skills and collective action.
- Bringing out hidden talents by constant motivation and providing opportunities.
- Improved opportunities for self development by breaking social and cultural barriers and inhibitions.
- Awareness of legal rights and legal aids access, through networking and training
Overall leadership development, through exposure to group management by conscious rotation of responsibilities.

Change from worker status to worker-manager status, by motivation them to assume control over their lives.

Development of business competence, through entrepreneurship training, facilitating participation in exhibitions, collective negotiation/bargaining, facilitate emergence of structures like marketing unions and dissemination of information on markets.

Greater participation and decision-making in local democratic institutions like panchayats through participation in graama sabhas.

1.22. Role of Animator

- Convene and conduct women’s meetings at regular intervals.
- Create awareness of present social position, objectives of the Self Help Group and motivate building up of team spirit and team work.
- Work for improvement of literacy and numeracy of the group members.
- Disseminate information to members about development schemes especially in relation to health and family welfare, education etc.
- Disseminate information relating to Self Help Group management, general hygiene, environment consciousness, women and the law.
- Facilitate group to identify appropriate income generating activities for members, coordinate with banks for getting loans and ensure prompt repayment.
- Training the members in the procedures of bank transactions.
- Motivate members towards collective thinking and action.
- Working for improvement of socio-economic development of members.
Ensure regular group savings by members.

Prompt updating and proper maintenance of minute book, and all other account books.

Observing all rules and procedures for passing resolution for grant of loans.

Assist group in getting bank loan, asset creation and motivation for repayment.

Motivating all members to speak out and ensure participation of all in every meeting.

Make regular house visits and motivate absentees to attend meetings regularly.

Attend review meetings and motivating members to act with unity and integrity by ensuring transparent operations of transactions in Self Help Group.

Allocate responsibilities to every member in order to develop the abilities of each member, like sending members to banks or taking them along for important meetings by rotation.

Ensure that Self Help Groups become self-reliant and sustainable over the years.

1.23. Role of Representatives

- Convening the group meeting at regular intervals
- Assist the animator in achievement of Self Help Group’s objectives
- Operate bank account jointly as authorized by group
• Disseminate information received during training sessions to Self Help Group members
• Assist group in getting bank loan, asset creation and motivation to Self Help Group members
• Handling cash and all related banking activities
• Help problem-solving within the group
• Try to mobilize local resources for benefit of the group and village
• Management and effective use of group savings and loan funds
• Provide training of group members to improve their business skills, management of their activities and understanding of credit and banking procedures
• Carry out decisions of the group
• Represent the group in other forums

1.24. Role of Self Help Group members

⇒ Promptly attend Self Help Group meetings.
⇒ Fully participate in Self Help Group meetings and voice opinion clearly and freely.
⇒ Share responsibilities of Self Help Group collectively like going to banks by rotation.
⇒ Prompt repayment of Self Help Group loans.
⇒ Participate in village and social action programmes.
⇒ To ensure unity and mutual trust between all members and adopt the principle of “give and take “.
⇒ Ask question/doubts openly and ensure that the Self Help Group functions transparently.

⇒ Ensure prompt annual re-election of the animators.

⇒ Promptly attend training programmes and ensure implementation of good practices.

⇒ Share problems, experience, feeling and ideas with all members of Self Help Group.

1.25. Role of Non Governmental Organization (NGO)

- Study and document the statistics relating to poor women.
- Identify the poorest and inaccessible habitations for starting the project.
- Identify and target the poorest and un reached women in each habitation.
- Motivate poor women to from Self Help Groups.
- Visit and motivate and monitor prompt and full participation of Self Help Groups. in all training programmes.
- Motivate Self Help Groups to constantly improve savings level and methodology.
- Give proper instructions to Self Help Groups to correct mistakes in day to day managements of Self Help Groups.
- Assist Self Help Groups in opening of bank accounts.
- Assist Self Help Groups in applying for and obtaining external credit.
- Motivate Self Help Groups prompt repayment of all credit, internal and external.
- Identify weak Self Help Groups and provide full support.
- To conduct survey using techniques like social mapping, wealth ranking and Participatory Rural Appraisal/Participatory Learning Appraisal (PRA/PLA) to identify and facilitate the poorest women to come together for the programme.
- Work continuously with the groups to make them strong, cohesive and sustainable.
- Advisor and facilitate to the group on various matters social, economic, problem solving community action programmes, etc.
- Assist group members in selecting suitable economic/ income generation activities.

1.26. Role of Bankers

- Helping Self Help Groups in opening bank accounts in the nearest branch immediately on formation.
- Visiting Self Help Groups for establishing good rapport and assessing capacity for absorbing credit.
- Guiding the animators and members in relation to banking procedure.
- Delivering credit in time to eligible and progressive Self Help Groups
- Guiding group/ members to chose right economic activities.

1.27. Self Help Groups Movement and its progress in India

In India there are more than 50,00,000 Self Help Groups (SHGs), majority of them promoted by various government departments and schemes. A homogeneous group of 10-20 women comes together for a common objective of coming out of poverty through self-help and mutual benefit. Each
Self Help Group has its own norms regarding meetings, savings, lending, repayment, bookkeeping and engaging in social activities. MYRADA an NGO calls their groups as Self Help Affinity Groups (SAGs). MYRADA realized that there was a strong feeling of ‘affinity’, which linked the members of each of these small groups together.

<table>
<thead>
<tr>
<th>Myths</th>
<th>Truths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor Women don’t have money</td>
<td>Poor Women can save well but are not allowed to save</td>
</tr>
<tr>
<td>Poor Women Can’t save</td>
<td>Poor Women are more honest borrowers than the rich</td>
</tr>
<tr>
<td>Poor Women are dishonest and not credit worthy</td>
<td>Poor Women are suppressed and lack training</td>
</tr>
<tr>
<td>Poor Women don’t know how to use money or not allowed</td>
<td>Poor Women learn faster than poor men but lack opportunity</td>
</tr>
<tr>
<td>Poor women are ignorant, incapable and can’t learn</td>
<td></td>
</tr>
</tbody>
</table>

Sources: Credit Guidelines for SHGS. Tamil Nandu Corporation for Development of Women. Ltd., 1999

1.28. Demographic Features of Tamil Nadu

Tamil Nadus’ population growth has been stabilizing and growing slowly over the years. Female population constitutes nearly half of the total population in the State. Sex ratio the number of female per thousand males is a significant indicator of the status of women in Tamil Nadu, has registered a continuous decline except 2001. The rural sex ratio is relatively favorable at 992 compared to 981 in urban areas. It may also be noted that sex ratio in Tamil Nadu is consistently better than all- India average.

1.29. Life Expectancy at Birth

Life expectancy at birth tends to be good summary measure of women’s health status. Normally women outline men, in countries with high income women on an average live longer by six years than men. In countries
with lower income they live only two years longer. The life expectancy at birth for female has shown a steady increase in the state, from 39.74 years in 1961 to 69.75 years in 2001.

1.30. Women literacy

Education is a potent remedy for most of the ills of the society. Education is the main instrument for transformation in any society. The economic and social returns to education for women are substantial. By educating its women, a country can reduce poverty, improve productivity, ease population pressure and offer its children a better future. A ‘package approach’ is requiring for developing female education. There is a wide disparity between male and female literacy rates. As per 2001 census, the literacy data is 64.40 percent and 82.40 percent for females and males respectively in the state. There is also exists a rural-urban gender divide in literacy rate across Tamil Nadu. The rate is 76.00% for urban female where as it is 55.00% percent for its rural counterparts, compared to urban female literacy rates, the rural rate is lower by 20.71% points, where as the percentage point difference among males in urban and rural areas is only11.82%. The difference in the levels of literacy between males and females is significantly higher in rural area than in urban areas,. This indicates that specific intervention may be required for developing literacy rates of the female population especially in rural areas.

1.31. Self Help Groups movement and its progress in Tamil Nadu

The Tamil Nadu experiment in Self Help Groups is pioneering by few Non-Governmental Organizations (NGOs). Government of Tamil Nadu
partnered this lab-scale experiment in the late 80’s. This experiment proved to be a laboratory model, worthy of up scaling and replication in other parts of the state and county. The early pioneering effort is aiding and enhancing by assistance of the International Fund for Agricultural Development (IFAD), through the Tamil Nadu Women Development Project (TNWDP) taken up for implementation by the Government of Tamil Nadu through the Tamil Nadu Corporation for Development of Women Ltd.(DeW) in eight districts (then five districts) of Tamil Nadu in 1989-90. The prime objectives of the project are to improve the social and economic position of women below poverty line, through the formation of self help groups poor women in these districts with active assistance and facilitation of Non Governmental Organizations. The results of the project speak for themselves.

**Details of SHGs as on 31.03.2010**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of SHGs</td>
<td>4,41,311</td>
</tr>
<tr>
<td>No. of SHG Members</td>
<td>69.91 lak.</td>
</tr>
<tr>
<td>No. of Rural SHGs</td>
<td>3,02,092</td>
</tr>
<tr>
<td>No. of Members in Rural SHGs</td>
<td>48,33,472</td>
</tr>
<tr>
<td>No. of Urban SHGs</td>
<td>1,39,219</td>
</tr>
<tr>
<td>No. of Members in Urban SHGs</td>
<td>21,57,894</td>
</tr>
<tr>
<td>Total Savings</td>
<td>Rs.2,568 cr.</td>
</tr>
<tr>
<td>No. of SHGs credit linked</td>
<td>4,02,046</td>
</tr>
<tr>
<td>Total credit</td>
<td>Rs.8,129.61 cr.</td>
</tr>
</tbody>
</table>

**Sources : Tamil Nadu Corporation for Development of Women. Ltd**

The highlight of the programme is that the borrower Self Help Group (SHG) has flexibility in utilizing the amount manner that is most useful either to the group or to the individual more members within the group. The
traditional shackles of security and co-obligates are broken and the group members themselves offer collateral security. Accordingly, up to 31st March 2010, 4,02,046 Self Help Groups are giving bank loan amounting Rs.8,129.60, crores in the Tamil Nadu state.

1.32. Self Help Groups and Bank Linkages

The greatest challenge to any civilized society is the social deprivation it harbors, in league with economic deprivation. It is inescapable that a collective war is waged to banish human deprivation from our midst. No other weapon can be more potent for this attack than building human capital among the deprived, through sustainable development initiatives. This principle is germane to the Self Help Group (SHG)-Bank linkage programme in India, which ensconces the basic human feeling of self-worth at its core. National Bank for Agriculture and Rural Development (NABARD) in partnership with selected Non Governmental Organizations (NGOs) and banks, developed this strategy to enable the banking system to transcend the confines of an already existing savings and credit delivery mechanism, which was neither cost-effective for the banks, nor user-friendly for very poor segment. The strategy goes far beyond, into the realms of building financial capabilities and self-confidence in the rural women, through internal savings and lending from the owned funds of the Self Help Groups (NABARD, 2003). As on 31 March 2009, total 61,21,147 Self Help Groups were having saving bank accounts with the banking sector with outstanding savings of Rs. 5,545.62 crore as against 50,09,794 Self Help Groups having savings of Rs. 3785.39 crore as on 31 March 2008, thereby having growth rate of 22.2% and 46.5%
respectively. Thus, more than 8.6 crore poor households were associated with banking agencies under Self Help Group-Bank Linkage Programme. As on 31 March had the maximum share of Self Help Groups’ savings of 35,49,509 Self Help Groups (58.00%) with savings amount of Rs. 2772.99 crore (50.00%) followed by Regional Rural Banks having savings bank accounts of 16,28,588 Self Help Groups (26.6%) with savings amount of Rs. 1989.75 crore (35.9%) and Cooperative Banks having savings bank accounts of 9,43,050 Self Help Groups (15.4%) with savings amount of Rs. 782.88 crore (14.1%). (Status of Micro Finance in India., NABARD.,2008-2009).

1.33. Models for Self Help Groups: Non Governmental Organizations-Bank Linage

There are three models to provide micro finance to the Self Help Group from external sources. They are as follows:

Model I: Self Help Groups formed by Non Governmental Organization and linked to bank

In this model Non Governmental Organization would organize the poor in to Self Help Groups, under take training for awareness building, entrepreneurship and skill training, help in arranging inputs, extension and marketing, introduce saving and internal lending, help in maintenance of accounts and link them with the banks for credit requirements. Banks directly provide loans to Self Help Groups with recommendation of Non Governmental Organization. In this model Non Governmental Organization acts as facilitator.

Model II: Non Governmental Organization froms Self Help Groups and perfrom financial intermediation role as on lender to Self Help Groups after sourcing loans from banks
In this case besides acting as facilitator the Non Governmental Organization also works as financial intermediary. Here the loan is given to Non Governmental Organizations by the bank for on lending the Self Help Groups individuals. In this linkage model Non Governmental Organization would be legally responsible for repayment, and would bear the risk of non-payment. Involvement of Non Governmental Organizations in micro-credit system would have positive influence as they are grass-root agencies. With good information about borrowers thus adverse selection and production of recovery could be avoided. At the same time Non Governmental Organizations would be in a position to help rural poor, particularly women to bring them above poverty line and create rural employment.

**Model III: Bank –Self Help Groups Association**

In this case, banks directly promote self Help Groups. Here the bank assumes to play the role of Non Governmental Organizations and ensure linkage with Self Help Groups. This Self Help Group –Non Governmental Organization-Bank integration is very mush essential to credit delivery for self employment and other business activities which could be as effective vaccine against poverty. The ultimate goal of this linkage programme is not just promotion of Self Help Groups but the focus is poverty eradication through income generation.

**1.34. Advantages of Self Help Group loans over Individual Loans**

- Lower transaction cost
- Simple documentation / Procedure
- High repayment rate
- Easier supervision and transparency
- Non Governmental Organization/ Govt. as non-financial intermediary
- Easy credit delivery to the poor
- Better quality of lending
- Disciplined customer
- Group (peer) pressure is effective

1.35. Micro-credit and Micro-finance

World Scenario:

It has been documented that nearly 53 developing countries have taken to micro-credit on a large scale. Specialized banks like BRI and BDB of Indonesia, Grameen Bank of Bangladesh, etc., have taken up the task of reaching out to the poor in a profitable manner, showing that banking with the poor is sustainable. It is therefore relevant to take note of the most important events. In 1997, a large assembly of Development financial Institutions, Non Governmental Organizations, micro-credit practitioners, social activists and representatives of governments, from the developed and developing world, converged at Washington, for the World Micro-credit Summit at Washington DC, to debate and decide on the future course of action to tackle the serious poverty problem affecting a vast majority of the world’s population and discuss ways and means of using micro-credit as a tool to empower the poorest sections.
1.36. Preamble of the world micro-credit Summit

The time has come to recognize micro-credit as a powerful tool in the struggle to end poverty and economic dependence. We have assembled to launch a global movement to reach 100 million of the world’s poorest families, especially the women of those families, with credit for self-employment and other financial and business services, by the year 2005.

1.37. The Summit Declaration expands on micro-credit as:

Micro-credit programs extend small loans to poor for self-employment projects that generate income, allowing them to care for themselves and their families. In most cases, micro-credit programs offer a combination of services and resources to their clients in addition to credit for self-employment. These often include savings facilities, training, networking, and peer support. Micro-credit is powerful anti-poverty tool that has demonstrated relevance to people on six continents and nearly every country. It is estimated that micro-credit programs now reach something of the order of eight million very poor people in developing countries.

Generally, it has been observed that the poor people don’t have access to bank loans, and the private money lenders charge very high interest rates. This makes difficult for poor people to access funds for starting small income generation activities like sewing buying cows opening a small shop, Micro - credit caters the need of people for small loans. Micro-finance includes support services along with the loan component. In Micro-credit, more emphasis is placed on loans. Micro- finance, thereby, opens up channels for
thrift, market assistance, technical assistance, capacity building, insurance, social and cultural programmes. Thus, Micro-finance has an element of ‘Credit plus’ while micro-credit is ‘only credit’

1.38. Discipline – Peer Pressure and Incentives

Micro-credit and group credit have became almost synonymous. Especially sustainability, high repayment rate, and outreach become associated with terms such as solidarity and peer pressure. This association is arguably attributable to the well-publicized successes of the Grameen Bank in Bangladesh (Hossein, 1988). Group lenders have extensive relationships with their clientele. Often, they offer advice and support that is quite unrelated to enterprise development. Social development, even health matters are often discussed, and sometimes social gatherings – parities are part of their working procedures. Frequent meetings are important part of group lending schemes: they are crucial to the transparency and information sharing on which joint liability depends. Meetings are usually fortnightly, with the group members and the credit officer attending the meetings. The function of meetings and other form of social interaction, in Self Help Group credit schemes is not purely economic; while meetings are part of the credit operation, they also have a social role. Group credit schemed have, therefore,
more functions than credit extension alone. However, social interaction is
time-consuming, both for group members and for credit officers.

1.39. Micro Credit Through Group And Mohammed Yunus

Mohammed Yunus believes that peace prevails only when hunger is
quelled. His achievement lies in driving away poverty in Bangladesh and bringing
in peace and happiness. He thought he could make them come out of poverty by
lending them a small amount of money as loan and help them to become
independent. His idea is to remove their poverty and improve their life by giving
the some financial assistance.

Mohammed Yunus started the Grameen Bank in 1976 with only a
meager amount of takas equivalent to 27 dollars as loan amount. Today,
there are 75,634 branches of Grameen Banks spread all over the world. The
poor people themselves are the shareholders of these banks. The banks put
down certain condition to those who receive the loans from the bank. They
are: (i) they must be poor, (ii) they should not own any land, (iii) they should
not own any property or won a house.

Under these conditions out of every group of 5 women, one is made the
lender and the other a secretary. She is grouping them like this all over the
country, which became the backbone of success of all these Grameen Banks.
He visiting a number of houses, and listening to their grievances. She is realizing
that by giving them a small amount of loans, she could make the work hard and
repay it. This changed their lives drastically. The women could develop self
confidence in themselves. The opportunity gave them the courage to fight their
poverty. The banks help them to weave baskets, buy cows or do poultry on a
small scale by giving them loans. In Grameen banks even a beggar can take loan, this is the specialty of the bank by getting a loan and fighting poverty, Bangladesh’s poor women have earning an economic independence. They are leading a dignified life now, with the upliftment of the economic status at home, there is considerable improvement in the family health and education. Self Help Groups can have access to credit from any bank or financial sources convenient to them. They can also have access to any government schemes or any other source of funds from the Non Governmental Organization. They can also set up their own local banks after getting necessary permissions. In the year 2009, 128 million world’s poorest received micro loans. While the first micro loans in the developing world were made in the 1970s, for decades, this quiet revolution gained ground largely unnoticed by world leaders and development specialists. The year after the 1997 Micro credit Summit, the United Nations declared 2005 as the Year of Micro credit. In 2006 Muhammad Yunus and Grameen Bank received the Nobel Peace Prize.

1.40. What is empowerment?

The concept of Empowerment has been the subject of much intellectual discourse and analysis. For the purpose of this discussion, the conceptual framework expounded by United Nations is a useful starting point (United Nation, 2001). Empowerment is defined as the process by which women take control and ownership of their lives through expansion of their choices. Thus, it is the process of acquiring the ability to make strategic life choices in a context where this ability has previously been denied. The core elements of empowerment have been defined as agency (the ability to define one’s goals and act upon them), awareness of gendered power structures,
self-esteem and self-confidence (Kabeer 2001). Empowerment can take place at hierarchy of different levels-individual, household, community and societal and is facilitated by providing encouraging factors and removing inhibiting factors.

According to Wikipedia, empowerment refers to increasing the spiritual, political, social, or economic strength of individuals and communities. It often involves the empowerment developing confidence in their own capacities. The term empowerment covers a vast landscape of meanings, and interpretations. From the Sociological point of view, the empowerment often addresses members of groups that social discrimination processes have excluded from decision-making processes through for example discrimination based on disability, race, ethnicity religion or gender. Two vital processes have been identified as important for empowerment. The first is social mobilization and collective agency, as poor women often lack the basic capabilities and self-confidence to counter and challenge existing disparities and barriers against them. Often, change agents are needed to catalyze social mobilization consciously. Second, the process of social mobilization needs to be accompanied and complemented by economic security. As long as the disadvantaged suffer from economic deprivation and livelihood insecurity, they will not be in a position to mobilize (UNDP 2001)

According to Kiran Yadav(2010) empowerment is a social action process that promotes participation of people. Organization and communities in gaining control over their lives in their community.
Baltiwal (1997) refers “Empowerment is a process which change existing power relations by addressing itself to three dimensions-material, human and intellectual resources. It is a process which must challenge and change ideology, the set of ideas, attitudes, beliefs and practices in which gender bias or social bias like caste, class, regionalism and communalism are embedded.

The dictionary of Social Work defines, empowerment as the theory concerned with how people may gain collective control over their lives so as to achieve their interests as a group. The dictionary definition links empowerment with Self –Help: “Empowerment can refer to user participation in services and to the self-help movement generally in which groups take action on their own behalf either in co-operation with or independently”. Any strategy which aims at empowering the rural poor and empowering the women in particular must be based on an understanding of and ability to overcome causes of the lack of power which lie at the root. Poor rural women live with the reality of double deprivation i.e., patriarchal dominance and gender stratification.(Marilyn Carr, Martha Chen and Renana Jhabvala., 1996.)

Empowerment of women is a pressing need of the day, unfortunately, it is least understood. It is therefore very essential to define empowerment for the benefit of all developmental sectors. Empowerment is about people- both women and men- taking control over their live: becoming conscious of their own situation and position, setting their own agenda, creating space for themselves, gaining skills, building self- confidence, solving problems, and
developing self-reliance. It is not only a social and political process, but and individual one as well and it is not only a process but an outcome too (MT working manual, TNCDW Ltd.2000).

Empowerment is a multi-acted, multi-dimensional and multi-layered concept. Women’s Empowerment is a process in which women gain greater share of control over resources-material. Human and intellectual like knowledge, information, ideas and financial resources like money –and access to money and control over decision-making in the home, community, society and nation, and to gain ‘power’. According to the Country Report of Government of India, “Empowerment means moving from a position of unforced powerlessness to one of power”.

Outsiders cannot empower women; only women can empower themselves, to make choices or to speak out on their own behalf. However, institutions, Non Governmental Organizations and Government agencies, can support processes that increase women’s self confidence, develop their self-reliance, and help the set their own agendas. The Self Help Groups to set in motion processes that develop women all spheres of their lives. The strategy adopt therefore must encourage, motivate and impel women to take control of their lives, create space for themselves and participate in decision-making at all levels.

1.41. Concept of Empowerment

The concept of ‘the empowerment of women’ emerged from the failure of approaches of development that were invoked under the auspices of modernization and neo-liberalism paradigms. These approaches did not gain
success as they did not address the issues related to structural barriers (Moser, 1991). The evidence suggests that customary gender values, rules and rights from the moral order of society that then restricts the access of women to social, political and legal institutions and which ultimately creates and perpetuates a vicious exclusionary cycle that maintains gender inequalities (World Development Report, 2000/2001). In order to achieve greater success in increasing the tools that deal with the condition and the position of women (Young 1989). That researcher describes ‘condition as the level of the material needs such as wage, education, personal consumption and health care that are available to women to meet their daily requirements for living. The ‘position’ of women is reflected in their socio-economic status relative to men. On both counts, in all countries including countries of the developed the gender deficiency against women is compelling. In an effort to incorporate a greater effort to meet the needs of women world –wide and in response to the politicization and internationalization of the plight of women the concept of ‘empowerment’ emerged as a constitutive element of a new development paradigm (Kabeer, 1994). The concept of empowerment is heavily tilted on the notion of power. This view is reflected in the writings of Friedmann, (1992); Craig and Mayo, (1994); Rowlands, (1997); England,(2000) and others in which the authors consider the re-alignment of gender-related power as central to any form of social transformation. In its most observable from power could be realized as the capacity to influence the process and our come of a decision. Such power is based on the capacity to exercise control over material and intellectual resources. Power therefore occurs to those who are able to control the distribution of such
resources (Batliwala, 1994). When control over material and intellectual resources is dominated by a particular group this is likely to give permanency and legitimacy to the status quo (Mayo and Craig, 1995).

Mayoux (2000) defines empowerment as a process of change in power relations that is both multidimensional and interlinked. She has laid out a frame work for work for women’s empowerment.

<table>
<thead>
<tr>
<th>Framework for women’s Empowerment in Different Spheres of life</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Power Within:</strong> enabling women to articulate their own aspirations and strategies for change</td>
</tr>
<tr>
<td><strong>Power To:</strong> enabling women to develop the necessary skill and access the necessary resources to achieve their aspirations.</td>
</tr>
<tr>
<td><strong>Power With:</strong> enabling women to examine and articulate their collective interests, to organize to achieve them and to link with other women’s and men’s organizations for change</td>
</tr>
<tr>
<td><strong>Power Over:</strong> changing the underlying inequalities in power and resources that constrain women’s aspirations and their ability to achieve them.</td>
</tr>
</tbody>
</table>

Source: Mayoux, 2000

In this process of empowerment is a process by which powerless women gains power to control the circumstance of their lives, empowerment encompasses a wide range of approaches and priorities which will vary in response to the nature and the extent of socio-cultural differences.

1.42. Empowerment of women

A literature review resulted in no clear definition of the concept. According to Nanette Page and Cheryl E. Czuba “Empowerment as a multi-
dimensional social process that helps people gain control over their own lives. It is a process that fosters power in people for use in their own lives, their communities and in their society, by acting on issues they define as important. For understanding the concept, we have to understand the core concept of empowerment is the idea of power. The possibility of empowerment depends of two things. First, empowerment requires that power can change if power cannot change, if it is inherent in positions or people, then empowerment is not possible, nor is empowerment conceivable in any meaningful way. In other words, if power can change, then empowerment is possible. Second, the concept of empowerment depends upon the idea that power can expand. This second point reflects our common experience of power rather than how we think about power.

1.43. Social Empowerment

Empowering women contribute to social development. Economic progress in any country whether developed or underdeveloped could be achieved through social development. Hence, women’s empowerment cannot be ignored. While devising various policies for rural and socio-economic development. Even country has made progress in developing women’s capabilities, but inequalities continue to exist between women and men. The low status of women is the outcome of a variety of causes in which patriarchal values reinforced by tradition, media and other socio-political institution play a major role. Thus, the institutional bases of women’s oppression have to be sensitized to accept the gender equality and moreover, women’s perception of themselves would also need to be changed.
1.44. Social Empowerment can achieve through

- Equal status, participation and powers of decision-making of women in household
- Equal status, participation and powers of decision-making in community and village
- Breaking social, cultural and religious barriers to equal development of women/ girls
- Increased status, participation and powers of decision-making in democratic institutions

1.45. Economic Empowerment

Empowering women with economically productive work will enhance their contribution to agricultural development. The farm women need to have control over limited resources like land and livestock, so that they could take away decisions and implement them in any way that is required. Ownership and control over productive assets will create a sense of belonging and owning. It will thus help to take responsibility in family and local group activities. Other impact of control is to enhance their decision-making ability to mere some physiological needs like self-esteem and confidence.

1.46. Economic empowerment can achieve through

- Greater access to financial resources outside household
- Reduced vulnerability of the poor women to crisis famine, flood, riots, etc.
- Significant increase in the woman’s own income
- Equal access and control over resources at the household level
Financial self reliance of women

1.47. Political empowerment

Political equality to all children regardless of birth, sex, race etc. is one of the basic premises of democracy. Political equality includes not only equal rights to franchise but also more importantly, the right to access to the institutionalized centers of power. Thus, political participation of women means not only using the right to vote but also power sharing, co-decision making and co-policy making at all levels. The active participation women and helps to build a gender’s political empowerment is premised through fundamental and non-negotiable principles.

1.48. Political empowerment can achieve through

- The equality of men and women
- Women’s right to the full development of their potentials
- Women’s right to self representation and self determination
- Better awareness on health, education, environment, etc
- Improved functional literacy, numeracy
- Better communication skills
- Better leadership skills

1.49. Human and Social Resources

The word does not even translate literally into many languages, according to UNIFEM, “gaining the ability to generate choices and exercise bargaining power.” Empowerment is an implicit, if not explicit, goal of a greater number of developing institutions around the world. Empowerment is
about change, choice, and power. It is a process of change by which individuals or groups with little or no power who has t, what its sources are, and how it is exercised directly affect the choice that women are able to make in their lives (Mayoux, 2000). In order for a woman to be empowered, she needs access to the material, human, and social resources necessary to make strategic choices in her life. Not only have women been historically disadvantaged in access to material resources like credit, property, and money, but they have also been excluded from social resources like education or insider knowledge of some businesses. Access to resources alone does not automatically translate into empowerment or equality, however, because women must also have the ability to use the resources to meet their goals. In order for resources to empower women, they must be able to use them for a purpose that they choose. Naila Kabeer uses term agency to describe the processes effectively. Women who have been excluded from decision making, negotiation, and manipulation required for women to use resources effectively. Women who have been excluded from decision making for most of their lives often lack this sense of agency that allows them to define goals and act effectively to achieve them. However, these goals also can be heavily influenced by the values of the society in which live and so may sometimes replicate rather than challenge the structures of injustice. The weight of socialization is eloquently expressed by one woman activist from Prishtina, Kosovo: “There is education in the family: first you shouldn’t speak because you are a girl, then later you shouldn’t speak because no one will marry you, then later you shouldn’t speak because
In order to create more gender equality and eradicate poverty among rural and urban women, various studies have recognized the importance of empowering women. Hainard and Verschuur (2001) emphasize that empowerment should be “a process of developing negotiating skills from the bottom up approach to redress unequal power relations and produce new development paradigms’. To successfully empower women, both gender and empowerment concerns should be integrated into every service provision area. Moreover, they should be incorporated in the economic, political and social spheres as well as at the individual, household and community levels in order to overcome gender inequality (Mayoux, Jejeebhoy, 2000) identify the social institutions as highly influential in shaping a woman’s autonomy. He believes that these institutions should provide comprehensive, direct and context-specific strategies to empower women. These strategies include creating gender consciousness, enabling women to mobilize community resources and public services, providing support to the challenges of traditional norms and providing access to vocational and life skills to increase women’s access to and control over economic resources. But women’s empowerment is not and easy outcome to measure. Santillain et al.2004) stress the need to go beyond standardized indicator; they are proponents of context specific indicators that refer to social relations. These indicators might include factors such as the distinction between individual and collective awareness, increased self esteem and an analysis of grass-roots organizations ( Hainard and Verschuur, 2001). In addition, (Hashemi et
al. 1996) point out that the methods used to measure women’s empowerment in one society can be deemed completely irrelevant in another. Therefore, cultural factors in each society also need to be taken into account.

**1.50. Empowerment and Decision Making**

Women’s ability to influence or make decisions that affect their lives and their futures is considered to be one of the principal components of empowerment by most scholars. It is much less clear, however, what types of decisions and what degree of influence should be classified as empowerment in different contexts. In spite of the difficulties, some microfinance institutions are finding ways to evaluate their impact on women’s decision making. The women’s empowerment program in Nepal, for example, conducted a study that showed an average 68.00% of women in its program experienced an increase in their decision making role in the areas of family planning, children’s marriage, buying and selling property, and sending their daughters to school all areas of decision making traditionally dominated by men. (Jeffrey Ashe and Lisa Parrott., 2001) world Education, which provides literacy and other education to existing Self Help Groups, found that the combination of education and credit put women in a stronger position to ensure more equal access for female children to food, schooling, and medical care.

**1.51. Empowerment and Self-Confidence**

Self-confidence is one of the most crucial areas of change for empowerment, yet is also one of the most difficult to measure or assess. Self-confidence is a complex concept relating to both women’s perception of their capabilities and their actual level of skills and capabilities. It is related to
Kabeer’s concept of agency that allows women to define and achieve goals as well as the sense of power women have within themselves. Jeffrey and Ashe and Lisa Parrott’s study of the Women’s Empowerment Projects in Nepal showed that an increase in self confidence and enlarged spheres of influence were the top two changes in sampled groups.

1.52. Empowerment and status in the community

Several women development and micro finance support programs have observed improvements in women’s status in their communities. Contributing financial resources to the family or community confers greater legitimacy and value to women’s views and gives them more entitlements than they would otherwise have. Studies of microfinance clients from various institutions around the world show that the women themselves very often perceive that they receive more respect from their families and their communities particularly from the male members than they did before joining a Self Help Group, Where women have the freedom to move about publicly, their success in business is often highly visible in the community. Their success can pave the way for them to become respected and valued members of society.

1.53. Empowering aspects of Self Help Groups

Self Help Groups intermediated by micro-credit have been shown to have positive effects on women, with some of these impacts being ripple effects. They have played valuable roles in reducing the vulnerability of the poor, through asset creation, income and consumption smoothing, provision of emergency assistance, and empowering and emboldening women by
giving them control over assets and increased self-esteem and knowledge (Zaman 2001). Several recent studies have also generally reported positive impacts. The studies point out to asset creation as one of the main indicators, measurable by empirical data. From field visits done by the researcher, and from various documented sources, it would appear that financial services, especially micro-credit, provided to Self Help Groups have brought about an increase in household income. One of the important indicator of empowerment is the ability to make decisions within the household. On this issue, in the field studies conducted under the International Fund Agricultural Development (IFAD) gender mainstreaming review, many women interviewed indicated that they could decide on spending their own income, although men were often consulted. In some countries, where mobility outside the home is often restricted, women have reported increased mobility, simply having to inform, male heads of households instead of soliciting their permission. In the realm of self confidence and self esteem, the feedback from the International Fund for Agricultural development (IFAD) gender mainstreaming review has been very positive. Reports indicate that women are more able to articulate their views and were able to command attention and respect within the household, and often within the community. Increased self-confidence especially pronounced when women had been exposed to training on women’s rights and social and political issues.

1.54. Pathways to empowerment

Self Help Groups have been instrumental in empowerment by enabling women to work together in collective agency. Women’s networks do not usually obtain business or political favors as they command few economic
resources and frequently rely on time and non-monetized labour exchange. However, Self Help Groups, when combined with savings and credit, have enabled women to benefit economically by monetizing their contributions and in the process have empowered them to become agents of change. A related aspect is that Self Help Groups have facilitated the formation of social capital, where people learn to work together for a common purpose in a group (Putnam 2000). The ability to associate depends on the degree to which communities share norms and values and are able to subordinate individual interests to those of larger groups. Out of these shared values comes trust, with the potential for social, economic and political change. However, these groups are often narrowly focused on micro credit, which although useful as an entry point, can also limit and confine these groups to very small scale activities with limited impacts beyond the immediate family. Instead this process of social mobilization should be conceptualized more broadly so that the group can perform more encompassing role. Institutional frameworks, which bring these groups together and harness their collective strengths, are also necessary.
Women’s decisions

Increased household income under women’s control

Women’s economic activity

Increased status and changing roles

Household well-being
- Nutrition, health literacy, happiness

Women’s well-being

Increased income from women’s activity

Women’s economic empowerment

Increased investment and productivity

Increased confidence and skills (power within and power to)

Women’s social and political empowerment

Increased control over assets and resources

Increased access to markets

Women’s net work and mobility (Power with)

Poverty reduction

Economic growth

Power to challenge and change gender relations (power over)

Women’s Human rights
1.55. Self Help Group (SHGs) and Women Empowerment: Virtuous Spirals

First, increasing women’s participation and microfinance can lead to their economic empowerment (the linkage in the centre of the figure). Women’s roles in improve, in some cases enabling them to access significant amounts of money in their own right for the first time. This might enable women to start their own economic activities, invest more in existing activities, acquire assets or raise their status in household economic activities through their visible capital contribution. Increased participation in economic may raise women’s incomes or their control of their own and household income. This, in turn, may enable them to increase longer term investment in and productivity of their economic activities, as well as their engagement, in the market.

Second, increasing women’s participation and microfinance can increase household wellbeing (the linkage on the left in the figure). This partly result of economic empowerment, but may occur even where women use group services for the activities of other households or children. Even where women are not directly engaged in income earning activities, channeling credit or savings options to households through women may enable them to play a more active role in intra household decision-making, decrease their own and household vulnerability, and increase investment in family welfare. This situation may benefit children through increasing expenditure on their nutrition and education, particularly for girls. It can also lead to improved wellbeing for women and enable them to bring about change in gender
inequalities in the household. It is also likely to benefit men as a result of the increased household income.

Third, a combination of women’s increased economic activity and increased decision-making in the household can lead to wider social and political empowerment (the linkage on the right in the figure). Women, themselves, often value the opportunity to make a greater contribution to household wellbeing giving them greater confidence and sense of self-worth. The positive effects on women’s confidence and skills, their expanded knowledge and the formation of support network through group activity and market access can lead to enhanced status for all women in a community. In some societies where women’s mobility has been very circumscribed and women previously had little opportunity to meet women outside their immediate family, there have been very significant changes. Individual women who gain respect in their households may then act as role models for others, leading to a wider process of change in community perceptions and men’s increased willingness to accept change.

Finally, women’s economic empowerment at the individual level (the linkage across the bottom of the figure) can make potentially significant contribution at the macro level through increasing women’s visibility as agents of economic growth and their voices as economic actors in policy decisions. This, together with their greater ability to meet the needs of household well being, in turn increases their effectiveness as agents of poverty reduction. Self Help Groups may take collective action to address gender inequalities within the community, such issues as gender violence and access to
resources and local decision-making. Higher level organization may further reinforce these local changes, leading to wider movements for social and political change and promotion of women’s human rights at the macro level. Some Non Governmental Organizations have used Self Help Groups strategically as an entry point for wider social and political mobilization of women around gender issues. Self Help Groups have at times become the basis for mobilizing women’s political participation. Moreover, these three dimensions of economic empowerment, well being and social and political empowerment are potentially mutually reinforcing ‘virtuous spirals’ both for individual women and at the household, community and macro level.

With this backdrop various studies have been reviewed and analyzed to strengthen the research presented in the chapter-II