

ECONOMIC EMPOWERMENT OF WOMEN THROUGH SELF-HELP GROUPS

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Abstract

Women empowerment in the context of women's development is a way of defining, challenging and overcoming barriers in a women's life through which she increases her ability to shape her life and environment. It is an active, multidimensional process which should enable women to realize their full identity and power in all spheres of life without total intellectual and physical participation of women; it is not possible to achieve the goals of rural uplift. United Nations (2001) defined empowerment as the processes by which women take control and ownership of their lives through expansion of their choice. Empowerment as a concept was introduced at the International Women's conference in 1985 at Nairobi. Surekha and Rajamanamma (1999) described empowerment as an important process through which women are enabled to realize their full identity and power in all spheres of life. Women development in recent years emphasized of providing equal opportunities to women by removing gender bias, empowering women and creating self reliance among them. In the recent years, empowerment of women has been recognized as a central issue in determining the status of women. The participation of women in agriculture has made a significant impact on their empowerment both in social and economic aspects.

Keywords: SHGs, empowerment, micro-credit, NABARD, social status

Functions of Self Help Groups

The basic aim of self help groups is that it acts as the forum for members to provide space and support to each other. The following are the vital functions of self help groups

1. To promote the habit of self help approach among women population
2. To develop collective leadership
3. To promote effective women's participation in their own development programme
4. To promote women's empowerment
5. To promote saving habit among the group members
6. To borrow loans from the promoting / sponsoring band and use it for lending to group members
7. Solving the problems if any, through group efforts and approach.

Components of Empowerment of Women

Empowerment of women has the following components:

1. Access to economic resources and influence over their uses.
2. Participation in economic decision-making.
3. Opportunities for self-development.
4. Participation in socio-political decision making and influence over local opinion making.
5. Scope for skill-development.
6. Impact on general welfare of the family and community.

The of self help groups gained significance, especially after 1976 when Prof. Mohammed Yunus of Bangladesh began experimenting with micro-credit and women self help groups. The strategy made a quiet revolution in Bangladesh in poverty eradication “by empowering the poor women’.

“Self Help Groups (SHGs) are groups of people having a common goal of socio economic sustainable development, discussing their problems and resolving it through appropriate participatory decision making”. Self help groups have been the social innovation in poor people’s organizations in under developed regions. These groups from the social capital which facilities the financial linkage of poor with the formal financial institutions. In India there are 5 Lakhs self help groups with a membership of 8 million.

Women and Economic Development

The development experience of most of the underdeveloped countries show that while many of them achieved the growth targets set in terms of Gross National Product (GNP), the problems of poverty, inequality and unemployment persisted and the standard of living of the masses showed no improvement. According to the World Bank’s Development Report 1991, “the challenge of development is to improve the quality of life. Especially in the world’s poor countries, a better quality of life generally calls for higher incomes - but it involves much more. It encompasses as ends in themselves, better education, higher standard of health and nutrition, less poverty, a cleaner environment, more equality of opportunity, greater individual freedom and richer life”.

Women Empower through SHG’s

The Self Help Groups (SHGs) have become a component of the Indian financial system after 1996. They are small, informal and homogenous group of not more than 20 members each. The size of 20 has been made mandatory because any group larger than this has to be registered under the Indian legal system. Also, the repayment rate tends to be lower in large groups as the magnitude of the free rider problem and the propensity to default is high in heterogeneous groups. These are the features, which distinguish small, homogeneous and informal SHGs from large, heterogeneous and formal co-operatives

although both are founded on the principles of cooperation. Because of the heterogeneity and bureaucracy the co-operatives in many countries have been hijacked by the less poor, the landowners and by allied political interests (Harper, 1998). Several countries including India have had problems with credit, co-operatives management has succeeded in some countries (Yaron, 1992).

Table 1: Cumulative Progress of SHGs - Bank Linkage Program in India (Rs. In Crore)

Year	No. of SHGs	Bank Finance	Re-finance by NABARD
1992-93	255	0.29	0.27
1993-94	620	0.65	0.40
1994-95	2,122	2.44	2.13
1995-96	4,757	6.06	5.66
1996-97	8,598	11.84	10.65
1997-98	14,317	23.76	21.39
1998-99	32,995	57.07	52.06
1999-2000	94,645	192.98	150.13
2000-01	1,14,775	193.00	150.10
2001-02	2,63,825	480.90	400.70
2002-03	4,63,478	1026.30	795.50
2003-04	7,17,360	2048.70	1418.30
2004-05	10,79,991	3904.20	2124.20
2005-06	16,18,476	6898.00	3092.00
2006-07	22,38,565	11398.00	4160.00
2007-08	29,24,973	18041.00	5459.00

Source: NABARD website

From table 1 revealed that the establishment of SHGs has been increased from 255 groups in 1992-93 to 29,24,973 groups in 2007-08. So it shows that the growth of SHG has somewhat increase the standard of living of rural masses. It also obvious that the bank finance has also increase from 0.29 crores in 1992-93 to 18041.00 crores in 2007-08. The NABARD also provide additional loans for further improvement rural masses. So the finance should be utilize in the proper manner will automatically lead a better living of rural poor in India.

Factors Influencing the Motivation of Women in SHGS

To study the factors influencing the motivation of women in SHGs 25 variables are identified and constructed into statements, which are given to the respondents using a Liker type five-point scale. In order to assess further the factors that influence the motivation of women the principal components method of factor analysis is followed. The following terms have been used in the analysis.

Motivational Factor

Sl.No.	Motivational Factor
1.	Traditional/Hereditary
2.	Family background
3.	Encouragement from family members
4.	Family member's interest
5.	More dependents
6.	Aspiration about children
7.	Revival of Sick Units
8.	Use of idle funds
9.	Self-interest
10.	Self-prestige
11.	Self-employment
12.	Urge to Achieve
13.	Earning Income
14.	Seeking Challenge
15.	Economic Independence
16.	Unemployment
17.	Dissatisfaction with the existing job
18.	Organisational Skill
19.	Technical Knowledge
20.	Entrepreneurial Experience
21.	Social Status
22.	Employment facilities
23.	Infrastructural facilities
24.	Financial Assistance
25.	Market potentials

Source: Survey Data

In this study an attempt has been made to extract all those factors, which influence the motivation of women to start enterprises. For this purpose 25 variables has selected which influence the women to start enterprises. To find out the significant motivational variables among these 25, factor analysis is used.

Conclusion

Success of women and satisfactory progress can be achieved only by honest, sincere and dedicated efforts by all. And joint efforts of both men and women can change developing India into a fully developed country. The greatest revolution in a country is the

one that affects the status and living conditions of its women. Promotion of women empowerment ensures economic independence. Social emancipation of women gains social status. It creates more respect in the family and give self - prestige, avoids gender bias and eliminates dowry deaths. It promotes leadership qualities among women and swells the family income. Promotion of women empowerment trains the future generation of women and it will also solve tomorrow's unemployment problem. And women empowerment inspite of their trails and hardships are a satisfied and confident lot in society and a model to other women.

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