

## Disempowerment of women: A gendered choice of economic ventures through SHGs, Odisha

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### Abstract

SHGs are considered very important mechanism for the empowerment process of rural poor women. It is expected that it would help them to lead a financial secured life which will not only freed them from the traps of poverty but also will gradually led to empowerment in other aspects also. The members of these groups belong to the same socio-economic strata of the society and experience same life situation. No doubt, the potentially of these group are immense but the type of choice of skill development or economic ventures are somewhat extension of women's work at home. This reinforces the patriarchal allocation of household work which is undervalued or is economically considered unproductive. It takes away an opportunity to upgrade the skill of women in a gender neutral entrepreneurship thus restricting a scope for a large scale change in the mindset of the society. SHGs because of various reasons are facing problems for its sustainability and unfortunately the choice of work remains the same. If they would have been trained in skill other than the normal extension of house work, they would have been in a better standing, independent of any support mechanism. A research done on 100 SHGs across Erasama Block Of Jagatsingpur District Of Odisha reflects this gendered selection of choice of economic ventures or spending of loan availed from financial institution such as cooperative bank and nationalized bank.

**Keywords:** Self Help Groups, Empowerment, Micro Credit, Gender division of labour

### 1. Introduction

#### 1.1 Research details

This study was conducted in Erasama block of Jagatsingpur district of Odisha, the worst affected block in super cyclone that hit Odisha in 1999. There was total loss of livelihood of people and it took a lot of time to overcome the natural disaster but then also people are yet to cope up economically with rest of the state. Through the Odisha government program of Mission Sakti the Self Help Groups gain momentum in the state especially in Erasama. The sole intention of this movement was to help the members to alleviate themselves from poverty by providing a platform for entrepreneurship. Out of 1200 SHGs in the sample block, 100 SHGs covering around 200 villages were selected at random among three categories A, B and C that has been ranked and graded according to their performance. In the next stages 3 members from each group including the president were taken as sample respondents to elicit their views.

Development has given way to empowerment, to improve women's status in society and a breakthrough approach towards bringing a balanced gendered relation. It is assumed that development brings improvement in the well-being of women, and if the development policy is suitably designed to meet the needs of women, it shall lead to empowerment of women. Empowerment of women is a multifaceted process, involving the pooling of resources to achieve collective strength and countervailing power and entailing the improvement of manual and technical skills, administrative, managerial and planning in both individual and collective, since it is through involvement that develop their awareness and ability to organize, to take action through awareness and capability building (Shahay, 1998) <sup>[6]</sup>.

The empowerment of women through self-help group (SHGs) started in India after the success of Bangladesh Grameen Bank in which SHG was considered a new way of empowering

poor women and promoting economic and social development. A SHG is an association of small economically homogeneous group of people having common goal of socio-economic development, for discussing their problems and resolving through participatory decision making.

The women's political and social empowerment through SHG taken to mean both the strengthening of individual women involved in economic development and their role in grassroots power dynamics manifested in their power to influence the agenda and decision of local political bodies with gender perspectives, as well as the development of gender awareness and collective action among other women in the community (Hust, 2004) <sup>[2]</sup>.

### 2. Self-Help Groups and Women's Empowerment

Whether the mixed caste groups or single caste groups, it is quite clear that women get into a new experience by regularly going out of their houses and participating in meetings with other women even during evening hours. In achieving this, they have overcome some initial resistance from their husbands. Through this experience they learn how to conduct a meeting. They meet with local government officials and members of panchayat boards. Some of them especially the group leaders learn how to make money transactions in a bank. This process signifies building up of women's empowerment in terms of independence and self-confidence and their thrift as entrepreneurs (Sedan, 2005).

A few of the SHGs took interest in local village affairs of special concern to them, like drinking water supply, street lights, laying of proper roads etc. They discussed these matters at their meetings and brought them to the attention of panchayat board or gram sabha. Very often, it was these women who came forward to join campaigns for street cleanliness and other attempts by the panchayat for making people to participate in common activities.

### 3. Micro Credit and SHG

Micro credit schemes for women through SHGs all over India in the late 1990s signaled a change in poverty alleviation strategy with the intention of helping the poor to help themselves and ultimately leading to empowerment. The super cyclone of Odisha in the year 1999 brought a total destruction, which brought economically and socially havoc that affected rural women and men. This was a highly visible programme that identify women as bank customers and provide them with small loans which not only saved them from clutches of local moneylenders but also paved way for future economic activity. The SHGs have been perceived to have increased self-esteem and self-confidence of women, improved their management and technical skills, enhanced women's social status in the family and community, increased mobilization of public and private sector services in women's interests and improved women's well-being by reducing drudgery and introducing time-saving devices (GoI, 2001) <sup>[3]</sup>.

#### Functioning of SHGs

SHGs save in rural public credit institutions and get loan from these as a group or individually at 12% interest. Group loans are used to lend to individual member at higher interest rates. The SHGs guarantee the return of loan collectively. No collateral in terms of land or property is needed and they are collectively responsible for the repayment of loan. If one member fails to pay interest in a particular month, the group pays it. The members save regularly Rs.10-100 per month for six months, after which time they can borrow as a group from the bank for internal lending. When this loan has been repaid, new group loans or individual's loan can be taken.

The caste composition of SHGs also varies. The groups are segmented in such a way that the intermediate caste have their own groups. As far as dalits are concerned, they have their separate group. All the women member of SHGs do not belong to the poorest strata of the population although they are within the BPL limits. These are women from households with some resources and with the capability to save as well as pay back loans at regular intervals.

#### Outcome of the participation

The participation of members in the group ensures a secured economic position but whether this economic empowerment will lead to other aspects of empowerment, is an issue that need to be discussed. In the sample area, the women SHG members are getting encouraged from their husband to join the groups because they do not have a constant source of income and this would at least ensure a regular source of income, even though the money is minimal. But whether their position in the family has improved or not is doubtful. Though they never think that their position is any way different from their more educated counterparts and they happily do their household works and manage to come to attend the meetings. Gender division of work is consider normal and the things "ought to be". As empowerment is realizing the potential of oneself, so they are empowered in their own respect. If we take this aspect of empowerment into consideration, then economic empowerment will lead to psychological empowerment and then other aspects of empowerment will automatically flow.

The psychological empowerment of the members gives a confidence among the women as they now speak for their rights. The collective approach the group and the easy access to credit is the strengths, which form the base for individual development and empowerment in the long run. Through the groups the members are earning money and this is giving them a sense of pride and satisfaction, a sense of achievement, a feeling of important member of the family as now they can supplement the family income when there is a financial urgency. They have created a space for themselves in their own house as well being a group member that gives them a sense of identity. They have acquired higher knowledge and awareness levels on issues like women's health nutrition, reproductive rights, legal rights, literacy etc. that affect the community.

The cultural empowerment refers to redefining gender 'rules and norms' and recreating cultural practices customs, rituals, symbols etc. There has been a change in women's role in the house and the community. Change in social custom such as sati, child marriage, dowry, discrimination against widows, a change in opinion on these matters and people both men and women alike have changed their point of view on this. They no longer support these rites and customs and encourage higher education and late marriage for girls. These visible changes are observed in women's participation in attending public meetings and training programmes. They meet Sarpanch, Govt. Officials and NGOs personnel more frequently and confidently to express their views on matters relating to villages and groups.

The social empowerment of members has been accomplished when they join SHGs. It refers to development of social leadership in community action. As there has been increase in bargaining/negotiating power of the women as an individual as well as in collectiveness, they find the strength in themselves to question the injustice done to them on any form. Some groups have taken steps to plant trees which were completely destroyed in the super cyclone 1999. They have approached the concerned officials for the repair of roads connecting villages. The groups also try to settle family disputes and improve mother-in-law and daughter-in-law relationship. Ownership of productive assets and increase in savings show that groups are functioning well. Attaining income security and recognition of women's economic contribution within and out-side the household have been noticed as they join the group. The groups have encouraged them to start economic venture individually to empower them economically.

Formation of cohesive women's group at village, district and state level provides a platform to meet other successful groups and discuss various issues. This set of arrangement gives them a collective identity and strengthens the organizational empowerment.

Participation levels of women in political process have increased through their representation in local bodies and panchayati raj institutions. The members at present decide during an election to whom to vote and judge the most suitable candidate. They are confident of becoming Sarpanch in future elections. This has ensured the political empowerment of women members of SHGs.

The political empowerment aims at altering rules, norms, marriage, religion and customs that were against women. The individual as well as group advocates for change in the institutions that restrict women's freedom. All these indicators show the empowerment process of women. Empowerment of rural women embody several factors like equality of work and wages, expansion of girls education, autonomy over reproductive life, access to ownership of land and property, training and technology, access to bank credit and market, safe water, sanitation and energy. Among these determinants access to bank credit is the most crucial factor. The ultimate goal of development is the achievement of economic growth with social justice which mean opening up access to minimally acceptable life sustaining and life enhance support system for all who participate in the growth process.

#### 4. Sustainability of SHGs

The practice followed in SHGs is to borrow from the bank at 12% rate of interest and re lending to individual group

members at 24% rate of interest. Despite an impressive number of SHGs started in the study villages, about 7% of the members have taken bigger loans making it possible to start some new business. Another 17% of members have been able to get smaller consumption/emergency loans. Most of these members belong to above the poorer income strata. There are few borrowers from poorer strata and the poorest groups of women are not reached by the programmes. Moreover the average interest charged for SHG loans is 24% which is much higher than the average 13% interest rate charged for other institutional loans. This is not to deny the fact that SHGs have been useful in catering to some emergency needs of some households with regard to food, medicine and social purposes. SHG loans have been a source of cheap even if small, consumption loans, enabling some households to avoid going to money lenders. These loans have also enabled a few relatively better off households to start some business led by women.

Activities of the groups

The activities undertaken by the group were given in Table 1.

**Table 1:** Activities of the group

Sl. No	Activities	Frequency Distribution	Percentage
1	Internal lending	100	100.00
2	Poultry	5	5.00
3	Piggery	1	1.00
4	Cultivation	11	11.00
5	Fishery	9	9.00
6	Dry fish	1	1.00
7	Food products	9	9.00
8	Tailoring	1	1.00
9	Brick making	1	1.00
10	Midday meal	17	17.00
11	Beetle vine cultivation	10	10.00
12	Rice processing	5	5.00
13	Tent house	1	1.00
14	Bakery	2	2.00
15	Ice cream factory	1	1.00
16	Shop	2	2.00
17	Agarbati making	10	10.00
18	Dairy	5	5.00
19	Pump	1	1.00
20	Goatery	5	5.00
21	Bidi making	1	1.00

**Source:** Field study Erasama block, Jagatsingpur

The analysis indicates that 100.00 per cent of the groups are engaged in internal lending apart from following other productive activities. Seventeen per cent of the groups have been assigned by the CDPO to undertake midday meal scheme in the schools. The members rotate among themselves the responsibility of cooking and purchase of raw materials from the group fund. Further 10.00 per cent of the groups are involved in agarbati making, 9.00 per cent in fishery, 11.00 per cent in cultivation of vegetables and 5.00 per cent each in poultry, dairy, rice processing and goatery. Interestingly, women groups are now engaged in so called men's job and profit margin is equally good in these activities. Before joining the group, almost 93.33 per cent of the respondents

were non-earning members who primarily depend on their husbands' income, after joining the group 97.63 per cent women members became earners.

#### 5. A gendered choice of economic ventures through SHGs

The table very specifically can be analyzed that the activities or the economic ventures thus selected are not different cutting across gender neutral activities. All the groups are engaged in the midday meal schemes which is cooking food for the school children and being paid per meal by the government. The next major activity which they are engaged is agarbati making and beetle vine which is done sitting at home at the same time beetle vine is done by men as it is

customarily prohibited for entry of women and plucking the leaves from the vine. Hence men are involved and not women in actual way. They are not learning any skill. The research has confirmed that because of various latent and manifest reasons they are not functioning up to the mark or they are not eliciting the expected result so the issue of sustainability is raised, and if at all the groups' stops functioning, the women position is back to square one without learning any new skill.

## 6. Suggestion and Conclusion

The possible and the best utilization of these groups will be done when the members are trained in activities which will generate income and has better chances of sustainability. Employment opportunities and social security and thus improving the status of women even when these groups no longer exist.

- Teaching driving eg auto driving
- Flower cultivation
- Running small restaurant
- Weaving and encouraging handicrafts
- Crab or prawn cultivation
- Ornamental fish breeding
- Opening of dancing or drawing school
- Training for minor but regular health issues of women and children.
- Increased participation of women in agriculture (harvesting, marketing and credit allocation)

If training is provided for these activities then certainly, there will be skill enhancement and women will be better equipped to maintain their improved status and financial condition in future. However the members are more empowered after joining the SHGs particularly in the aspects of increasing self-confidence, confidence in meeting financial crisis, planning own activities, good communication skill, taking crucial decisions, arranging credit and other inputs in time and other parameters of empowerment. Economic, social, psychological and political empowerments of women have been reported by the members after joining the groups. If there is more flexibility in the choice of skill selection and occupation, these groups can sustained effectively and contribute in making the women members empowered in the true sense of the term.

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