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## **Study on Self Help Groups- An Overview**

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### **ABSTRACT**

*Women constitute about half of the population and comprise one third of the labor force in India. It is, therefore, important that when considering the economic development of this segment of the population, due attention is given to their socioeconomic empowerment. Investing in women's capabilities and empowering them to exercise their choices is not only valuable in itself, but is also the surest way to contribute to economic and overall development. Employment opportunities, support for self-employment and women's enterprises came to be recognized as essential for increasing women's economic potential.2 Women face both economic and social insecurity. Micro Finance as a tool of poverty alleviation and women empowerment has gained acceptance in development dialogue the world over. There is an acute need among the poor for credit, both for consumption and production, which often forms the declining line between survival and succumbing to poverty. For Women to become a successful entrepreneur, she needs access to capital, technical and managerial know-how and market. Women are critical for Development process.*

Keywords : Women constitute, population, socioeconomic, empowerment, economic development

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### **INTRODUCTION**

Women constitute about half of the population and comprise one third of the labor force in India. It is, therefore, important that when considering the economic development of this segment of the population, due attention is given to their socioeconomic empowerment. Investing in women's capabilities and empowering them to exercise their choices is not only valuable in itself, but is also the surest way to contribute to economic and overall development. Employment opportunities, support for self-employment and women's enterprises came to be recognized as essential for increasing women's economic potential.2 Women face both economic and social insecurity.

According to Amartya Sen, "Women are less likely to secure favorable outcomes for themselves in household decision-making processes. They feel that their long-term security lies in subordinating their well being to that of male authority He further observed that "there are no good reasons to abandon the understanding that the impact of women empowerment in enhancing the voice and influence of women does help to reduce gender inequality of many different kinds, and can also reduce the indirect penalty that men suffer from the subjugation of women". In the absence of stable wage employment, women often shoulder the burden of providing for and managing households. It is widely accepted fact that poverty has a gender bias, as 70 per cent of the people living in abject poverty are women. The reasons for women slipping into poverty and remaining in poverty are varied and include desertion, migration, death of husband, and in many instances, male unemployment. Their vulnerability increases with ill health, domestic violence and lack of access to support systems. It is reported that women perform 2/3rd of the world's work, receive only 10 per cent of world's income and own only one per cent of the total assets. Hence, there is an urgent need to increase the income of the women not only in India but at the global level, particularly in unorganized workers in the third world countries. In this context, various economists and policy makers felt that Micro-finance with Self-Help Groups plays an effective role for promoting women empowerment. It is not only an efficient tool to fight against poverty, but also as a means of promoting the empowerment of the most marginalized sections of the population, especially women. Many Non-Government Organizations (NGOs) have also subsequently taken on the task of women's empowerment through micro-enterprises in recognition of the impact that can have on women, on their families and on poverty alleviation. In India, the National Policy for Empowerment of Women (NPEW) places micro-credit under the overall objectives of economic empowerment of women.

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### **CONCEPT OF WOMEN EMPOWERMENT**

Empowerment is described as 'a process whereby women become able to organize themselves to increase their own self-reliance, to assert their independent right to make choices and to control resources which will assist in challenging and eliminating their own subordination'. The concept of empowerment is defined as the process by which women take control and ownership of their choices. 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. The goal of the empowerment process is to address issues relating to women's subordination, inequality and inequity. Furthermore, women's empowerment is seen as entailing a shift from positions of powerlessness towards strategic social, economic and political participation. This implies taking on power

both at the individual and social levels.<sup>6</sup> India, being a developing country, a vast section of its population suffers from malnutrition, unemployment and poor health care. This is particularly true in the case of vulnerable sections of society, namely, women, children, scheduled castes and scheduled tribes. In rural India, the high rate of illiteracy and low economic status of women underline, the need to accelerate their earning power by providing the income generating assets. Provisions of employment opportunities and income to rural women are one way to improve their nutrition, health, education and social status. In most of the developing countries, greater emphasis is laid on the imperative need for development of rural women and their active involvement in the mainstream of development.

The Government of India also recognized the importance of women in the development process and due care was given. Both the Union and State governments made continuous efforts to improve the status of rural women, especially 4 those who live below the poverty line inspire of different schemes and programmers of rural development. Ever since independence come a number of innovative schemes have been launched for the upliftment of women in India. There has been a perceptible shift from viewing women as critical agents for socio-economic development. Now the emphasis has shifted from development to empowerment. From the development experience of many western countries, it was found that there is correlation between women empowerment and education, poverty entitlement and dismantling of gender discrimination in employment. In the holding of public and political offices and those in the professions and particularly in judiciary and in its totality encompassing capital formation, human resource development, technology advancement and professional managerial competencies. Thus, women have been recognized as being crucial to the success of the development process, pointing out that the government's major thrust has been on providing women with access to the factors of productions.

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## STRATEGIES FOR EMPOWERMENT OF WOMEN

Empowerment can be achieved within the existing social order without any significant negative effects upon the power of the powerful. Once empowered, they can share in the fruits of development, become agents of their own development and in the process of achieving self-reliance. In India, women's development began mainly as welfare oriented programme in the First Five-Year Plan (1951-56). The First Five-Year Plan (1951-56) envisaged various welfare schemes for women. It planned for the development of maternal and child health and family planning services. In 1953, the Central Social Welfare Board (CSWB) was set up to chalk out various welfare programmes for the development of women. It symbolised the approach of the Government towards the welfare of 5 women. The community development programmes (1952), for the first time, emphasised the need for mobilisation of women through Mahila Mandals or Women's clubs. In 1956, the CSWB started a scheme of Condensed courses of Education for adult women and a scheme for socio-economic programmes for women. The Second Five-Year Plan (1956-61) while emphasising the overall development of rural women it mainly focused on the protection of women against various types of atrocities. The Eighth Plan (1992-97) realised the need to develop special programmes so that the gains from development in various sectors do not bypass women. Now there is a shift from 'development' to 'empowerment' of women. The Ninth Five-Year Plan, (1997-2002) has its objectives evolved from the Common Minimum Programme (CMP) of the Government in the Chief Minister's Conference held on Basic Minimum Services. The Ninth Five-Year Plan adopted the strategy of Women's Component Plan. The main aim of this scheme is ensure that not less than 30 per cent funds are earmarked for women in all women related sectors. The Tenth Five-Year Plan (2002-07) aimed at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring Survival, Protection and Development of women and children through rights based approach. The Tenth Five-Year Plan was undertaken to further strengthen the process of Women's Component Plan. The Eleventh Five-Year Plan (2007-2012) pinpointed to raise the sex ratio for age group 0-6 to 935 by 2011-12 and to 950 by 2016-17. It also aimed to ensure at least 33 per cent of the direct and indirect beneficiaries of all government schemes should be women and girl children. The ongoing Twelfth Five Year Plan (2012-2017) is also focusing on exploiting the collective power of the women to make use of economic opportunities by achieving economics of scale. While the number of SHGs has grown over the last many years and more than 60% of these are known to be women's SHGs, their growth has not been uniform across states. The XII Plan has been encouraging formation of SHGs throughout the country. It would also be essential for SHGs to move beyond small affinity groups to formation of clusters and federations in the Plan 9 as these can play an important role on activities relating to production, processing and marketing. In the light of above discussion, one can infer that the Government has introduced a number of programmes to enhance employment and income opportunities for poor people with special targets for women. These, inter alia, include MGNREGA, SGSY, SJSRY, etc. The current efforts geared towards consciously including women as a beneficiary of employment oriented scheme need to continue.

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## NATIONAL POLICY ON EMPOWERMENT OF WOMEN

The Government on March 20, 2001 adopted the policy of bringing about the advancement, development and empowerment of women and removing all kinds of discrimination against women and to ensure their active participation in all spheres of life and activities. The year 2001 was celebrated as "Women Empowerment Year". During the year, various activities and programmes were taken up on different themes pertaining to women's social, political and economic empowerment.

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## SCHEMES FOR WOMEN DEVELOPMENT

As the benefits of development have not percolated down to rural women. The Ministries of Agriculture, Rural Development, Industry, Labour, Science and Technology and the Development of Women and Child Development have taken significant initiatives to remedy this situation by making specific schemes for enhancing women's development. More than 30 programmes for rural development have been implemented for the alleviation of poverty and well being of rural poor. When India adopted planned strategy for future development it was already understood that the upliftment of women was an equally important factor in the nations' development. The principle of welfare was the earliest policy approach towards women, which is still the most

prevalent in all the welfare policies of the government. There are so many schemes for the development of women in India. The government has taken significant initiatives for enhancing women's development by making specific schemes.

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### **SELF-HELP GROUPS (SHGs)**

A Self-Help Group (SHG) is a small economically homogeneous and affinity groups of rural poor generally not exceeding 20 members voluntarily coming together to save small amounts regularly; to mutually agree to contribute to a common fund; to meet their emergency needs; to have collective decision making; to solve conflicts through collective leadership and mutual discussion; and to provide collateral free loans with terms decided by the group at market driven rates. The introduction of Self-Help Groups has been a recent revolutionary phenomenon in the economic structure of our country. Even since independence, India is facing severe socio-economic problems. Poverty has become a major threat to the economic development of the country. Therefore, the planners and policy makers thought of identifying certain avenues and measures to check the widespread poverty. One such solution is the formation of Self-Help Groups (SHGs). The role of self help groups is very significant in the present day context both in motivating women to save at least some money regularly and to use that amount as investment in income generating activities. Thus it may be rated as the most successful anti-poverty programmes. Since so much is being said about the programme and contribution to women's empowerment and the expectation continue to be high, the need for taking a look at the present status has been felt. Thus women empowered by economic independence can contribute to society and at the same time improve their standard of living and self esteem can be demonstrated and taken to logical end where an empowered women will take right full place in the path of progress. The SHGs take up various incomes generating activities by availing themselves of the facility under SHG-Bank Linkage program and increase their production to the extent that it supplies to the entire country. Micro Finance as a tool of poverty alleviation and women empowerment has gained acceptance in development dialogue the world over. There is an acute need among the poor for credit, both for consumption and production, which often forms the declining line between survival and succumbing to poverty. For Women to become a successful entrepreneur, she needs access to capital, technical and managerial know-how and market. Women are critical for Development process.

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### **SELF-HELP GROUPS IN INDIA**

In India, both Central and State Governments alike have increasingly realized the importance of devoting attention to the economic betterment and development of rural women. The Indian Constitution guarantees that there shall be no discrimination on the grounds of gender. Over the decades of planned development, the shift of emphasis of women's programmers from purely welfare oriented approach to a more pragmatic and development oriented one has recognized woman as a productive worker and contributor to the economy. India has adopted the Bangladesh's SHG model in a modified form. To alleviate the poverty and to empower the women, the micro-finance has emerged as a powerful instrument in the new economy. With availability of micro-finance, SelfHelp Groups (SHGs) and credit management groups have also started in India. And thus the movement of SHG has spread through out the country and even commercial banks are the have become predominant agencies for delivery of micro-credit.

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### **CONCLUSION**

Self-Help Groups are playing a significant role of harmonizing the society and strengthening rural economy and one of the major programme of poverty alleviation in India. Micro-finance is making headway in its effort for reducing poverty and empowering rural women. This empirical research established that property designed and effectively implemented micro-credit programme can not only alleviate poverty but also create more access to money. It is about women gaining control over means to make social empowerment within their homes. Thus promotion of income generation activities through micro-credit/finance among women self-help groups, no doubt ensures their economic independence and social status.

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