

A Qualitative Study on Empowerment of Women through Microfinance in Rural Aligarh, India

Dr Shazia Manzoor

Abstract

Women are the major contributors of Indian economy. They play a crucial role in the economic development of their families and communities but certain obstacles such as poverty, unemployment, low household income and societal discriminations mostly in developing countries have hindered their effective performance of that role. In spite of discharging a number of duties and doing more work as compared to male members their participation in decision making process is not encouraging. Empowerment is the process of growth and development of an individual or a group so that they can make strategic choices about their lives. Microfinance as a tool of women empowerment has been accepted in almost all parts of the world. The Self Help Group (SHG) strategy is one of the instruments for empowerment of women through economic intervention. The assumption is that once the women experience the empowerment at the lower order (knowledge and awareness of common social issues, increased mobility, small household purchases etc.), it will in itself translate into empowerment at the higher order (increased self esteem, large household purchases, decisions making at the community level etc). But how far microfinance has empowered the marginalized women within her household is an important issue which needs to be researched upon. Hence the present study seeks to examine the impact of microfinance in empowering SHG members in their everyday lives. A Qualitative study design was adopted to explore the impact of SHGs on the empowerment of rural women of district Aligarh. A total of five FGDs were conducted among the members of the Self Help Groups. The FGDs were recorded and transcribed verbatim. The themes which emerged from the FGDs were Awareness of Schemes and Rights, Knowledge and Concern of Health Issues, Level of Confidence, Freedom of Movement, Functional literacy, Decision making in the household matters and Reproductive rights/choices.

Key Words: *Microfinance, Self Help Groups (SHGs), Women Empowerment*

Dr Shazia Manzoor, Assistant Professor, Department of Social Work, University of Kashmir,
Shaaz18@gmail.com

Introduction

The concept of empowerment has been of great significance from the last two decades. It has taken a centre stage in all the policies and programmes concerning the marginalized sections of the society. Empowerment is seen by many politicians, publicists, social activists and a growing section of the intelligentsia generally as the only effective answer to oppression, exploitation, injustice and the other maladies with which our society is beset (Beteille,1999). There are about one billion people globally who live in households with per capita income of under one dollar per day. The policymakers and practitioners who have been trying to improve the lives of that billion face an uphill task (Murdoch, 1999). Despite the intense efforts of many agencies and organizations, and numerous inspiring successes, the picture is still disheartening. The poverty indicators have identified South Asia as one of the most underprivileged regions in the World. A great majority of these underprivileged people live in India which mostly constitute women, with limited access to basic needs. For these women, poverty does not mean scarcity and want, rather it means rights denied, opportunities curtailed and voices silenced (Drinkwater, 2011). In its 1995 Human Development Report, the UNDP reported that 70 % of the 1.3 billion people living on less than 1\$ per day are women. According to the World Bank's gender statistics database, women have a higher unemployment rate than men in virtually every country. In general women also make up the majority of the lower paid, unorganized informal sector of most economies. These statistics are used to justify giving priority to increasing women's access to financial services on the grounds that women are relatively more disadvantaged than men (UNDP, 1995).

Women are the poorest of the poor, thus women empowerment is a matter of basic human rights (Mostofa, Tareque, Haque & Islam, 2008). The background for promoting the empowerment of women is that failing to empower women as well as men to reach their full potential is a violation of their basic human rights. Hence, International Conference on Population and Development (ICPD) held in Cairo 1994, called attention to women's empowerment as a central focus and declared that if human development is not engendered, it is endangered (Kulkarni, 2011). At this point it is necessary to be explicit about what we mean by the term 'empowerment', Empowerment is a much debatable concept. It has been accepted almost unquestionably in the policy circles in developing countries as the most efficacious intervention to help women. There is however, no statutory definition for empowerment. There is a difference of opinion when it comes to empowerment, its structure and its dimensions. Various researchers have tried to elucidate the meaning of the word empowerment which seems to be well understood, but not clearly articulated. The World Bank defines empowerment as "the

process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcomes. Central to this process are actions which both build individual and collective assets, and improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets.” Thus, as the World Bank (2001) report confirms societies that discriminate on the basis of gender pays the cost of greater poverty, slower economic growth, weaker governance and a lower living standard of their people. The World Bank also identifies four key elements of empowerment to draft institutional reforms: access to information; inclusion and participation; accountability; and local organisational capacity. According to the feminist paradigm, empowerment goes beyond economic betterment and well-being, to strategic gender interests. Mayoux’s (2000) definition of empowerment relates more directly with power, as “a multidimensional and interlinked process of change in power relations”. It consists of: (1) ‘Power within’, enabling women to articulate their own aspirations and strategies for change; (2) ‘Power to’, enabling women to develop the necessary skills and access the necessary resources to achieve their aspirations; (3) ‘Power with’, enabling women to examine and articulate their collective interests, to organize, to achieve them and to link with other women and men’s organizations for change; and (4) ‘Power over’, changing the underlying inequalities in power and resources that constrain women’s aspirations and their ability to achieve them. These power relations operate in different spheres of life (e.g., economic, social, political) and at different levels (e.g., individual, household, community, market, institutional). Kabeer (1999), stresses that women’s empowerment is about the process by which those who have been denied the ability to make strategic life choices acquire such ability. According to her, it is important to understand empowerment as a process and not an instrumentalist form of advocacy, which requires measurement and quantification of empowerment. Kabeer emphasizes that the ability to exercise choice incorporates three interrelated dimensions: resources (defined broadly to include not only access, but also future claims, to both material and human and social resources); agency (including processes of decision-making, as well as less measurable manifestations of agency such as negotiation, deception and manipulation) and achievements (well-being outcomes).

Micro-finance programmes for women have been promoted over the years not only as a strategy for poverty alleviation but also for women’s empowerment (Mayoux, 1998). The implementation of microfinancing through self help groups (SHGs) provides a paradigm shift in the strategy for resolving the socio-economic deprivations of the poor both in rural and urban areas. Micro-finance is promoted as an entry point in the context of a wider strategy for women’s economic and socio-political

empowerment. The feminist view point also suggests that availability of credit and financial services improves the status of the women and further leads to women empowerment.

In discussions of women's empowerment, emphasis is often placed on women's decision-making roles, their economic self-reliance, and their legal rights to equal treatment, inheritance and protection against all forms of discrimination (Germaine Kyte 1995; United Nations 1995) in addition to the elimination of barriers to their access of resources such as education and information. However, in this paper the empowerment of women is seen in the context of their everyday life.

Methodology

A Qualitative study design was adopted to explore the impact of SHGs on the empowerment of rural women of district Aligarh. Talking to women in their households was a wonderful experience for the researcher. Quantitative analysis seldom enables us to reach to the hearts of the people whom we intend to interview. Sharing experiences with women in abject poverty surrounded by a number of half clad children makes quantitative analysis sometimes less effective. Here it is to be seen how these women will repose trust in a stranger and reveal their experiences of life. In the given scene the researcher preferred to rely on in-depth open ended interviews and Focused Group Discussions [FGDs] which give insight into the women's experiences, knowledge and understanding. That way these informal conversations also become an important source for evaluation. Researcher applied the principle of full disclosure about herself and the purpose of her study as it is unethical to build trust with half truths. Women were asked a series of questions about themselves, their family, their enterprises and their community. Researcher relied on the women's experiences to see what insights of women can put into our knowledge of self help groups at the grassroots. The researcher built a rapport with the respondents and attended to their narratives patiently. The women soon shared their experiences and views. More emphasis was laid upon empathetic approach towards the respondents. This approach was made by the researcher in view of her social work background. The qualitative analysis applied in the field helped the researcher in developing the case histories/field impressions, and also gave a large dimension of human affairs. Micheal Cernea (1991) has rightly called "putting people first". The researcher also sought the help from key informants that is the District Rural Development Authorities[DRDA] authorities, CDSs/NGOs, Block and ward officers etc ; in identifying the women groups. Once the groups were identified, meetings were arranged with the women members. A total of five FGDs were conducted among the members of

the Self Help Groups. The FGDs were recorded and transcribed verbatim. The FGDs were analyzed through content analysis and the themes were generated. The field notes were taken and were further supplemented with the FGD findings, observation method and the secondary sources. The themes which emerged from the FGDs were Awareness of Schemes and Rights, Knowledge and Concern of health issues, Level of Confidence, Freedom of Movement, Functional literacy, Decision making in the household matters and reproductive rights/choices

Indicators of Women Empowerment

There are many indicators of women empowerment governing the economic, social and political spheres of a society. The indicators emerged from this study are the ones which are very close to the everyday life of a woman. The assumption is that once the women experience the empowerment at the lower order, it will in itself translate into empowerment at the higher order. A high awareness, better understanding of the societal issues, freedom of movement, improved decision making for women at the household level shall enable women to bring about wider changes in gender inequality.

Awareness of Governmental Schemes/ Social Issues/Rights

Awareness of social issues is a very important indicator of empowerment. SHGs have got great potential in creating awareness on day-to-day affairs, promoting in saving habit, developing self and community assets, increasing the income level, increasing the social power etc. It was observed that before joining the SHGs, women had no information about the governmental schemes, social issues and legal rights. The SHG members now know more though partially. It was observed that awareness of legal rights by the members after joining SHGs has not shown much progress.

In the midst of a FGD Kamleshwari, the group leader interrupted and said, *“we are not those old fools anymore. We have learnt many things. These women now know more about government programs such as Aanganwadi centres, ASHA Workers, Sarva Shiksha Abhiyan and above all we have more awareness about our Self help groups. Of course we have little knowledge about women rights and legal rights*

[Jeevan Jyoti Swyam Sahita Samooh]

Knowledge and concern towards health

Health Care is one of the important variable for determining the impact of microfinance on the lives of SHG members. The strategy adopted in the SHG Program is to see if constraints in the provision of better health care can at least be partially circumvented. The aim is to use human power for simple but significant improvements in health status of women through the proper dissemination of information on preventive care and advice how to cope with the remedies for common ailments. The FGD reveal that after joining the SHGs, the members are concerned about the health issues, particularly of their children. In the changed scene there has been shift in the diet patterns and eating arrangements within the household.

Rizwana a middle aged women narrated that, *“I have five children. My husband Nasir never agreed with family planning. You see my condition. I am a drained one. In order to give nutritious food to your children it requires money which was not possible before joining the group. I have a small tuck shop now and earn for my family. We now enjoy our meals”*. She said, *“we go to the market and buy different vegetables. We give milk and eggs to our children when they leave for school”*.

[Hena Mahila Bachat Samooh]

Preeti a frail lady from another SHG remarked, *“Both my husband and myself are now very concerned about the health care of our children. We regularly take them for vaccination. Sometimes we give them eggs and milk. After I had four children my husband went for vasectomy. It was NGO madam who advised my husband to plan our family”*.

[Hum Sab Saath Hain Mahila Bachat Samooh]

The researcher observed that most of the women members were very much concerned about the healthcare of their children. It was noticed with dismay that many women members themselves were not in a good state of health. Most of the women were strongly in favour of small families and had planned their families although belatedly.

Impact of microfinance on the Confidence Level

Poverty is not merely a question of lack or dearth of income but also of marginalization, deprivation and exclusion. Eradication of poverty and empowerment therefore requires sufficient attention towards the non-economic related issues as well. This sort of strategy shall help women to have increased control over their incomes and resources, helping women to define their own priorities and ensuring their participation in decision making at various levels i.e household and community. The level of confidence of an individual constitutes to be the bed rock of growth and development. The SHG members seem to be adequately motivated and involved in an participatory endeavour of micro-financing. The marginalized rural women now even show the

strength to meet the elected bodies of their villages. It was observed that SHG members who are in later cycle of loans are very articulate and are not reluctant in communicating with the strangers. They confidently face audiences and questions.

At one of the instances A young lady, illiterate like others, stood up and said, “we have been answering your questions and telling you about ourselves, but you have not told us about yourself. We would also like to ask questions, and know about you

[Adarsh Mahila Bachat Samooh]

This kind of boldness and assertiveness was clearly indicating the confidence level of the women, who were curious as to know why the researcher was asking questions.

Impact of micro-financing on Freedom of Movement

While evaluating the freedom of movement indicators such as moving out of locality, going to health centre/hospital and moving out for shopping have been taken into consideration. The FGDs reveals that SHG members before joining SHGs used to move out of their houses mostly in the company of their family members (husband/children). The women discussed that they rarely moved alone out of their locality or visited the health centre/hospital before joining the SHGs. They however moved out of their houses in good number for making little shoppings at the local market and get clothes, bangles, mehndi cones etc. After joining the SHGs, there has been significant jump in their mobility. Physical mobility has expanded by attending meetings and training programmes as well as through visits to banks. Enterprise activities have also contributed to enhance mobility as they involve visits to local and distant markets. Women members have traveled to villages and cities they had never seen before. They now travel without their husbands, either alone or with other women. For the first time in their lives, they visit places such as banks, block development offices, collector’s office. Enhanced mobility and interaction has increased women’s confidence, courage and access to information and knowledge. There is not that fear psychosis which previously prevented women from moving alone to the areas away from their households.

Kavita a group leader from Dhanipur smilingly narrated, *“I now move alone out of my home. We visit the block and bank office together I have even once visited the city office. We enjoyed going to city. Sometimes I pay a visit to my parents as well. My husband now allows me to move alone out of my home. After all I now help him in running the household. I make my earnings independently”*.

Impact of microfinance on Functional Literacy

Functional literacy is one of the variables for assessing the growth and development of women after joining the SHG. For these marginalized rural women, literacy and numeracy constitute a major step to personal empowerment, enabling them to do away with assistance and dependency on others, especially their husbands, to understand documents, to calculate and generally to defend themselves. For example, they no longer sign a document without first being sure what they are signing for. At the market or in a store, they know how much to pay and how much amount to expect in return. After joining SHGs a large number of members are now able to write their names and possess counting skills. In the area of reading bank form and pass book the progress achieved by the SHG members appears on the lower side. This is because of their basic illiteracy. But majority of them have the opinion that their functional literacy has improved.

Ramdulari the elderly woman in the group said with a sense of pride, *“I am no more an Anghuta Chaph(one who records a thumb Impression). I can now write my name in the bank form. The women in the group helped me to learn write my name”*.

[Gharib Mahila Bachat Samooh]

The researcher while interacting with the rural SHG members was informed that they were strongly motivated by the group office bearers to learn to sign their names instead of affixing their thumb Impressions.

Impact of microfinance on Women's Participation in Household Decisions

The influence of women's decision making power has been studied through several variables which are closely related to her household. By empowerment the feminists does not argue that women need to take decisions 'alone'; it simply suggests that women should fully participate in the decisions pertaining to her life and living conditions. The discussions revealed that previously the purchase of daily need items was made alone by the husband. The situation has changed as the purchase is now being made by women themselves and sometimes jointly with husband . The factors contributing to the final say on the purchase of daily need items by women

themselves is because of her earnings and increase in her mobility. In connection with the purchase of large household assets before and after joining the SHGs, husband continued their dominance on the large purchases

Group leader Lakshmi remarked, *“We have not any final say on large household purchases or even sales. These matters are decided by men folk. We do not know anything about property issues”*

[Ujala Mahila Bachat Samooh]

The researcher observed identical response from other groups as well on large household purchases or sales. Women have no role in these matters due to absence of property rights. It has been noticed in some instances, that assets raised by women from out of their own resources are sold by menfolk.” It is inferred from the findings that the final say on the purchases of large household assets still lies with men folk.

Impact of microfinance on the education of the children

The women shared that they have never decided on the matters of education before joining the SHGs. Women after joining SHGs have started showing a positive concern as regards education of their children . Some of them are now sharing the matter of children’s education jointly with their husbands. But it is a fact that they cannot take any decision on this subject independently. Their additional earning should have empowered them more in deciding the future of their children, which is not the case. The members also shared their concern on the girl education. The meeting conducted by the NGOs have also created a lot of awareness on the issue of girl child education. The SHGs are also working on these issues within their community. A number of families have been motivated by them to send their daughters to school.

Fatima a member interrupted and said, *“I have sent my girl child Zainab to school. She looks pretty in her uniform. Her education is my priority. Asif, my husband is also particular about her education. The other members also asserted, “we do not like our children to be illiterate like us. We have send our children to schools. Anyway we manage their fees etc. Come what may we will cut expense on our meals but will send them to schools.”*

[Chitra Mahila Bachat Samooh]

Impact of microfinance on the Reproductive rights of women

The most subtle dimension of the empowerment is the power of women to make reproductive choices with respect to the number of children, spacing between children, usage of

contraceptives, decision to conceive, and place of delivery. The woman themselves have not any say in deciding on the subject. Almost all the women said that they had never heard about the term 'reproductive rights'. The decision of family planning still lies with the husbands. Many of the members also shared the concerns when in-laws wait for a son even after multiple pregnancies. A number of women had gone for tubectomy but even discussing about vasectomy is still a taboo.

A young woman Saroj said, *"women are like machines who are made to give birth to many children, even if it goes against their health. It is a story of every household and is very common. Women in our village cannot raise their voice against this issue otherwise we will be beaten by our husbands."*

[Shakti Mahila Bachat Samooh]

The researcher got the same narratives on reproductive rights from all the groups. The SHG movement has not been able to fight the ugly socio-cultural rigidities which are highly patriarchal in nature and have always considered women as second grade citizens who have no control on their lives including their bodies.

Conclusion

Marginalized women face a double burden that of being poor and being a woman. The solutions to women's poverty can only come from actions by women's groups and by their better organisation. Individuals cannot address the problem of their powerlessness; this can only be done through collective action. Credit in the absence of organisation cannot serve the desired purpose. Economist Amartya Sen points out, "What is important is not so much what people receive, as how much involvement they have, and what part they play in the process or growth itself." (Sen, 1995). Microfinancing in our country through SHGs has, by and large, been a successful experiment. The approach has started mobilising the marginalized women in increasing their earnings and at the same time empowering them in different areas of their lives. In the present study the researcher has observed that micro financing through SHGs functioning under DRDA in Aligarh district has started delivering benefits to the poor women. The members are making use of their earnings for the welfare of the entire family. The small amount of loans in the beginning and the later earnings help in meeting the day today needs like paying school fees, buying clothes and sometimes to support the husbands if they are running short of money. Also, their confidence in voicing their concerns has increased. The SHGs are providing them opportunities to venture out of the four walls of their home. The monthly meetings are not

confined to collect the savings made by the women, but the platform is used to disseminate information on various issues revolving their life. The non-conventional approach of knowledge sharing based on peoples participation empower women in taking decisions about their lives. Members wait eagerly for the day of the meeting. *Jumri the secretary of one group said, "women get up early on the day of the meeting and finish their kitchen work in a hurry to attend the meeting. They always wait for this day to come. There was a big smile on her face. Her kajal touched eyes were shining and her snow white teeth were glittering. She said, "We meet together once a month. We learn many new things and enjoy".* The group meetings empower women members not only economically but also socially and psychologically. The SHGs have, to an extent, succeeded in making these invisible women visible by breaking the spiral of silence, but there have been critics as well. They have charged that microcredit accessed by women has often been appropriated or "hijacked" by other household members, leaving women burdened with the responsibility of repayment and the sanctions of default (Goetz and Gupta 1996). There are studies that have shown that while some clients thrive and some remain unchanged, there are also some that will slip backwards. In one of the works of Sinha (2007) Ditcher poses a question, "Is not microfinance making an already slippery slope more slippery? and quotes a Swahili proverb' "It is merry to borrow money but paying back is a sad affair---more like milking a stone"! In spite of this criticism there is a broader opinion that functioning of Self Help Groups can be seen as a good start in a traditional, patriarchal society that has s marginalized women's role and agencies (Sinha 2007). A holistic approach incorporating awareness creation, group organisation, struggle for the fair implementation of various legislations in their support, support in marketing, skill training, legal aid, health and child care, maternity and social security, and getting out of the debt are some of the key elements that need to go hand in hand with the availability of credit (Wignaraja, 1990). A lot needs to be done as microfinance alone cannot fight the rigid socio-cultural rigidities prevalent in our society. Microfinance need to be supplemented with other pro-poor interventions so as to bring sustainable development. Such interventions would create friendly spaces for women to take strategic decisions vis-a-vis their life.

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