

**WOMEN EMPOWERMENT THROUGH SELF HELP GROUPS (SHGs): A  
CASE STUDY OF TSUNAMI AFFECTED VILLAGES OF  
KANYAKUMARI DISTRICT, TAMIL NADU  
SUMMARY**

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## CHAPTER 6

### SUMMARY AND CONCLUSIONS

SHGs are geared to capacitate the disadvantaged, particularly women, at the grass-roots. This dissertation has focused on rural women in Kanyakumari district of Tamil Nadu pursuing a vocation in SHGs. The objective was to examine women's economic independence as a factor that could empower and prepare them for active partnership in the process of decision-making within their families. The study has addressed two inter-related questions: Does economic independence of women make for their greater participation in decision-making in their families and in their community? Is extent of participation in decision-making proportionate to income?

Disaster of the magnitude of Tsunami challenges a country's capacity to respond to the loss of lives and livelihood, property, infrastructure and importantly, confidence of the people to recover from the situation. The aftermath of Tsunami exacerbated the vulnerability of the poor even as the development process was thrown out of gear. Poverty was rampant, social security was meager. In fact, basic life-needs were severely compromised. Such a situation could be dealt with effectively through a multi-pronged approach of which setting up of new and re-instating former SHGs was a major component. Microfinance through SHG seems to be a well-grounded choice of government to deal with poverty and empower poor women at the grass-roots level. Provisioning microfinance through SHGs has fed some of the most important plans, policies and programmes of the government for several decades but more prominently since the Fifth Five Year Plan. A beginning was made with launch of welfare and development schemes such as SGSY, Indira Awaas Yojana and Integrated Handloom Development Scheme, among others, to improve living conditions of women by increasing their access to and control over available resources. The focal points of National Plan of Action (during the Tenth Five Year Plan) were adopting special strategies for Women Component Plan to ensure that at least 30 per cent of funds and benefits flow to women; organizing women into SHGs; and increasing women's access to

credit through setting up of Development Bank for women entrepreneurs. Various government bodies like National Commission for Women (NCW) and NGOs have contributed significantly towards empowerment of women as well as eradication of poverty through these government initiatives. In operational terms, the SHGs were institutionalized and federated at the village and block level. Here, the SHG acts as “social collateral<sup>1</sup>” for availing NGO-controlled microcredit loans which are generally given only to members of an SHG.

Some of the specific strategies in the area of microfinance by the government of India include: Working Group on credit to the poor through SHGs, NGOs and NABARD's SHG-Bank Linkage programme, 1995; The National Microfinance Task force, 1999; Working Group on Financial Flows to the Informal Sector, 2002; Microfinance Development and Equity Fund, NABARD, 2005; and Working Group on Financing Non-Banking Financial Companies (NBFCs) by Banks-Reserve Bank of India (RBI). The key area of concern of planning in India is always alleviation of poverty. In this regard, Khandelwal (2007) and Galab (1999) viewed mobilization of women through SHGs with microfinance programmes as the best method to empower them and alleviate poverty. There is a plethora of studies on SHGs, most of which are of assessment and evaluation-based. This has ushered in a debate on whether SHGs do or do not meet the twin objectives of empowering rural women and alleviating their poverty. At one end are optimists who say microfinance through SHG is not a panacea but still it is an effective tool in addressing poverty and empowering women (Rao 1996; Karmakar 1999; Narasimhan 1999; Lalitha and Nagarajan 2002; Tesoriero 2006; Khandelwal 2007; Vasimalai and Narender 2007; Singh 2009; Mansuri 2010; Mukhopadhyay and Moinuddin 2010; Surender 2011; Krishnaveni, R and P.Geetha 2013). At the other end are sceptics who argue that mere financial services to the poor may not empower them holistically as the gains of which have been taken away by men (see Woolcock 1999; Chavan and Ramakumar 2002; Galab 2003; Kalpana 2004; Dasgupta 2005; Kabeer 2005;

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<sup>1</sup>The term refers to a construct derived from trust of active participants within a network of individuals who are committed to and responsible for ensuring loan repayments (for details, see

Swaminathan 2007; Pokhriyal and Ghildiyal 2011; Jitha 2013). According to them, microfinance has failed in altering the policies that are not pro-poor. They also argue that microfinance provides only a temporary shelter to the poor and not a permanent solution to end poverty.

Women from different socio-economic backgrounds in SHGs that I studied were making the most of with vast scope of IGAs opportunities (such as making pickles, coir, handicrafts, and other items of common use) provided to them. These were coupled with recourse to other welfare policies, reforms, and legal safeguards envisioned to usher in prominent change in the fate of the poor, marginalized and socially excluded women. Increased access to microcredit and microfinance facilities, health care, education, and economic independence, choice of spending the earnings were prioritized for the constructive and productive development of women. It appears that, women's participation in social, economic and political spheres paved way for inclusive governance and beneficial, pro-poor oriented community developments.

The study found that rural women perceived SHG as critical to bringing about much valued change in their lives. Most of them said that they were able to earn an amount that helped them to meet the needs of their families such as medical emergency and education of their children, among others. SHGs, enabled them to acquire the will and mean to be economically self-sustained and in doing so reduced the financial burden of men folk. Most men from the coastal villages appreciated the efforts of SHG in this regard. Men, in fact, encouraged and supported women to join SHG chiefly for monetary gains. Women in SHG met their daily needs of the family from the small savings and earnings they made out of various livelihood activities (such as selling of fire-woods, kerosene, timber, garments, milk, bakery items, fish and fishing equipments, homemade foods, grocery, tailoring, coir making, and petty trade) individually as well as collectively.

They participate in decision-making at different levels and in diverse situations. Keeping in view that IGAs can be carried out by women at their homes and in their leisure time that enable them to balance their domestic responsibilities with work, made SHGs a preferred choice of both women and men. SHG's inculcation of the habit of making small

savings and equipping them with skills that could generate income may be appreciated against this backdrop. The members were collectively responsible for ensuring that their individual and group loans were repaid on time in order to have continued access. Such an arrangement of collective guarantee fulfilled the demands of the lenders on relaxing the documentation procedures such as physical collateral and other paperwork. The responsibility, lay with the members and with the promoting agencies to resolve problems, and develop effective strategies to keep the members together.

SHG in together with micro credit programmes is a significant means through which poor, rural women obtained access to economic resources. The earnings of individual members of SHG are saved in a common account. Out of these, petty amounts are judiciously lent to their own members to meet their needs. Women from different socio-economic backgrounds are provided with vast scope of IGAs. Unlike the formal tedious banking procedures for the common people, the eligibility criteria for women in SHGs to apply for loans from the banks are made easy. Banks also rely on federation of SHGs that makes the processing and sanctioning of loans easy for those who require credits especially during emergencies. Women gained access to credit or capital with the motive to start a new livelihood activity or expand the ones they are already engaged with.

It helped women and their families in a number of ways. In one of the joint meetings of an NGO and SHG, I heard office bearers explaining to their members how a family became financially independent and upward mobile as a result of one of the family members joining SHG. An SHG member said that the credit facilities with subsidies, savings funds and revolving funds could be used for education and marriage of the children, especially girl children, for improving the financial status of the family by reducing poverty. They enabled the SHG members to become self-employed in various other livelihood activities. Such success stories encouraged more and more women to join SHGs. Likewise, NGOs as well as Parish Council (Church) motivated women to form groups for collective action. About 75 per cent informants revealed that SHG members themselves motivated and convinced other women to join the group. Because of poverty and business tactics of informal moneylenders who provide credit with high rate

of interest to those who cannot use it productively, made many of the women to become heavily indebted to the moneylenders in the village. Such practice pushed the already vulnerable people into more debts and in fact worsens their situation. Chiefly, women from the coastal region of Kanyakumari district were keen to become members of SHG with the initial hope of freeing their family from the clutches of the local informal moneylenders.

We set out with two hypotheses in the beginning. Both the hypotheses were tested using qualitative and quantitative methods. In the following pages, I discuss them in light of the major findings of the study.

The first hypothesis was: Women engaged with SHGs have greater say in decision-making both in their family in particular and village in general.

A large number of families in the villages that I studied were nuclear in nature and headed by the male member. Patriarchy seemed to govern the general conduct of life and expectedly, women remained at the margins in a general sense. Against this backdrop, it was interesting to examine whether economic contribution of women would make a difference in their life situation particularly in the context of taking decisions within the family and in affairs of the village. This aspect was analyzed using contingency table in which both income and decision-making were put under several categories. Chi-squared test was used to determine the level of independence between income and decision-making. Overall, the statistical analysis suggested that there is a positive relationship between the two variables tested. More specifically, it was found that larger share of contribution of a woman to family income confirmed greater say in decision-making process. This was supported by qualitative data. In fact, many women said that their word in decision-making began to carry more and more weight as their income increased. They were given greater freedom to intervene in matters related with household chores, children's education and marriage, physical mobility, choice of spending the earnings and savings. Also, being able to make an earning encourages the women to present and at times, press their point in discussion surrounding above-mentioned issues. Importantly, when their role was confined to affairs of the family, women would accept decision of their husband, many of them having to do with their own lives, without a word of dissent

(no matter how unacceptable they were to them). Women felt confident to discuss issues with their husband. The husband, in turn, seemed to realize their worthiness. They were heard on village matters as well. They were active members of the Gram Sabha. They raised their voice collectively, generated public opinion, and organized rallies regarding issues of common concerns. This is not to deny that patriarchy has loosened its grip greatly, but only to emphasize that awareness has set in. In this sense, the first hypothesis is proven.

The second hypothesis was: Women engaged with SHGs regardless of their education level are included in the household decision-making. About 40 per cent of women under study were educated till the middle level. Very few i.e. about 5 per cent were educated till higher secondary level. Of course, the number of graduates, post graduates was abysmally low. We took the help of contingency table and applied Chi-squared test to find out the level of independence between level of education and participation in decision-making. The Chi-squared statistic results showed that the level of education and participation in decision-making process are independent of each other. It is intriguing to note that women at the lower rung of education were able to take decisions. This was substantiated with observation and interviews in the course of fieldwork. To this extent the hypothesis is rejected.

The question that assumes pertinence at this stage: what is the fate of women who are not educated but contribute to family income significantly? And If not education, what determines participation of women in decision-making process? It was found that women who were not educated but contributed significantly to family income were able to intervene in the decision-making process. Following factors contributed: First was, evidently their position of 'provider' that was hitherto the preserve of men. The family could not afford to ignore the voice of one it was dependent for survival on. In fact, the men took them seriously and called them out for advice and suggestion on certain issues. Second was, overall awareness and experience obtained from exposure to alternative ways of thinking and behaving by way of the media, diverse communication channels networks, etc.

Majority of well earning members (i.e. more than `20,000 per month) were able to take decisions independently on matters (except purchase and ownership of property) related to household chores, children's education and marriage – irrespective of their gender, and finally, choice of spending own earnings. They agree that they gain respect in the family and economic independence only because of the opportunities provided by the SHG. Significantly, education in earning women's participation in decision-making within the family on various domains disclosed that women despite having less education (having passed middle school of education) majority of them could actively be involved in the decision-making process. This is to conclude that women, regardless of their education, were able to take decisions independently and in some cases jointly with their families. They believe that this was possible because of the strategies and measures adopted by SHG. Also, economically contributing women, associated with SHG activities, regardless of their education, have greater say in decision-making in all spheres except purchase of property.

The women identified four determinants of empowerment: capacity to earn, level education, freedom to spend even petty of money, freedom to move around in the same village and be a part of decision-making process. In essence, empowerment meant doing away with the shackles of patriarchy that bind them. They, however, never discounted the role of men in their lives. It was found that women working in SHGs, felt empowered for three reasons. First, they were able to contribute to family income which gives them a sense of equality with their husbands. Second, in SHG they have a strong and dependable support system which gave them the confidence to think independently and express themselves, for now they know that the SHG fraternity would come forward to help them in case of a crisis situation e.g. desertion by their husband in the worst case. Third, the narratives and life experiences of other women in SHGs provided them the motivation and courage to deal with adverse situation appropriately. Over a period of time, women in SHG have gained self-reliance, solidarity, confidence and courage to face challenges in life. This has also infused a sense of self-esteem and social empowerment. Earlier, women's role and responsibilities remained confined to the family and kins. The daily



routine largely consisted of completing domestic chores, and at best watching television, attending functions in the village, visiting temples and gossiping with neighbours. Women who earlier felt lonely found in SHG a forum to share anxieties, emotions and worries with other members. They have developed a sense of solidarity, group cohesiveness and ownership towards their group. They have acquired renewed identity in their family and society. In addition to their economic activities, SHGs work towards discontinuation of certain evil practices (such as dowry, alcoholism, domestic violence etc.) in the coastal villages through collective action. Women in SHG, participated in awareness rallies and protests as their contribution towards the development of the village. Participation of women in Gram Sabha was possible because of SHG. Participation of women in SHG, in turn, ensures their participation in village development committees.

The data revealed that nearly 60 per cent of the selected SHGs were included in the decision-making process oriented towards the development of the village. The women believed that the success and longevity of their group relies heavily on their active participation. Overall, it is the interactions among the SHG members and between SHGs from different villages that made the SHG ‘a collective effort’. However, the gap between the government’s approach and initiatives in execution and implementation of schemes and programmes for the economically backward women in rural areas and the actual position of women, in terms of gender inequality, within their families and community, continue to exist. The factors that contribute to maintenance of gender inequality are deep-rooted with the norms of the society, which forms the structure of it. After joining SHG, they met people with diverse backgrounds which broadened their worldview. In addition to the economic gains, SHG was formed to endow democratic way of functioning, ethnically participatory and collective support system (i.e. sense of solidarity).

The transformation that happened due to all the factors discussed in this study have brought out women from the confines of the home with the identity of home makers to contributors of family financial resource. They not only contribute but in many families

especially in coastal villages they manage the resources as well. Women have begun to share the financial burden of the families along with men through their income. The social stigma attached to families where women go for work for making money is no more an issue in Kanyakumari district as this has got social acceptance and recognition. Working women are preferred to be their best option when bride grooms search for brides as they feel marrying a girl with a proper income provides social security as much as it raises their status in society. Also, the CBOs like the church committees have accommodated women in their management committees. Women's participation in Gram Sabhas is also an evidence of the increased level of their participation in affairs of the community.

This study concludes that SHGs certainly sensitize women to understand the discrepancy in the power structure within the society. The survey, interviews and narratives of both women as well as men suggest that whether educated or not, women in SHGs have significant participation in decision-making in families.