

EMPOWERING RURAL WOMEN

(A Case Study of SHGs in Srikakulam District, Andhra Pradesh)

By

PIDUGU SURYA RAO

M.A., M.Ed., B.L.I.Sc



PROF. G. KRISHNA MURTHY

M.A., Ph.D.

Joint Research Director

PROF. CHOUDARI APPA RAO

M.A., B.Ed., M.Phil., Ph.D.

Research Director

THESIS SUBMITTED TO THE
ANDHRA UNIVERSITY, VISAKHAPATNAM
FOR THE AWARD OF THE DEGREE OF
DOCTOR OF PHILOSOPHY
IN ECONOMICS
January 2016

Chapter-VII

SUMMARY AND CONCLUSIONS

SUMMARY AND CONCLUSIONS

7.1 Introduction

Women empowerment, or autonomy, is a multifaceted concept. In a patriarchal society, as exists in large parts of India, men are placed in a more advantageous position. The family lineage and living arrangements are centered around men, and inheritance and succession practices tend to neglect women. Women's empowerment is essentially an effort to rectify this imbalance and attain gender equity. Based on a few macro level indicators like expectation of life at birth, education and income, the UNDP (2000) has developed a gender-related development index. According to this index, the gender inequity in 1998 is substantially high in India and ranks a poor 108th out of the 143 countries for which the index value is available.

Since 1970, policy makers and academicians started thinking as to how development programmes could be linked to poor women. Women issues are development issues and by-passing those in development programmes mean leaving almost half of human resources outside development intervention. It has been widely recognised that increase in the participation of women in all aspects of political social and economic life will lead to the development of the nation as a whole.

The Ninth Five Year Plan (1997-2002) adopted a strategy of women's component plan under which not less than 30 per cent of funds / benefits were ear-marked for all the women-related sectors and women-specific programmes. The 10th Five Year Plan (2002-07) also undertook steps to further strengthen the policy of women's component plan. The Working Group Empowerment of Women for the Eleventh Five Year Plan (2007-12), constituted by the Planning Commission in 2006, has emphasised the strengthening of Self-Help Groups (SHGs) and community-based organisations for the empowerment of women. In detail, various policies and development programmes which have been implemented by Central and State Government in different plan periods for improving the socio-economic conditions of women in general and empowerment of rural women in particular.

Many studies have been made by the academicians and researchers on functioning and impact of the self-help group organization on the development of the status of women in rural area. They found that SHGs have positive impact on the income levels and poverty reduction among poor rural women by way of contributing economic empowerment. Microfinance basically provides financial services, but its potential goes beyond this to empower the poor. The theme of 2000 Microcredit Summit Campaign

emphasised that “Microcredit is about women achieving economic and political empowerment within their homes, their villages, their countries”. Particularly, SHGs have been articulated as potential vehicles for empowerment of women because the key actors of SHGs are women. The goal of empowerment goes beyond economic empowerment to include social, cultural and political spheres within which SHG members’ lives are embedded.

As women empowerment is a multifaceted concept, in the absence of an appropriate measure of empowerment, commonly found measures like education, health and employment are used as the surrogates. While these proxy measures are important and are ideally associated with empowerment, they may not capture all aspects of the multidimensional concept of empowerment (Joshi 1999). At the family/household level, gender inequity manifests itself in a weaker role for women in decision-making, lesser control over resources and restrictions in physical movement. According to Jejeebhoy (1998) “While women’s autonomy is indeed multidimensional, at least three dimensions decision-making, mobility and access to economic resources – are closely related in all settings, irrespective of region or religion.”

Empowerment is an individualistic phenomenon rather than a collective phenomenon, where one has to perceive her own empowerment. Empowerment reflects in self-aggrandisement with the increased awareness or knowledge about social issues, experiencing settle improvements in their own spheres of activities and abilities. The collective efforts will influence the degree of perceived empowerment at individual level. Hence, the present study is an attempt to address this gap in the literature by focusing on establishing the link between participation in Self-Help Group and 'Perceived Women Empowerment'.

7.2 Need for the Study

Composite State of Andhra Pradesh consisted of 23 Districts with different levels of economic development and wide differences in the occupational and lifestyles. The State Andhra Pradesh was bifurcated on the 2nd June 2014 as Telangana and Andhra Pradesh. Many studies relating to SHGs functioning in the State, have examined the organisational pattern of SHGs and savings aspect of SHG members in the less developed districts of the Telangana Region, and the developed districts of Coastal Andhra Pradesh of the erstwhile composite state. The studies on the different aspects of SHGs organisation and economic development of its members are

very limited in the backward districts of North Coastal Andhra of the bifurcated Andhra Pradesh. Similarly, there are no intensive studies on different socio-economic aspects of SHG members and their families engaged in different activities or occupations like fishing, agriculture, agricultural labour and non- agricultural labour etc. These aspects surely also have an effective influence on the socio-economic conditions of the SHG members and their families. No comparative study between the two occupational groups like fishermen and agricultural labour was conducted in the North Coastal Andhra Region particularly in Srikakulam District. Thus, there is every need to fill these gaps, as far as possible.

The present Study attempts to examine the level of perceived empowerment of women SHG members whose household conditions are different in occupational background. The Study examines the employment structure, levels of income, expenditure pattern and the indebtedness, incidence of poverty together with other socio-economic characteristics of SHG members and their family members in eight villages with different occupational background viz., agriculture labour and fishing in Polaki Mandal of Srikakulam District, in the backward Region of North Coastal Andhra Pradesh.

7.3 Objectives of the Study

The main objectives of the Study are:

- 1) To analyse and compare the socio-economic characteristics of the SHG members and their households among agricultural labour and fisherwomen;
- 2) To present a comparative analysis of level of employment, income and expenditure pattern among the SHG members and their family members;
- 3) To identify the level of indebtedness and incidence of poverty among the sample SHG member households, and
- 4) To examine the perceived empowerment of the SHG members with respect to social, economic, political, educational and health dimensions of empowerment and to suggest some policy implications for women empowerment.

7.4 Methodology

In this Study, a multi-stage sampling technique is used. The sampling involves (i) selection of District (ii) selection of Mandal (iii) selection of villages and (iv) selection of households.

Srikakulam District is one of the districts in North Coastal Andhra Pradesh is selected purposively. Studies on the different aspects of SHG

organisations and economic development of its members are very limited in these backward districts of North Coastal Andhra. Similarly, there are no intensive studies on different socio-economic aspects of SHG members and their families engaged in different activities or occupations like fishing, agriculture, agricultural labour, non-agricultural labour, etc. These aspects surely also have an effective influence on the socio-economic conditions and empowerment of the SHG members and their families. No comparative study between the two occupational groups like fishermen and agricultural labour was conducted in this Region particularly in Srikakulam District. In Srikakulam district, Polaki Mandal has a significant number of fishermen villages with a majority of fishermen community and also villages with substantial agricultural activity. The Study was covered eight villages in Polaki Mandal, four villages (agricultural villages) based on cultivation and agricultural labour as their main occupation and four villages (fishermen villages) with fishing as their main occupation were selected at random. In the analysis part of the Study the four agricultural villages selected with agricultural activities are called Group-I villages and the other four fishermen villages are named as Group-II villages. From each Group 20 SHGs and from Group-I 215 SHG members and 211 from Group-II villages altogether 426 SHG members and their households were covered.

The reference period for the ‘before period’ of SHGs is 2007-08 and the 2013-14 for the ‘after period’. The primary data of all socio-economic aspects for the ‘before period’ are collected from the respondents based on memory recall method. A comprehensive schedule has been used to collect the necessary primary data, covering all socio-economic aspects of the SHG members and their households, and the reference period for the investigation was April 2013 to March 2014. A pilot study preceded the Survey.

The Study is used not only tabular analysis but also advanced statistical technique i.e. log linear regression analysis is used to estimate elasticity of income of the SHGs members households of the two Groups in the District.

7.5 Major Findings Based on Secondary Data

As per the 2011 Census, the total population of Srikakulam District is 27,03,114. Out of the total, male population is 13,41,738 while the female population is 13,61,376. The District has a total workforce of 12,90,288, which constitutes 48 per cent of the total population. Cultivators, household industry and other workers constitute around 13 per cent, 3 per cent and 30 per cent respectively. There are 104 Coastal fishermen villages in the District with a total marine fishermen population of 91,661. Literacy rate in

the District is 61.7 percent as against the State average of 67.4 and India 73 per cent. During the year 2012-13, the forest area of the District is Ha.68,641 accounting for 12 per cent which shows around one-third percentage of the normal ecological balance area. Land put to Non-Agricultural uses occupied by buildings, roads and railways or under-water resources i.e., rivers, canals and other land put to uses other than agriculture is Ha.1,02,435 accounted for 18 per cent of the total. There are 2,714 primary schools under various managements with an enrolment of 1.41 lakh students, 1.08 lakh students are enrolled 847 upper primary schools and 531 high schools account for 1.61 lakh students. The gross area irrigated by all sources in the District during the year 2013-14 is Ha. 2,11,000, this accounted for 51 per cent as against Ha. 2,19,231 during the year 2010-11 accounted for 50 per cent of the gross cropped area.

Total length of the Coastal line of the Srikakulam District is 193 km. There are 11 coastal Mandals (sub-district unit) having 104 coastal fishermen villages in the District. Total marine fishermen population in the District is 91,661, of which 34,514 are marine active fishermen. Of the 11 coastal mandals, Polaki Mandal is the one among them, which has a significant number of fishermen villages with a majority of fishermen

community. The Mandal is ranked first in respect of total net area irrigated and also accounted for cent per cent irrigation facility.

As per the 2011 Census, total population of the Edulavalasa Village is 2292, out of which males are 1149 and females are 1143. The literacy rate of the Village is 48 per cent which is lower than the District average. Total cultivated area is Ac. 877 and the main crops grown here are paddy, groundnuts, black gram, green gram, ragi, red chillies and vegetables. The main source of irrigation is canals.

The total population of the Gollalavalasa village is 1528, of which males are 734 and females are 794. The total number of households in the Village is 440, of which 84 per cent of households belong to backward communities and 14 per cent belong to schedule castes and the remaining belong to other communities. The literacy rate of the Village is 48 per cent which is lower than the District average. Total cultivated area is Ac.361 and the main source of irrigation is canals. The main crops grown here are paddy, groundnuts, black gram, green gram, redchillies, sugarcane and vegetables.

As per the 2011 Census, total population of the Rallapadu village is 1172, out of which males are 588 and females are 584. The total number of households in the Village is 290, of which 94 per cent belong to backward communities, 4

per cent are scheduled tribes communities and the remaining belong to other communities. The literacy rate of the Village is 49 per cent which is lower than the District average. Total cultivated area is Ac.342 and the main crops grown here are paddy, pulses, groundnuts, ragi, redchillies and vegetables and the main source of irrigation is canals.

The total population of the Koviripeta village is 661, of which males are 330 and females are 331. The total number of households in the Village is 148 and all of them belong to Jalari, a fishermen community. The literacy rate of the village is 54 per cent which is lower than the District average. Total cultivated area is Ac. 34, the main source of irrigation is canals and the main crops grown here are paddy, cashew plantation, green gram and black gram. Traditional country boats are used for fish catch in the Village.

As per the 2011 Census, total population of the Guppidipeta village was 2287, of which, males are 1163 and females are 1124. Total number of households in the Village is 506, of which 99 per cent of households belong to backward community/ fishermen community, Jalari. The literacy rate of the Village is 47 per cent which is lower than the District average. The total cultivated area is Ac. 101, the main source of irrigation is canals, and the main crops grown here are paddy and cashew plantation. Traditional country boats are used for fish catch in the Village.

The total population of the Jogampeta village is 488, out of which males are 223 and females are 265. The total number of households in the Village is 132. Of which, 130 households belong to Vadabaliya, a fishermen community. The literacy rate of the Village is 56 per cent, which is lower than the District average. The total cultivated area is Ac. 40 the main source of irrigation is canals and the main crops grown here are paddy, cashew plantation, green gram and black gram. Traditional country boats are used for fish catch in the Village.

As per the 2011 Census, total population of the Rajarampuram village was 886, out of which males are 453 and females are 433. Most of them belong to Vadabaliya, a fishermen community. The literacy rate of the Village is 60 per cent which is lower than the District average. The fishermen are using traditional boats and also motorised crafts for fish catch in the Village.

7.6 Major Findings Based on Primary Data

The profile of the sample households in the selected villages indicated that nearly 95 per cent of the population belongs to BC communities and same position is reflected in the membership composition of the selected SHGs. The nuclear family system is more predominant in the study villages. A majority of the SHG members are in the effective age group from 25 to 55 years and most of them are middle aged. The size of the family is relatively small in all the Villages i.e., not more than 4 persons

(around 73 per cent). The proportion of male adults in male population is lower than that of female adults in the female population in both the groups of villages. The proportion of male children is higher in all the villages. Majority of the SHG members are illiterates in the total study area but SHG members with primary education are relatively more in Group-II villages. Illiteracy rate is around 56 per cent among the households in the total study area. Proportion of household members with primary and secondary education is almost similar in both the group of villages but with a slight increase of one per cent in Group-II villages. All the SHG members are also sending their girl children to schools. Hence, one can say that one of the main objectives of the SHG is i.e., educating the children has been fulfilled in the study area.

Among the adult workers, the proportion of female workers is slightly higher than male workers in both the groups. Very few child labourers can be seen in all the villages except Edulavalasa in Group-I. The dependence ratio is relatively higher in SHG households in Group-II villages (1:0.59). Majority of the SHG members in both the group of villages are labourers engaged either in agricultural and/or in non-agricultural activity. A majority of the family members are engaged in different types of occupations in both the Groups. Similarly, most of the family members are also engaged in

labour activity. Being the fishermen villages a good proportion of the family members in Group-II villages are engaged in the fishing activity. More than 98 per cent of the SHG members have white ration cards.

Nearly 60 per cent of SHG members in Group-I and 88 per cent of the SHG members in Group-II are landless labourers. Even among the persons with landholdings most of them are marginal farmers. A majority of the SHG members have pucca houses (R.C.C Roof) and the proportion is relatively higher in Group-I villages. It is found in the oral discussion that most of the SHG members living in pucca houses got them under different Government schemes. Nearly 72 per cent of households in Group-I villages and around 93 per cent of households in Group-II villages are having assets worth of below Rs.5 lakh.

In general, the profile of the SHG members and their households indicated that they belong to the backward communities with low value of assets and predominantly depending upon agricultural/non-agricultural labour and fishing activities.

The pattern of employment of SHG members in the selected villages indicated that the activity wise more number of days of employment is reported in both agricultural and non-agricultural labour in all the villages in

both the groups. Number of working days in the cultivation activities is relatively more in Group-I villages, which are agricultural villages and number of days in fishing and other activities are more in Group-II villages. The share of employment of the SHGs family members is relatively more from agricultural labour followed by non-agricultural labour and cultivation in Group-I villages, whereas, the proportion of employment of family members is relatively more from fishing and other activities followed by non-agricultural labour and agricultural labour in Group-II Villages. The change in the pattern of employment of the SHG household members indicated that they are giving importance to agricultural works under MGNREGS works, which is easily available in the later period at the village level in both the Groups. Further, the pattern of employment was not influenced much by formation of SHGs in the study area.

The average annual household income of the Group-I villages is relatively higher and the same picture can be seen at village level. The proportion of income from different sources in total households income indicated that the income from cultivation and agricultural labour together contributed around 71 per cent of the total income in Group-I villages, whereas, both non-agricultural labour and fishing and other sources contributed around 74 per cent in Group-II villages. However, at the

absolute level, total income has increased from all the sources in both the group of villages in the later period.

While analysing the factors influencing the per capita income of the SHG members' households that the impact of X_1 , X_2 , and X_3 variables i.e., the income from agriculture, the income from both agricultural and non-agricultural labour are found to be significant in Group-I villages, whereas, impact of X_2 , X_3 and X_4 variables i.e., the income from agricultural labour, non-agricultural labour and fishing and other sources are found to be more significant in Group-II villages.

The impact of the SHGs on the per capita income of the SHG member households indicated a decline in the number of families in the first three income Groups i.e., below Rs.10,000/- in per capita, and a rise in all the other Income Groups in almost all the Villages. A cross-section comparison of per capita income and food expenditure of different income groups at a point of time showed that there is a decline in the share of food expenditure as income size increased, indicating an inverse relationship between per capita income and share of food expenditure. This result is consistent with Engle's Hypothesis of Income-Expenditure relationship. The proportion of expenditure on food items in the total consumption expenditure has

increased in all the villages in current period compared with the previous period. There is an increase in the proportion of expenditure on education, health care in all the villages after the formation of the SHGs. It is a good sign of progress in the development of SHG members' households. The proportion of expenditure on consumption of alcohol has been increased in the later stage in all the villages, which has to be reduced by creating more awareness in the villages on the consequences of alcoholism.

It can be stated that the total borrowings of the SHG members has been increased by nearly 30 per cent in Group-I villages and nearly 32 per cent in Group-II villages over the period. Borrowings from money lenders and friends and relatives together declined in all the villages over the period, but relatively in higher proportion in Group-II villages. The borrowings from banks and SHGs together have increased at absolute level over the period in all the villages. A source-wise and purpose-wise analysis has indicated that a major proportion of the borrowings from banks are utilised for non-recurring consumption expenditure, whereas borrowings from SHGs are utilised for investment purposes in all the villages. The proportion is relatively higher in Group-II villages. A major portion of the borrowings are from money lenders and friends and relatives are used for household consumption and non-recurring consumption expenditure in all the Villages. Borrowings

increased in a majority of income groups, and it is relatively more in higher income groups in all the Villages. Cost of borrowings as usual is high from money lenders followed by friends and relatives and low for banks and SHGs. Due to this fact of low cost of borrowings, some of the SHG members are borrowing larger amounts from SHG in the name of investment purpose and diverting a portion of it for consumption expenditure. All the members have been repaying bank-linkage loans promptly, because it is a pre-condition for future borrowings of the groups. However, the borrowings from SHGs have helped the members to minimise their dependence over friends & relatives and money lenders in the later period.

The magnitude of the poverty in the sample households of villages reveals that about 19 per cent of agricultural villages (Group-I) and 20 per cent of the fishermen households (Group-II) in the study area are found to be living below the estimated poverty line (Rs.946-00) for the year 2012-2013. The incidence of poverty is relatively on higher side in the fishermen villages.

The distribution of SHG households living below the poverty line by specific expenditure groups showed that the majority of them are concentrated in the expenditure range of Rs.711/- to Rs.946/-. A few households in this expenditure range of below Rs.473/- can be seen only in

the fishermen villages. The incidence of poverty is relatively high in the fishermen villages (Group-II) than that of agricultural villages (Group-I).

Lack of sufficient working capital, low productivity, seasonal fluctuations in agriculture and relatively low wage rate in agriculture sector are found to be the reasons for the incidence of poverty among the households of Group-I villages. Similarly, more dependence on traditional boats, lack of upgradation of skills in fish catching and relatively high dependence on traders for the sale of fish are found to be the major reasons for the incidence of poverty in Group-II villages.

The role of SHGs in empowering its members on socio, economic, political, educational and health dimensions is measured with the help of the index values of thirty one variables.

Social dimension of perceived empowerment of SHG members is measured with the help of nine variables, economic dimension with seven variables, political dimension with six variables, educational dimension with four variables and health dimension with five variables. The values of the Perceived Empowerment Indices on various dimensions indicated that the SHG members perceived a moderate level of empowerment in terms of knowledge, awareness and perception on different social, economic, political,

educational, and health dimensions. Except in educational dimension, in a majority of the other variables, the degree of perceived empowerment is relatively better in SHGs with fisherwomen in Group-II villages than the agricultural labour in Group-I villages. There is an improvement at a moderate level in the status of the SHG members after enrolling themselves in SHGs in the family as well as in the society. Thus, one can say that the SHGs in the study villages have helped their members to attain moderate level of empowerment on social, economic, political and health dimensions. The Study also revealed that the low level of empowerment in educational dimension. The educational dimension of empowerment should be given priority. This has a long-run cascading effect on all the other dimensions not only for the members but also for the future generations.

7.7 Policy Implications

In the process of the organisation of SHGs, the Government agencies should not be a target-approach and the policy should be need-based, similarly the Bank Linkage programme. The subsidy culture of the government has to be phased out slowly so as to make the SHGs to remain self-sustained and growth-oriented in the long run. The ability of the SHGs members has to be improved by imparting proper training to undertake the

responsibility of the implementation of various programmes of the Government.

Steps should be taken to see that group functioning should be on democratic lines. Rotation of the office bearers should be adopted strictly as per the norms so that, all the members involve in the management of the SHGs overtime. More emphasis should be laid upon capacity-building and skill-development of the group members. Proper supervision over credit-use should be observed by the credit institutions and also by the group to control any diversion of loans towards unproductive purposes. Government agencies and NGOs should chalk out proper schemes for the implementation of awareness programmes for women and mainly literacy programme on a vigorous scale, which in turn will help, over all development of the rural women and their children and the rural society in the long-run.

It is observed that in the study area, the SHGs growth seems to be attracting too much politics in the form of targets for SHG bank-linkage, resulting in the supply driven approach of pushing external loans on SHGs. The amount and timings of such loans should depend on credit absorption and repayment capacity of the members but not on targets. Therefore, there is a need of the hour to issue loans to SHG members in a liberalised manner by banks.

Experience of Bangladesh, Bolivia and Indonesia countries known for the fastest growth in Micro-Finance, shows that growth is recorded in densely populated areas and the groups covered are capable and efficient. This highlights the need to improve the capabilities of people while providing credit to the poor through SHGs.

The results of the Study provide a strong case for giving a big push to SHG-linked programme in view of its superiority over other methods of reaching poor in many aspects.

7.8 Need for Further Research

One of the major objectives of the SHGs is self-help through mutual help, as the very name suggests. But, once that vital linkage between SHGs and Government or any other agency is severed, what will happen to the very existence of the SHGs is to be studied. Many studies indicated that still a large number of SHGs are dependent on Government or agency-linkage. Thus, there is a need for a study of those SHGs which have sustained on their own without any external help.

Many studies have documented that women are empowering now and they are actively participating in meetings and their levels of perception have increased moderately. There is every need for location-specific and region-

specific studies whether these levels of perception or empowerment have been percolated to the downtrodden or is confined only to the elite groups and decisions are being implemented by the thrust from above under the veil of democracy.
