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ORIGINAL ARTICLE

SUSTANABLE WOMAN EMPOWERMENT THROUGH MICRO FINANCE IN INDIA

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Abstract:

The constitution of India not only grants equally to women but also empowers the State to adopt measures of positive discrimination in favour of women for neutralizing the existing socio- economic, education and political disparities faced by them. In India the emergence of Liberalization and Globalization in early 1990's aggravated the problem of women works in unorganized sectors from bad to worse as most of the women who were engaged in various self employment activities have lost their livelihood. Despite in tremendous contribution of women to the agriculture sector their work is considered just an extension of household domain and remains non-monetized. Micro finances are emerging as a powerful instrument for poverty alleviation in the new economy. Women empowerment continues to be a matter of concern in the present society and this has strongly influenced development debates and policy issues. Empowerment of women is critical to the socio-economic progress to the community and bringing women into the main stream of national development has gained momentum. The most important contribution of micro finance is economical and social development with particular focus on women. Rapid progress in SHG formation has turned into an empowerment movement among women across the country.

KEYWORDS:

Sustanable , Empowerment , Micro Finance , Liberalization , Globalization.

INTRODUCTION

Economic empowerment results in women's ability to influence or make decision increased self confidence, better status of women in household sector etc. micro finance is necessary to overcome exploitation from money lender create confidence for economic self reliance of the rural poor particularly among rural who are mostly invisible in the social structure. Micro finance programmes have significant potential for contributing to women's economic, social and political empowerment access to savings and credit can initiate or strengthen a series of interlinked and mutually reinforcing “virtuous spirals” of empowerment. Women can use savings and credit for economic activity thus increasing income and control over these incomes assets.

This economic contribution may increase their role in economic decision making in the household leading to greater well being for women.

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OBJECTIVES:

The main objectives of the paper are as follows

1)To analyze the role of empowerment in women's life.
2)To identify the constraints of undertaking an economic activity.
3)To give suitable suggestion for improving the empowerment of women.

METHODOLOGY:

This paper is based on secondary data. Information gathered from the published Government reports, reputed journals, books, internet and newspapers. This paper analyzes the aspects of concept of micro finance, role, constraints and suggestions for improving the economic status women.

Concept of Empowerment and Microfinance:

In India too empowerment of women in general and poor women in particular is the thrust area of development today. Empowerment can be defined as a process of awareness and capacity building leading to greater participation, to greater decision-making power and control, and to transformative action. The work of Amartya Sen (1998) has also been influential in broadening the understanding of empowerment and deprivation. He argued that poverty led to denial of rights and opportunities to the poor for full participation in society.

The term microfinance is of recent origin and is commonly used in addressing issues related to poverty alleviation financial support to micro entrepreneurs' gender development etc. Microfinance has defined microfinance as "provision of thrift credit and other financial services and product of very small amounts to the poor in rural, urban or semi-urban areas for enabling them to raise their income levels and improve living standards.

The term "Micro Literally means small but the task force has not defined any amount however as per micro credit special of the Reserve Bank of India the barware's amounts up to the limit of Rs. 25,000/- could be consider as micro credit products and this amount could be gradually increased up to Rs. 40,000/- over a period of time which regular equals to $500 a standard for South Asia as per international perceptions.

MICRO FINANCE FOCUS ON POOR WOMEN:

In India, the trickle down effects of micro economic policies have failed to resolve the problem of gender inequality. Women have been the neglected section of society and constitute a sizeable segment of the poverty-struck population women face gender specific barriers to access education, health, employment etc. Micro finance deals with women below the poverty line micro loans are available solely and entirely to this target group of women. There are characterized by lack of education and access of resources. Both of which is required to help them work their way out of poverty and for upward economic and social statues the problem is more acute for women like India.

Since women's empowerment is the key to socio-economic development of the community bringing women into the mainstream of rational development has been a major concern of government. This Ministry of Rural Development has special components for women in its programmes funds are earmarked as "women's component" to ensure flow of adequate resources for the same besides Swarna Jayanti Grameen Swarazgar Yojana (SGSY), Ministry of Rural Development is implanting other scheme having women's component. They are the Indira Awas yojana (IAY), National Social Assistance Programme (NSAP), Rural Sanitation Programme, Accelerated Rural Water Supply programme (ARWSP), the (erstwhile) Integrated Rural Development Programme (IRDP), the (erstwhile) Development of Women and Children in Rural Areas (DWCRA) and the Jowahar Rozgar Yojana (JRY).

STREE SHAKTHI:

Stree Shakthi Scheme was a powerful weapon for empowerment of women. This project was launched throughout the state during 2000.The aim of the project is to empower women economically and socially by organizing them in self-help groups. As on March 2010 there are 1,40,000 self help groups have been formed in the state 20.731 lakh women member have been organized in these groups till January 2010, and the members have saved an amount of Rs 835.25 crores.A total number of 1,24,008 groups have availed bank loans to the extent of Rs 1125.59 crores and internal loan of Rs 1906.00 crores to take up various income generating activities.

MICRO CREDITS AND GENDER EQUALITY:

Another issue that needs further investigation is whether micro credits reinforce women's traditional roles as promote gender equality. A woman's practical needs are closely linked to the socially defined gender roles responsibilities and social structures. Which contribute to a tension between meting women's practical needs in the short term and promoting long term strategic change by heeling women meet their practical needs and increase their efficiency in their tradition roles, microfinance may in fact help women to gain respect and achieve more in their socially defined roles which in turn may lead to increased esteem and self-confidence.

Although increased self-confidence does not automatically lead to empowerment. It may contribute derisively to a woman's ability and willingness to challenge the social injustice and discriminatory systems that they face. This implies that as women become financially better off their self confidence and bargaining power within the household empowerment finally given that empowerment is a process the impact of the micro finance programme may take a long time before it is significantly related on the observable measures of women empowerment.

ROLE OF MICRO FINANCE FOR WOMEN EMPOWERMENT:

Micro finance is emerging as a powerful instrument for poverty alleviation in the new economy. In India micro finance seen is dominated by self help groups (SHGs)- Bank linkage programme aimed at providing a cost effective mechanism for proving financial services to the "unreached poor" based on the philosophy of peer pressure and group savings as collateral subtitle. The SHG Programme has been successful in not only in meeting peculiar needs of the rural poor but also in strengthening collective self-help capacities of the poor at the local level leading to their empowerment. Micro finance for the poor and women has received extensive recognition as a strategy for poverty alleviation and for economic empowerment.

Credit for empowerment is about organizing people particularly around credit and building capacities to manage the money. The focus is on getting the poor to mobilize their own funds building their capacities and empowering them to leverage external credit. perception women is that learning to manage money and rotate funds builds women's economic capacities and confidence to intervene in local governance beyond the limited goals of ensuring access to credit further it combines the goals of financial usability with the of creating community owned institutions.

There are certain misconceptions about the poor people that need loan at subsidized rate of interest on soft terms they lack of education. Skill capacity to save credit worthiness and therefore are not bankable nevertheless the experience of several SHGs reveal that rural poor are actually efficient managers of credit and finance availability of timely and adequate credit is essential for them to undertake any economic activity rather than credit subsidy.

The government measures have attempted to help the poor by implementing different poverty alleviation programmes but with little success since most of them are target based involving lengthy procedures for loan disbursement high transaction cost and lack of supervision and monitoring since the credit requirements of the rural poor cannot be adopted on project lending approach as it is in the case of organized sector their emerged the need for an informal credit supply through SHGs. The rural poor with the assistance from NGOs have demonstrated their potential for self help to secure economic and financial strength various case studies show that there is a positive correlation between credit availability and women's empowerment. The empowerment of women through participation of decision making process in family life noted the table below.

Table-01
Women Empowerment through Decision Making Process

Women Empowerment	Rural	Urban	Total
Currently married women who usually participate in household decision %	28.7	45.5	35.2
Ever-married women who have ever experienced spousal violence %	23.2	15.0	20.0

Source: Men and Women in Karnataka-2009-10.

The above table reveals that the as per National Family Health Survey -3(2005-06) in the rural sector currently married women take 28.7 per cent decision whereas urban women take decision 45.5 per cent.

CONSTRAINTS OF WOMEN EMPOWERMENT:

Some of the major constraints of women empowerment are as follows

1)Lack of knowledge of the market,
2) Inadequate register keeping,
3) Non-availability of jobs,
4) Lack of Capital,
5) Problems of fixation of price,
6) High rate of interest,
7) Failure of prediction of inflation rate etc.

SUGGESTIONS:

Some of the important suggestions are as follows

1)Government should provide the finance to Self Help Groups on subsidized rate of interest.
2)Government should give the training to women entrepreneurs' for opportunity to undertake an economic activity.
3) Government should organize the awareness about the benefits of micro finance and banking transaction.

CONCLUSION:

Women empowerment is possible only when women indulge into economic activity. In rural areas, women are involved in agricultural activities, but somehow it is not presumed as an economic activity. They can feel really empowered, when they take up an economic activity, other than agriculture. Involvement of women in economic activities will automatically improve their skills, knowledge and network and in turn it will enhance their status in the society. Availability of savings and credit facilities is a crucial element for women to indulge into economic activities. Microfinance can be considered as one of the easiest means of finance for women.

The status of women is a key factor for determining the development of any society. In the area of a gender and development, the Commonwealth has given a blue print for action to its entire member. States to transform the Commonwealth vision for women into reality. Effort will surely bring about a day when women and men will take equal position in all walks of life. Gender based Budgeting is nowadays felt essential for the upliftment of women socially and economically. Gender budgeting is to create separate budget for males and females. Attempts should be made to segregate the budget by gender and to assess gender distribution of resources benefits. It will highlight the different needs of male and female warranting differential allocation of expenditure.

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