



Women Empowerment And Economic Upliftment: Role Of Self Help Group

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Abstract:

Women are fundamental component of a society and play a pivotal role in various aspects of life. Women empowerment is the key to socio- economic development of the community. Empowering women is an essential tool for reducing poverty and sustainable development. Women empowerment refers to the activities undertaken to improve the economic, social and political status of women in the world. Regarding women empowerment, Self Help group plays a vital role. Through self help group, women can bring economic development not only to their family but also to our society. This article aims to study the impact of SHG highlighting their contribution to socio-economic development. The study also aims to discuss the role of SHGs in rural areas.

Keywords: Women Empowerment, Self Help Group, Economic freedom of women, Development.

Introduction:

Women empowerment refers to increasing the spiritual, political, social or economic strength of women. Women empowerment is fundamental for positive social and economic outcomes and integral to family, community building, and the workforce. Their contributions are very important for overall development of our country and well-being of communities. Women Empowerment, broadly, refers to the process by which women gain power and control over their own lives and acquire the ability to make strategic choices (2024, NEXTIAS Team). Women empowerment can be defined to promoting and increasing women's sense of self-worth, their right to influence social change for themselves and their ability to determine their own choices. Empowerment means to enhance the capacity of an individual or group to make purposive choices and to transform those choices into desired actions and outcomes (World Bank, 2007). Women's empowerment signifies granting women the freedom to make choices, take decisions, and influence their own lives as well

as the broader society. The progress of any country or community fundamentally depends on the empowerment of its women. True national development and harmonious growth can only be achieved when women are regarded as equal partners alongside men.

Women's freedom is essential not only for the financial advancement of a nation but also for the upliftment of communities. For society to progress meaningfully, women must be treated as equal contributors in all spheres of life. Empowering women is vital for sustainable development, encompassing economic, social, and overall well-being. Empowered women contribute significantly to the health, productivity, and prosperity of their families and communities. However, empowerment is not possible without access to essential resources such as education, healthcare, financial services, employment opportunities, and technology. Despite their personal abilities, women cannot fully participate in social and economic life without these supports. Achieving gender equality and empowering women is not only a matter of human rights but also a key driver of sustainable development. Empowerment fosters an environment where individuals can make informed decisions and actively participate in social transformation. It enhances intrinsic strength through experience, knowledge, and the acquisition of power. In the field of economic development, women's empowerment is defined as the process through which women acquire the ability to make strategic life choices in a context where this ability was previously denied to them (Kabeer, 1999). When women are empowered, they can contribute more fully to economic development, enhance resilience to climate change, improve health and education outcomes and promote peaceful societies. Women are a fundamental component of every economy. A country's progress and development depend on women's empowerment. Women are to be considered to be equivalent accomplices with men in progress. Freedom of women is essential to the financial advancement of the country, as well as for the upliftment of community. Women empowerment has been one of the remarkable strategies in the development process in India since the 9th Five Years Plan.

Women represent a vulnerable segment of society and make up a significant portion of the poverty-stricken population. Among them, poor women are particularly disadvantaged, often lacking access to education, healthcare, and essential resources. Although women constitute nearly half of the world's population, many continue to be excluded from the benefits of social and economic development.

Gender-specific barriers in education, employment, and healthcare continue to hinder women's progress. Despite advancements, these challenges persist in many regions. Integrating women into the mainstream of national development remains a major priority for the government today, recognizing that inclusive growth is only possible when women are empowered to contribute fully to all sectors of society.

Objectives:

The main objectives of the present study are –

1. To analyze the role of SHG in bringing economic development
2. To examine the impact of Self-Help Groups on women's empowerment
3. To study the benefits of joining SHG

Methodology:

The present study is descriptive in character. The data is collected from secondary sources through different websites, journals books and Newspaper. Internet resources also have been accessed extensively.

Importance of Women Empowerment

Women should be granted liberty, equality, and self-worth to make informed choices regarding their needs and aspirations. They have equal rights to participate in all spheres of life, including education, the economy, politics, and social development. Empowering women is essential for the overall progress of any nation, as they are an integral part of every economy. However, in many developing countries, women continue to face low socio-economic status and limited access to opportunities. In such contexts, effective empowerment is crucial for achieving sustainable socio-economic development. Women also form a significant portion of the labour force, and their potential must be mobilized and encouraged to ensure meaningful contributions to the nation's growth. Government initiatives such as 'Beti Bachao Beti Padhao', the promotion of self-help groups, and reservation policies aim to empower women and integrate them into the development process. Women's empowerment is not only vital for individual upliftment but also indispensable for community development, as it leads to numerous benefits and positive social outcomes.

Economic Growth:

Economic empowerment focuses on enhancing economic capabilities and opportunities of women. This includes access to financial resources, skill development, job opportunities, entrepreneurship and equal pay for equal works. Economic empowerment enables women to be financially independent and to make decisions about their lives. It also helps them to contribute to the overall economic growth and prosperity within communities. Economic empowerment allows women to control and benefit from resources, assets, and income. While women have access to education, economic opportunities and skills training they can start their own businesses, contribute to the local economy and participate in the workforce. Empowered women drive entrepreneurship, innovation, productivity and poverty reduction. Their contribution may lead to economic development. Economic empowerment is often applied to women who have been subject to discrimination regarding education and professional opportunities.

Education and Skill Development:

Discrimination against women—such as gender-based violence, economic inequality, and reproductive health disparities—remains one of the most pervasive forms of injustice. Education is a powerful tool for women's empowerment, equipping them with the knowledge, skills, and confidence needed to actively participate in a nation's development. Educational empowerment focuses on ensuring equal access to quality education for girls and includes efforts to eliminate gender disparities in enrollment, retention, and learning outcomes. It also promotes lifelong learning opportunities for women. Empowering women through education and skill development has a direct and transformative impact on community development. By gaining knowledge, practical skills, and critical thinking abilities, women are better equipped to make informed decisions that positively affect their personal lives, families, and communities.

Social advancement:

Women empowerment promotes social progress by challenging and transforming societal norms and practices which limit the rights and opportunities of women. It involves promoting women's rights and gender equality, addressing gender-based violence and creates awareness regarding women's issues. When women are empowered, they can enthusiastically contribute to create a more equitable and inclusive society. Nevertheless women have been facing threats to their lives and health. Empowerment also helps to reduce in domestic violence. Social empowerment creates an atmosphere where women can exercise their rights, have equal access to resources and services and can actively participate in social and cultural activities. Social empowerment of self-help groups improves the equal status of women as participants, decision-makers and beneficiaries in the social, economic, democratic and cultural spheres of life.

Health and Well-being:

Women empowerment positively impacts the health and well-being of individuals and communities. When women have access to healthcare services and reproductive rights, they are conscious about their own health. Ensuring the health and well-being of women contributes to improve public health outcomes and reduced maternal and child mortality rates.

Governance and Leadership:

Empowering women to participate in leadership and decision-making role within the community leads to better governance and representation. When women community leaders have equal opportunities for contributing their knowledge, skills and perspectives, community decisions become more inclusive and reflective of diverse needs.

Political Empowerment:

Political empowerment of women aims to increase women's participation and representation in political decision-making processes. It involves promoting women's leadership and ensuring equal political rights and opportunities. Political empowerment allows women to have a voice in shaping laws and policies that affect their lives.

Legal Empowerment:

It aims to ensure women's access to justice and protection of their rights under law. It involves initiatives to promote gender-responsive legal frameworks and provides legal support for women. Legal empowerment enables women to assert their rights, freedoms and duties and seeks redress for gender-based violence and discrimination.

Social Empowerment:

This focuses on enabling women to participate fully in social, cultural, and community life, free from discrimination and violence.

Self-Help Groups as a tool of Women Empowerment:

Self-Help Groups are small and community-based organizations or groups where the members pool their resources for mutual economic support focusing on savings and credit activities and these groups play a decisive role in our society in empowering marginalized communities, promoting livelihoods and collective action and fostering financial networks. The SHG focuses on mobilizing people, especially marginalized groups, to take charge of their social economic and personal growth. SHGs have emerged as an imperative tool for empowering women, enabling them to become economically, socially and politically independent. In other words, SHG is a tool to improve the rural development by eradicating poverty. The basic goal in forming up self-help groups is to promote credit, savings and thereby empower women beneficiaries (Singh, 2013).

Role of SHGs in Socio-Economic Development :

Self Help Groups (SHGs) have been playing a vital role in context of rural development by empowering women, fostering community development and promoting financial inclusion through numerous initiatives. They can provide a platform for rural communities to access microfinance, address local needs and participate in decision-making process.

- **Women Empowerment:** SHGs have been a significant tool for empowering women by making them financially independent and socially confident. SHGs focus on women, who are often marginalized and lack access to formal credit. SHGs increase self-confidence of the women.
- **Poverty Alleviation :** Self-Help Groups (SHGs) play a significant role in poverty alleviation by empowering women to access financial resources and build self-reliance and social capital. SHGs provide members with access to small loans, often at lower interest rates than traditional financial institutions. Besides, SHGs enable access to microcredit, allowing members to start or expand income-generating businesses. Regular savings within the group uphold financial discipline and enable members to amass capital for future needs.
- **Financial Inclusion:** SHGs play a decisive role in bringing individuals who do not have access to traditional financial services under the formal financial system by facilitating savings accounts and loans. It helps to bring the unbanked population into the formal financial system BY promoting financial inclusion.
- **Skill Development, capacity building and Employment :** SHGs often provide training in various skills such as handicrafts, tailoring, agriculture etc to enhance members' skills in financial literacy, entrepreneurship and leadership and also resources to members which help them acquire skills, get employment or start small businesses.
- **Social Cohesion :** SHGs create a sense of community and mutual support, fostering unity, cooperation and solidarity. They also address social issues like domestic violence, child marriage etc.
- **Active participation in democracy:** SHGs can actively participate in the aspects of local governance.
- **Easier access to government schemes:** The various schemes of the government are mostly meant for the marginalized sections of the society. If they are grouped together, it is easier for the government to identify them who are in need of assistance quickly.
- **Increase Income, employment opportunities and improve the Standard of Living:** By starting or expanding income-generating activities, SHGs contribute to increase income and improve living standards for families. The collective team effort by the SHGs for financial inclusion allows for the improvement in the living standard, healthcare, family planning.
- **Disaster Management-** During crises like floods or pandemics, SHGs contribute to community resilience by pooling resources.
- **Combating social evils:** The SHGs play a crucial role in overcoming social evils like alcoholism, drug addiction, youth unrest, gambling, etc.

- **Financial Intermediaries:** SHGs is a link between rural communities and formal financial institutions by facilitating loans and other financial services.
- **Microfinance:** SHGs provide a channel for microcredit, allowing its members to invest in income-generating activities. It improves the socio-economic development of the rural people, the status of women in households and communities, strengthens economic status and removes gender inequalities. The rural poor people are engaged in small scale entrepreneurship programmed with the help of Self help Groups.
- **Technology Integration:** However it promotes digital tools to develop record-keeping, communication and access to markets.
- **Increased Self-Confidence and Leadership:** The process of organizing and managing self help group, including saving, decision-making and lending increase self-confidence of women and leadership skills. Women can learn to take leadership roles within their groups and advocate for their rights, challenging traditional gender roles.

Government Initiatives supporting Self-Help Groups :

- **Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM):**

It aims to promote poverty reduction by strengthening rural institutions, particularly women's Self Help Groups, and enabling them to access financial services and livelihood opportunities. This mission focuses on mobilizing rural poor households into SHGs DAY-NRLM was a restructured version of the Swarnajayanti Gram Swarojgar Yojana (SGSY) and was renamed DAY-NRLM on March 29, 2016.

- **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA):**

The MGNREGA was passed in 2005. This Act aims to enhance the livelihood security of rural people by generating employment through infrastructure development projects. SHGs are involved in the planning and implementation of MGNREGA projects, contributing to employment and for rural advancement.

- **Lakshpati Didi Scheme:**

This scheme aims to empower women in SHGs to build a capital of more than Rs. one lakh, promoting entrepreneurship and financial inclusion.

- **Bank Credit to Women Self-Help Groups:**

Bank credit is a significant tool for empowering women through Self-Help Groups (SHGs). It aims to provide financial access to women SHGs. The government, along with NABARD, encourages bank credit to women SHGs, facilitating access to finance to start or expand their businesses, improve livelihoods, and achieve financial independence.

▪ **Subsidy Scheme for Self-help Groups of Minorities:**

The Subsidy Scheme for Self-Help Groups of Minorities aims to financially empower the members of minority community by providing subsidized loans for diverse self-employment activities.

- **Women SHG Development Fund:** This fund provides grant support and capacity building initiatives for women SHGs.
- **National Rural Livelihood Mission (NRLM):** Launched in 2011 with the aim to reduce poverty by promoting SHGs and linking them with financial institutions.
- **NABARD's SHG-Bank Linkage Programme (SBLP):** Introduced in 1992, this program enables SHGs to access bank loans without collateral.
- **Pradhan Mantri Mudra Yojana (PMMY):** Provides loans to small and micro-enterprises, including SHGs, to boost entrepreneurship.

The government plays a fundamental role as a facilitator for the SHGs and has taken measures to make SHGs more effective. There are various government schemes for the promotion of SHGs. Swarn Jayanti Gram Swarojgaar Yojana seeks to form SHGs and develop the skills of its members to promote self-employment in rural areas. National Rural Livelihood Mission is the largest poverty alleviation program in the world and was launched by the Ministry of Rural Development in 2011. It was succeeded by Deendayal Antyodaya Yojana in 2015. This scheme covers 100 million families through 8.5 million SHGs. These SHGs provide access to collateral-free credit, leading to financial empowerment for rural women. 84 million SHGs received collateral-free credit out of which 88% are rural women. There is an outstanding loan of over Rs.615 billion. The NPAs of the credit is 6.5%. This is much lesser than the total NPAs of the Indian Banks – 10.2%. In the Union Budget this year, the government allowed an overdraft up to Rs.5000 to every verified woman SHG member who has Jan Dhan Bank account. Besides, one woman in every SHG will be allowed a MUDRA loan up to Rs.1Lakh.

Conclusion:

Self-Help Group is a key mechanism for socio-economic transformation in India. Self Help Groups play a crucial role in empowering women in rural areas by providing access to finance, fostering social capital and promoting economic independence. They empower women by improving their standard of living, boosting self-confidence and promoting education. Women empowerment is possible through the development of SHG. Furthermore SHGs have the potential to address pressing developmental challenges by empowering women, fostering economic independence and building community resilience. With the support of governments, financial institutions and NGOs, they can strengthen their impact and contribute to build more inclusive as well as equitable society. Women participation in Self Help Groups has noticeably created tremendous impact upon the life pattern of poor women and has empowered them at various levels. They

work together for the purpose of solving their common problems through mutual help. SHGs enable economic, social, political and psychological empowerment of women. At the present time, Self Help Groups represent a unique approach to financial intermediation. SHGs are identified as a major source to address the financial needs of women. Thus Self help group is essential for economic upliftment of the rural women. Empowering women today will lead to a progressive society for tomorrow.

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