



The Relationship Between Income & Empowerment of Women Self Help Group In Godda District Of Jharkhand With The Help Of Lorenz Curve

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ABSTRACT

In India, Self Help Groups (SHGs) is making headway in its effort for reducing poverty and empowering rural women. Presents paper attempts to assess the role of SHGs in women empowerments in Godda District of Jharkhand. The study was attempted to examine whether women's involvement in various activities of the group makes any positive change on women social empowerment. The information required for the study was collected using a well-structured and pre-tested interview schedules targeting SHGs member along with group discussion method which facilitated the collection of qualitative data from the group. In the present study along with nature of income distributions, the extent of income inequality is also discussed.

Keywords: Self-help group, Empowerment, Income distribution, income Inequality

INTRODUCTION

The women in the rural sector in India have immense potential and expertise in art and craft, handloom, food products, bamboo related articles, honey bee, and the like. A bulk of women in India with extremely poor economic background and most illiterate toil round the clock for their family. They are the most deprived and neglected segments of the society [1]. Women still continue to be in the process of economic governments and non-governmental organizations women have emerged and empowered through Self Help Groups (SHGs) [2]. In the international arena, out of 1.3 billion people who live in absolute poverty, 70 per cent are women [4]. In India, rural women though constitute almost half of the population the participation in the labor force is only 33 per cent, while it is 56 per cent for male. Thus 67 per cent of the female population is not gainfully employed [5].

The basic idea of SHGs is to inculcate saving habit and meet with the credit needs as a mass movement [6]. The SHGs not only instill the financial discipline among members but also provide loans of smaller amounts out of the available corpus fund in the group [7]. The group corpus fund consists of own savings, government assistance and bank loan [8]. Members avail themselves of this fund for their personal needs initially. Later, these funds are utilized for income generation activities. Such activities supplement the house hold income and thereby improve the standard of living [9]. These income generating activities bring about economic awareness and empowerment among the women members [3].

Small scale units create more self-employment opportunities with less capital investment requirements [10]. The raw materials are locally collected and there is less environmental pollution [11]. It also requires simple technology and low managerial skills. The finished products are exported that help to earn valuable foreign exchange and preserve the balance of payment status. The credit worthiness in the international monetary front will also improve. But largely the women are neglected group in the society in India. At this juncture, the need of the hour is that the women should be empowered.

OBJECTIVES OF THE STUDY

The following are the objectives of the present study.

- To assess the nature of income irrespective of the sample respondents before and after joining SHG.
- To assess extent of distribution of income before and after joining SHGs
- To study the nature of Inequality of SHGs with respect to Income.
- To analyze the extent of Inequality with the help of Lorenz curve.
- To evolve the opinion of women members of SHGs on their empowerment.

METHODOLOGY

Choice of the Study Area

In order to find out the level of empowerment of women members of SHG, Godda district has been chosen as the study area.

Data and Methodology

- Primary data from SHG with the help of a structured Questionnaire.
- Secondary data were collected from the Government publications, journals, newspapers, magazines, NABARD Publications, RBI Publications, internet and Theses.

Sampling Technique

Total SHG members = 600

Rural = 450 SHG members (which include 50 members from nine blocks)

Urban = 150 SHG members.

Measuring the Impact of SHGs on Income

In order to understand the changes of income, the income distribution of the sample respondents before and after joining SHGs has been studied with its nature and extent of inequality. The nature of income inequality has been assessed with the help of Mean, Median, Mode and Histogram. The extent of income inequality has been measured with the help of Lorenz Curve.

RESULTS AND DISCUSSION

Nature of inequality

To study about the nature of inequality, in respect of income, data relating to the monthly income of the sample respondents before and after joining SHGs are presented in Figure 1. It shows that the difference between the top and bottom of the income distribution for the sample respondents before joining SHG was higher. At the bottom out of 600 sample respondents surveyed 112 sample respondents, that is, only 18.92 % of the respondents earned more than Rs. 8000 per month while the remaining 81.08 % earned less than Rs. 8000 per month in the study area. Such a concentration in the lower end of income distribution disclosed the fact that the income distribution was positively skewed.

The calculated value indicated that the modal value of the income distribution was Rs. 4912.43 while the mean income was Rs. 9361 and the calculated value of skewness was -0.374. So, the given income distribution was negatively skewed. It means, in the income distribution, extreme variations were reported at the lower end values of the variables. The sample respondents after joining SHG had been better placed in earning income and their inequality had also been reduced considerably when compared to the member of the sample respondents before joining SHG.

Extent of Inequality

Relative measure is a far better approach than an absolute measure. The well-being of the people can be measured only when the income is redistributed evenly among them. So, the distribution of income of the sample respondents before joining and after joining SHGs has studied in order to understand the lack of equality between the groups. In order to measure the extent of inequality, Lorenz Curve have been employed and analyzed below.

Lorenz Curve

By using the Lorenz Curves figure 2 for the sample respondents before and after joining SHG were drawn. It portrays that the Lorenz curve of the sample respondents before joining SHG was farther away from the line of equal distribution. Further, the Lorenz Curve of the sample respondents after joining was closer to the line of equal distribution. It implied that the income inequality of the sample respondents before joining SHG was greater than the inequality after joining SHG in the study area. From the analysis it could be inferred that the income was evenly distributed in the case of sample respondents after joining SHG than before joining SHG in the study area.

So, it is concluded, as far as the sample respondents were concerned income was more evenly distributed after joining SHG than before joining in SHG. It implied that the gap between the higher earned group and lower earned group had been considerably reduced for the sample respondents only after they joined SHG in the study area.

Empowerment of women Before and After Joining SHG

The study indicates that the overall mean income of the sample respondents after joining SHG increased from Rs.4020 to Rs.4687 with a rise of 16.59 percent in the study area. But a close watch witnessed that the increase in the lower end was greater with 57.64 percent while it was 7.23 percent in the upper end. It showed that after joining SHG the sample respondents earned more, particularly at the lower strata than the upper strata, thereby they were empowered figure 4. So, it could be concluded that the SHG helped a lot to the women members to empower themselves in the society and thereby earned a reputation and social esteem in every walk of life.

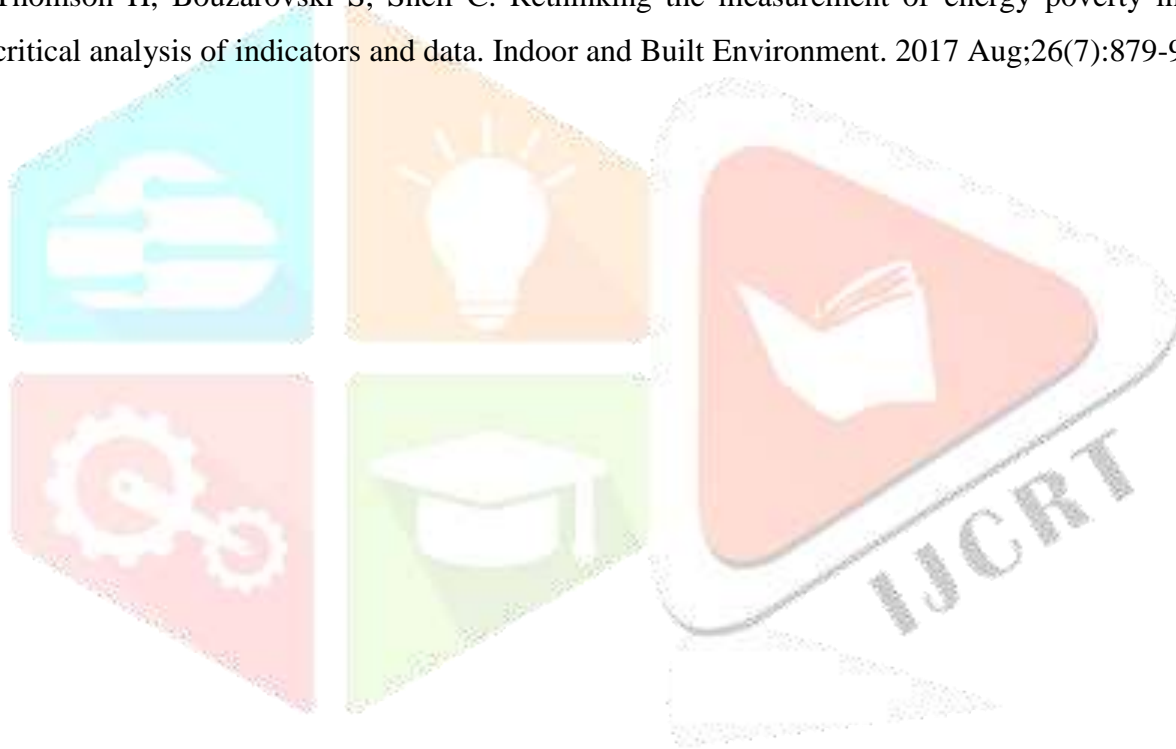
CONCLUSION

The income distribution of the sample respondents before joining SHG was positively skewed. The income distribution of the sample respondents after joining SHG was negatively skewed. The sample respondents after joining SHG had better placed in earning income and their inequality had also been reduced considerably when compared with the member of the sample respondents before joining SHG. By using Lorenz curve, the researcher found that the income of the sample respondents was evenly distributed after joining SHG than before joining SHG. Further, it could also be known that there was a relationship between income and women empowerment thereby the null hypotheses were rejected.

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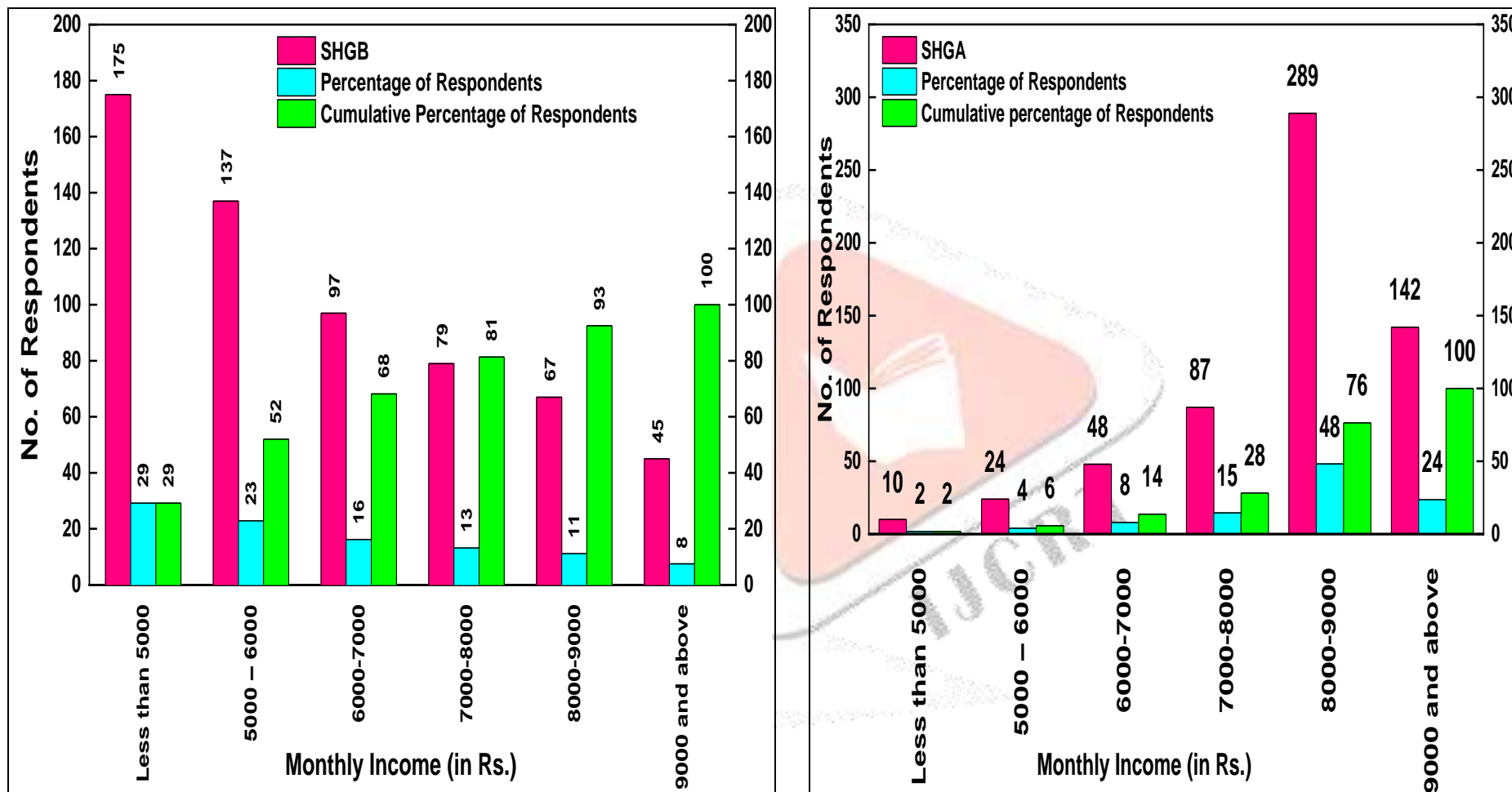


Figure 1 Monthly Income Distributions of the Sample Respondents Before and After Joining SHG

SHG_A = After Joining Self Help Group; SHG_B = Before Joining Self Help Group

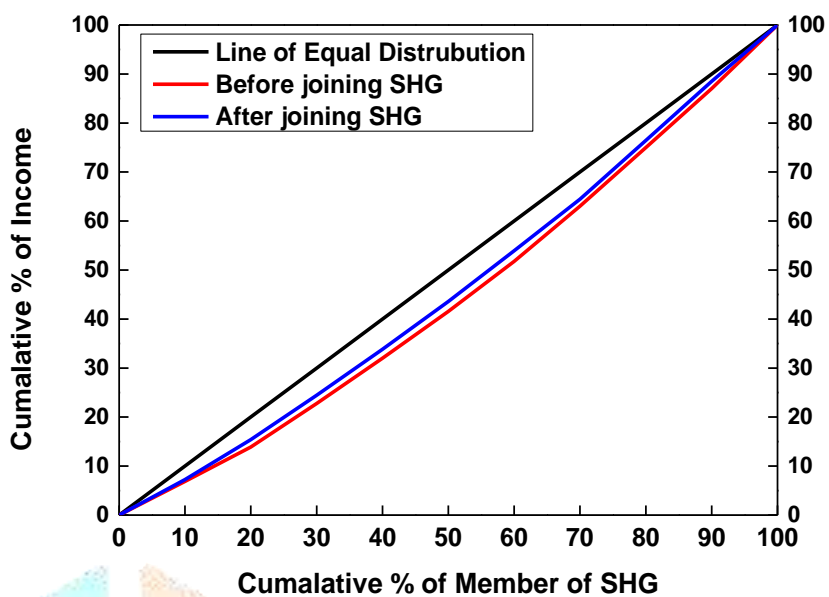


Figure 2 Lorenz Curves of Monthly Income of the Sample Respondents Before and After Joining SHG

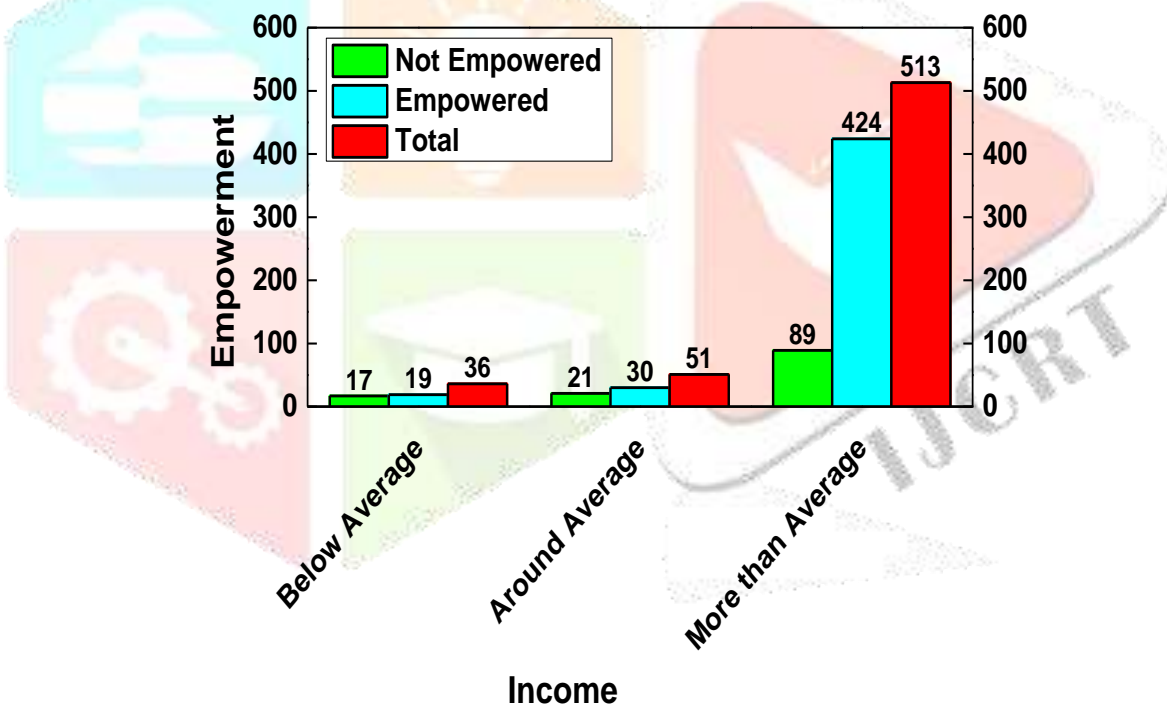


Figure 3 Income and Women Empowerment After Joining SHG