



Critical Review On Micro Credit Strategies For Women Through Empowerment

Susmita Agarwala¹ , Dr. Lalit Mohan Choudhary²

¹ Research Scholar, Department of Sociology, Sri Satya Sai University of Technology & Medical Sciences, Sehore , M.P.

² Research Guide, Department of Sociology, Sri Satya Sai University of Technology & Medical Sciences, Sehore, M.P.

ABSTRACT:

Women's empowerment has been defined as having economic, social, political, and psychological power. Access to money, assets, food, markets, and decision-making power in economic activity are all examples of economic power. Access to specific bases of individual production, such as financial resources, information, knowledge, skills, and membership in social organisations, is referred to as social power. Individual family members' access to the process through which decisions are made, particularly those that affect their own future, is referred to as political power. Psychological power refers to a person's perception of power, which is manifested in self-assurance and self-esteem.

Keywords: Microcredit, Women, Empowerment

INTRODUCTION:

Women's empowerment, according to the World Bank, should be a significant component of social development programmes (World Bank, 2001). Women's empowerment is a necessary condition for eradicating global poverty and ensuring the protection of human rights (DFID, 2000). Microcredit has been reported to play an important role in alleviating poverty by creating assets, smoothing income and consumption, providing emergency help, and empowering and emboldening women by giving them authority over assets and increasing self-esteem and knowledge (Zaman, 2001). "Micro-credit programmes have brought the vibrancy of the market economy to the poorest communities and people of the world," said James D. Wolfensohn, President of the World Bank. Millions of people have been able to earn their way out of poverty with dignity because to this commercial approach to poverty alleviation" (Microcredit Summit, 'Declaration and Plan of Action,' Feb 1997). "Micro-credit helps to establish self-employment and place the poor, particularly women, in the drivers' seat," said M. Yunus, founder of Grameen Bank.

REVIEW OF LITERATURE:

According to Annabel Dulhunty (2022), the potential of microcredit programmes to empower women is hotly debated, with research touting their benefits or decrying their ineffectiveness. This essay investigates why opinions on the efficacy of microcredit programmes for women's empowerment varies so widely. This article illustrates that existing microcredit programmes differs greatly by conducting a qualitative study of interviews and focus group discussions with self-help group participants in West Bengal. According to the findings of this study, different approaches to microcredit resulted in varied levels of empowerment for women. Furthermore, regardless of the programming model used, the results show that microcredit is neither a substitute for welfare or job development. As a result, this paper finds that microcredit programming exists on a spectrum, ranging from 'smart economics' to more comprehensive gender-focused methods.

The purpose of this study, according to Al-Kubati NAA and Selvaratnam DP (2021), is to examine India's experience with the Self-Help Group Bank Linkage programme as a basic development strategy targeted at empowering women. Self-help groups are viewed as socially active organisations that can help a government achieve its sustainable development goals. The Self-Help Group Bank Linkage Programme is now the world's largest microfinance programme, with over 10 million self-help groups participating. The purpose of this article is to present a summary of India's experience using descriptive analysis. It asks how the Self-Help Group Bank Linkage Programme contributes to sustainable development by questioning how it empowers rural women, the problems it faces in implementation, and the actions implemented in India to keep the programme going. Then, by comparing the program's development and the gap between regions over the last decade, a quantitative study of economic sustainability and equality status is conducted. The Self-Help Group Bank Linkage Programme in India has demonstrated its ability to empower women, encourage entrepreneurial activity, increase confidence and trust, and give technical skills and market access. These are all part of the Sustainable Development Goals, and they help to enhance long-term livelihood.

Microcredit, according to Jesmin Akhter and Kun Cheng (2020), is an effective tool for alleviating poverty, particularly in developing nations like Bangladesh. This study aims to use microcredit as a tool to bridge the gap between poor rural women's access to microcredit and long-term socioeconomic growth, introducing the notion of "sustainability of empowerment." Furthermore, in order to measure the empowering performance of microcredit borrowers compared to non-borrowers in the same socio-economic setting in rural Bangladesh, this study used poor rural women. To achieve these goals, a regression analysis was used. Propensity score matching approaches were also employed in this study to find an easier way to get microcredit. The empirical findings include not just participation in microcredit access, but also the qualitative characteristics of women empowerment. The findings also reveal that affluence is

associated with sustainability among microcredit borrowers, as evidenced by women empowerment. Microcredit has a substantial impact on expanding participation in the entire decision-making process, legal awareness, independent movements, and mobility, as well as improving living standards to encourage sustainable women empowerment, according to the findings of the empirical analysis. Future research for microcredit providers should look on how to build an integrated, holistic approach to women empowerment in Bangladesh, according to this report.

Tarak Nath Sahu and Srimoyee Datta (2020) stated that the influence of microfinance on the lives of 350 West Bengal borrowers has been empirically observed using various statistical approaches. In this study, it was discovered that mfis, through its offers, helps to alter the beneficiaries' lifestyle patterns over time. The utilisation of microcredit enables borrowers to begin income-generating activities and manpower participation within their home and beyond. This study adds to the existing microfinance literature by comparing pre-loan and post-loan periods. This study is explicable to policymakers for establishing further policies in this context and helps identify resources that are required to thrive the existing situation in the future by considering the proper framework and methodology.

According to Rajib Bhattacharyya (2019), microfinance, which is dominated by Self Help Groups (SHGs), has provided an effective mechanism for providing financial services to the "unreached poor" in India, as well as for strengthening underprivileged and discriminated women in society, thereby contributing significantly to gender equality and women empowerment. The current chapter examines the notion of women's empowerment and its many indices for India, including the GDI, GEM, and Women's Empowerment Index (WEI). The chapter investigates the relationship between microfinance and women's empowerment in rural and urban India. The study reveals that, while micro finance is supposed to be an effective tool for financial and social upliftment of the poorer sections of society, particularly women, its penetration is dependent on a multifaceted and integrated network. As a result, while both the self-help bank and MFI models have experienced some positive growth, their results are not quite deterministic when compared to other countries around the world.

Women's health, according to Ghosal Mahua (2017), "remains a severe worry despite their significant contribution to the well-being of their families." The key to their exploitation is attributed to the society's discriminatory power structure, normative social structure, and reliance on their male counterparts for basic needs. Women are still exploited, mistreated, and denied the same human rights as males. They are treated as an extension of the domestic sphere, and their vital contribution to household maintenance and family well-being is purposefully neglected and underestimated. Aside from the implementation of multiple laws to address women's problems, various developmental programmes have been in vogue to create space with chances that may enable them to develop and flourish on their own with some motivational assistance provided by existing institutions from outside. Microcredit through Self Help Groups

(SHGs) is a key tool for providing financial services to the "Unreached Poor," particularly women, allowing them to begin activities for their own development and empowerment. They live in complete freedom and dignity. Microcredit's impact on women's empowerment is a favourable shift in rural women's socioeconomic and political life.

According to Neeta Majumder and Soumendu Bhattacharya (2018), the Self Help Group Bank Linkage Programme (SBLP) intends to expand income-generating self-employment activities among underprivileged women in rural areas in order to support the government's financial inclusion agenda. It has a tremendous impact on the rural household's standard of life and economic well-being. Previously, the poor had little choice but to borrow money from local moneylenders at a higher rate of interest due to a lack of loan facilities from formal institutions. As a result, microfinance arose, which is now seen as a vehicle for achieving women's empowerment in all realms - social, cultural, political, and economic. The purpose of this study is to investigate the impact of microfinance through the Self Help Group Bank Linkage Programme (SBLP) on women's empowerment through increased employment options, which has a significant impact on rural poverty reduction. Mathurapur village, Block 1, South 24 Parganas, West Bengal, India, was the site of a study. This initiative also looked into the members' loan usage patterns and the savings they made by using the loan productively. It can also be deduced that women's productive use of credit leads to a higher contribution to GDP via the transmission channels of consumption and investment demand.

On the basis of microfinance, Sulagna Das B.C.M. Patnaik (2016) investigated the situation of women in West Bengal. The research is based on secondary data gathered from NABARD's published trend analysis reports from 2009-10 to 2014. The study used four types of banks as the independent variables: public sector banks, private sector banks, regional rural banks, and cooperative banks; savings amount, total loan disbursed amount, and outstanding loan amount as the dependent variables. Using the statistical method MANOVA, the current study attempted to examine data linked to microfinance for women in the state of West Bengal. The data analysis revealed that the three variables of the four types of banks have significant mean variation.

Economic Empowerment of Women: Promoting Skills Development in Slum Areas, by Prof. S. Parsuraman and Prof. Medha Somaiya (2016), identifies and captures various aspects of the Vocational Training Provider (VTP) run skill programmes in ten major cities in the country (namely, New Delhi, Lucknow, Kolkata, Guwahati, Buvaneswar, Chennai, Hyderabad, Mumbai, Ahmedabad, and Jaipur) and the level of skills development post training. The assessment's main goal, as well as the document that results from it, is to assess the level of success in empowering slum women through skills training and to compile a solid database on changing aspirations for vocational training, which will lead to more women willingly participating in the future and better outcomes. The primary survey-based study pierces through to find first-hand experience of slum women in household decision-making and income generation; the

list of best practises that emerge suggest ways to upgrade skills training and revolutionise vocational training for empowering a critical demographic section of the country between the ages of 15 and 35. The research serves as a guide for state and federal governments in developing future policies and identifying gaps in the existing execution of skills training programmes in India's ten largest cities. The Report is based on an examination of pertinent facts that show a general improvement in working women's health and well-being following training, as well as the benefits accrued to women who started working for the first time after completing skills development programmes. This is a remarkable achievement, especially for these women who have little motivation to apply their professional skills outside of the home. The respondents' unbiased feedback on skills development training offers planners and policymakers with clarity of purpose. All respondents, vtps, and ministry officials who provided data, access, and technical support, as well as the INHAF (Habitat Forum) and the Ministry of Women and Child Development for their active engagement, are grateful.

According to Papia Sengupta (2014), any socioeconomic development strategy that ignores rural people and rural areas will fail. The benefits of growth in most emerging countries, such as India, have failed to reach all strata of society. Women, in general, and rural women in particular, are among society's most vulnerable groups, subject to poverty, illiteracy, unemployment, starvation, sickness, and ill health. The poor women, who are largely unorganised and without assets, face the brunt of poverty and misery. This study tries to address the zoomen section's economic independency and economic empowerment.

CONCLUSION:

The reliance on microcredit as a panacea for the poor has resulted in a lack of attention from the government and public institutions to the poor's employment and livelihood demands. Economic insecurity, loss of livelihood, inflation, erosion of access to natural resources, dwindling employment, rising social/ethnic conflict, "natural" calamities, such as droughts, floods, and earthquakes, render the poor highly vulnerable in countries like India. They barely recover from one shock (natural or man-made) before another overtakes them, given their asset base. What inputs would be required to ensure that the poor have access to development resources and can make the greatest use of them? People's existential realities and efforts to transcend poverty are heavily reliant on their capacity to recognise and exploit opportunities (Gopalan, 2001). In this circumstance, self-employment, which microcredit intends to promote, is the most effective choice available for the poor. Many disadvantaged women participate in income-generating activities such as making consumer and domestic goods with the help of financing.

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