

Empowering Women Through Microfinance

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Abstract- In India there have been debates on gender inequality over the years. Mostly it includes women position in society, their education, health, economic position, gender equality etc. What one can conclude from such discussions is that women have always held a certain contradictory position in our society. Earlier women have no choice or a say in matter of marriage, career or life. Although women has contributed substantially to both household and national economy, their work is considered just an extension of household domain and remains non-monetized. Women constitute around 40% of the population. India has been a patriarchal society where gender discrimination has been a concern. This has a drastic effect on women's health, financial status, literacy level and political involvement. Micro finance plays a very important role in this. Microfinance offer variety of products and their clients are poor and low income people that do not have access to other formal financial institution. They are often self-employed, household-based entrepreneurs like small retail shops, street vending, artisanal manufacture, and the like. Their major clients are women. Microfinance has helped women met their practical needs and increase their efficacy in their traditional roles, and to gain respect and achieve more in their socially defined roles which lead to increased esteem and self- confidence.

I. INTRODUCTION

Empowering women means making her independent so that she can save money develop financial literacy and invest in income generating activities and she can contribute equally in all aspects of life as the male member. Women are encourage to take their own decisions for their personal dependent and make them independent in all aspect from mind, thought ,rights , decisions etc by leaving all the social and family limitations. It brings equality in the society. It is very necessary to make the bright future of the family, society and country.

Women need fresh and capable environment so that they can take their own decisions in every area for themselves, family, society or country. Women empowerment is an essential tool for overall development of the country. Micro finance sector in India has played an important role over the past few years by providing small loans to emerging entrepreneurs to start or expand businesses. Micro finance sector is dominated by Self help group (SHGs)-Bank linkage programme which aim at providing a cost effective

mechanism for providing financial services. Self help group is successful in not only in meeting needs of the rural poor, but also in nurturing self-help groups at the local level, leading to women empowerment.

II. CONCEPT OF EMPOWERMENT

What do we understand by empowerment? Empowerment means giving authority to someone to exercise some specific power or offering someone certain means to achieve given ends .It is a process by which those who lack ability to make strategic life choices previously acquire such ability.. Women's empowerment give capacity to women in reducing their socio-economic vulnerability and dependency on male household members, thereby improves women involvement and control over household decisions, economic activities and resources. Contribution to household expenses has increased self confidence and awareness of social issues among women.

III. MICROFINANCE AND WOMEN EMPOWERMENT

Micro finance has reached millions of people worldwide to bring them together in organized groups and give women and men access to savings and credit. It has significant contribution in gender equality and women empowerment and also pro-poor development and civil society strengthening. Micro finance helps women to earn an income, self respect and well being of their family. It also involve men and significantly change men's attitude and behavior as an essential component of achieving gender equality. Most of the programme of microfinance focus on women with a view to empower them. There are varying motives for pursuing women empowerment. Some says that women are amongst the poorest and most vulnerable of the underprivileged and thus helping them should be a priority. Some stress that an increased access to financial services give opportunity for greater empowerment. So microfinance is perceived as as a tool in the fight for the women's rights and independence. Microfinance institutions believes that women are better and more reliable borrowers.

IV. LITERATURE REVIEW

Micro Finance for the poor and women has received extensive recognition as a strategy for poverty reduction and for economic empowerment. Increasingly in the last five years

, there is questioning of whether micro credit is most effective approach to economic empowerment of poorest and, among them, women in particular. Development practitioners in India and developing countries often argue that the exaggerated focus on micro finance as a solution for the poor has led to neglect by the state and public institutions in addressing employment and livelihood needs of the poor. Credit for empowerment is about organizing people, particularly around credit and building capacities to manage 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 capacities and confidence to intervene in local governance beyond the limited goals of ensuring access to credit. Further, it combines the goals of financial sustainability with that of creating community owned institutions.

However impact on incomes is widely variable. Studies which consider income levels find that for the majority of borrowers income increases are small, and in some cases negative. All the evidence suggests that most women invest in existing activities which are low profit and insecure and/or in their husband's activities. In many programmes and contexts it is only in a minority of cases that women can develop lucrative activities of their own through credit and savings alone.

However women's contribution to increased income going into households does not ensure that women necessarily benefit or that there is any challenge to gender inequalities within the household. Women's expenditure patterns may replicate rather than counter gender inequalities and continue to disadvantage girls. Without substitute care for small children, the elderly and disabled, and provision of services to reduce domestic work many programmes reported adverse effects of women's outside work on children and the elderly. Daughters in particular may be withdrawn from school to assist their mothers

V. RESEARCH OBJECTIVES

The major objectives of the study are:

- To study the role of micro finance in women empowerment.

VI. RESEARCH METHODOLOGY

Sources of Data: The study is based on secondary data. Secondary data was collected from various journals, articles, working paper, Internet etc.

VII. CONCLUSION

Microfinance is playing a vital role in the social, psychological as well as economic empowerment of women in India. Microfinance loan avaiement and its productive utilization found to be having a profound role and impact on women empowerment. Microfinance has a profound influence on the economic status, decision making power, knowledge and self worthiness of women.

REFERENCES

- [1] Empowering women through microfinance, Publication sponsored by UNIFEM, available at www.microcreditsummit.org