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The Role of Self-Help Groups in Decentralized Governance: Insights from Karnataka

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Abstract

This research analyses the impact of Self-Help Groups (SHGs) on improved decentralized governance for a region in Karnataka, India. Based on a detailed review of literature and cases, the paper sheds light how SHGs specially Women federation (CRS) become agent for local governance. It also brings out the mechanism through which SHGs play a role in-political participation, accountability and effective functioning of local governance structures by working closely with Panchayati Raj Institutions (PRIs). Though confronted with numerous political, social and institutional constraints, SHGs has been in many ways effectively influencing local policy process as well as becoming a part of community driven development interventions. The study further suggests policy recommendations to help in Developing SHG-government collaboration, Enhancing the capacity building of SHGs and dealing with challenges they experience throughout governance. It also suggests future areas of research for improved performance SHGs in decentralized governance model. The study also highlights the potential of SHGs to play transformative roles in gender inclusive, local governance and driving localized sustainability at grass root scales — within which Karnataka holds value for global learn from.

Keywords: Self-Help Groups (SHGs), Decentralized Governance, Panchayati Raj Institutions (PRIs), Political Participation, Local Governance, Women Empowerment, Grassroots Democracy.

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I. Introduction

1.1. Background and Significance

In India, decentralized governance is based on the Panchayati Raj system which was constitutionally mandated through 73rd Constitutional Amendment Act of 1992. The purpose of this amendment was three-tier system of local order making for more effective function at its roots and bring local issues to surface (Bardhan, 2002). The PRIs are the backbone of political and administrative system which providing a base for local self-governing independence, as well as representational participations (Jain 1995).

The Self-Help Groups (SHG)s are being identified as one of the most promising models for community building, especially in rural settings. An order of magnitude has 10 to the power minus three (i.e. thousand), so when I say an SHG is composed usually around ten to twenty members, who happens to be women and they all come together; since then on social empowerment, there will also have something called mutual financial support pool their resources amongst themselves as NABARD points out in its report (2005) The SHG model not only fosters savings and credit function amongst its members but also helps their involvement in local governance processes (Tiwari & Joshi, 2007).

1.2. Purpose and Objectives

A Pilot Study in Karnataka on SHG & Decentralization

This paper explored the contribution of SHGs in decentralized governance as Karnataka is considered to have strong platforms for local self-governance. The relationship between SHGs and PRIs will be examined to identify the copulative and conflictive features of their interaction (Aiyar, 2010).

Further, the study proposes to examine the influence of SHGs on local governance structures in Karnataka. In particular it will examine the impact SHGs have on decision-making, citizen participation and local government accountability and transparency (Namboodiri & Shiyani, 2001).

II. Literature Review

2.1. Distributive system of Governance in India

Since its inception the Panchayati Raj system has undergone a tremendous evolution. The idea was first visualized by Mahatma Gandhi and it got crystallised during the early years of Indian independence with the recommendations laid out in 1957 Committee Report submitted as Balwant Rai Mehta committee for establishment of PRIs starting from top tier (Mathew, 1994) The 73rd Amendment provided PRIs, constitutional legitimacy which reinforced the regular elections and financial autonomy as also Devaluation of powers (Vijayalakshmi,2002).

It is the PRIs which has played a significant role in promoting local governance through taking government to the door steps of people. They have assisted marginalised communities to be part of the political system, which has helped in promoting social justice and ensuring democratic process at local levels (Chaudhuri 2003).

2.2. Self Help Groups: Definition and Role

The Self-Help Groups are little, deliberate affiliations of the everyday citizens (normally ladies) which enables them to meet up formally for settling their basic issues through self-improvement and shared help. SHGs aim at three primary objectives: facilitating savings among its own members, providing them with access to credit and enhancing the socio- economic status of SHG members (Shylendra, 1999).

Role of SHGs in economic and social setup:

Economic and social transformation, especially in the rural hinterlands have been driven by SHGs. It gave the women financial independency and a stage to express their grievances. Whether it is be the promotion of literacy or health, reinvention through social initiatives (Reddy & Manak 2005).

2.3. SHGs and Governance C1 Fiscal Policy

Participation and accountability are considered to be expressing the ‘heart’ of governance (Das, 2013), through which effectiveness can also have a larger influence in influencing local governance via SHGs as per research. SHGs typically work as pressure groups against the Provision of greater services and transparency in economic management at local government level (Weylander, 1998)

Gaps in the literature of Karnataka:

Although wide range of literature is available on SHGs and women empowerment, there are less evidence about the functioning of SGSY in terms its role towards governance issues particularly in Karnataka. This gap also reveals the requirement for detailed research on what SHGs interface with local governance structures in this state (Aiyar, 2010).

III. The Context of Karnataka

3.1. Evolution of Karnataka's Political & Social Fabric

Karnataka has a powerful system of local self-governance and PRIs are critical in the state's political structure. Chhattisgarh also scores on the third determinant of decentralization: working PRIs are visible in the state, with Panchayati Raj Institutions (PRIs) actually taking operational decisions related to local development projects as well as resource allocation (Bharadwaj 2000).

SHGs Performance and Progress in Karnataka:

The number of SHGs in the state has also increased over time, and especially after 2000 when Sree Shakti Program (SSP) was launched to empower rural women through SHGs by Government of India. Such growth has also led to the increased participation of women in local governance and decision-making processes (Siddiqui, 2008).

3.2. Government Initiatives and SHG Programs.

In Karnataka, there are many government-directed programs that have aided in creating and running SHGs. Various programmes such as the Sree Shakti Scheme and The Karnataka Rural

Livelihoods Mission have assisted in providing financial and technical support to SHGs, integrating them into local governance more significantly (Rao 2005).

SHGs — local government Panchayati Raj Institutions.

SHGs in Karnataka have been engaging with local government bodies through a developed level of cooperation as well as challenge. SHGs have successfully mobilized resources of the community and enhanced participation in local governance (NABARD, 2005) but are confronted with issues such as bureaucratic and traditional power structure hegemony.

IV. Role of SHGs in Decentralised Governance

4.1. Political Engagement

Women and the marginalized in Karnataka state saw a tremendous increase in their political participation by joining Self-Help Groups (SHGs). These groups offer them an organizing structure through which they can private their voices and a vehicle that enables political participation. SHGs have made women politically enabled by organizing them, familiarizing about their political rights and responsibilities in local governance (Mayoux 2001). For example, SHG members are participating in Panchayat elections as voters and candidates, which has resulted into more inclusive governance because they were clear that bringing women to the mainstream of sustainable development could be done by first focusing on individual capacity building (vijayalakshmi 2002).

Illustrations or case of SHGs intervening in local governance:

SHGs in Karnataka have actually played big roles in local governance, and these are documented. The Stree Shakti SHGs in rural Karnataka, for example, have become a powerful force of women seeking improved public services and more transparency with respect to the functioning on local governments (Rao 2005). SHGs have also been able to get women's issues included in Panchayat problems and programs relating to health, sanitation education due to pressure groups of SHPs achieved success (Siddiqui 2008).

4.2. Facilitating Accountability & Transparency

They have significantly increased the accountability of local governance structures in SHGs. SHG members undertake social auditing and monitor the implementation of government programmes to ensure accountability at a local level (Puhazhendhi & Satyasai, 2001). This participation has increased the accountability in fund utilization and provided better delivery of services at ground level (Das, 2013).

Role monitoring and executing locally implemented development projects

In Karnataka, SHGs are involved in planning and monitoring of some local projects/programs relating to infrastructure development & poverty alleviation etc. During the Gram Sabha meetings they actively engage in reviewing project proposals, thus making sure that it is of a type which will address certain needs within their respective community (Bharadwaj 2000). Additionally, SHGs also work in tandem with the panchayats to monitor these schemes and see that there is no pilferage of funds (Aiyar 2010).

4.3. Reinforcement of Local Governance Mechanisms

The linkage between SHG-PRIs must for strong local governance in Karnataka. In many cases, SHGs work in collaboration with PRIs to identify community issues and meet local challenges through resource mobilization for development interventions (Reddy & Manak, 2005). While making provisions for these rules if enforced will definitely enhance the strength of PRIs, it has also been pointed out that this partnership not only strengthens the capacity of PRI but also provided direct participation in governance process to a large section through SHG members (Vijayalakshmi 2002).

Impact of Self-Help Groups on Local Policy Making

At the local level SHGs have been able to guide policy through advocacy around women and marginalized specific needs. SHGs, by virtue of their prolonged contact and involvement with the local government officials as well as in decision making fora could influence policies on health education and livelihood programmes (Shylendra,Zenuddin 1999). The inclusion of local populations thus facilitates greater accountability to the pressures and requirements pronounced by marginal voices that stand outside normal political fractions (Singh 2012).

V. Challenges and Limitations

5.1. Political and Social Constraints

To garner more sway around local governance, although SHGs have registered some remarkable gains they however confront political and social challenges of a steep degree. This may disrupt the established base of power and influence among local elites, traditional leaders etc., (Namboodiri & Shiyani 2001). Moreover, SHGs find it difficult to gain political legitimacy in the context of a patriarchal society where women's voices are subordinated (Mayoux, 2001).

Caste, Gender and Political Dynamics:

The participation of SHG members in the local governance is even more deeply entwined with caste and gender dynamics. The intersection of caste and gender discrimination constitutes an important barrier to the effectiveness of SHGs outside Karnataka as well, especially for female dalits (Bharadwaj 2000). Resultantly, social barriers may inhibit the mobilisation of SHGs to exercise agency in local decision making and articulate the interests pertaining its members (Reddy & Manak 2005).

5.2. Structural and institutional challenges

Internal governance issues of the SHGs include its character and capacity as an institution, which gets determined by resources at their command. The general lack of training in leadership, financial management and generally governance required to enable them participate effectively within local governance (Puhazhendhi & Satyasai, 2001). Moreover, dependence on funding from outside could also result in self help groups originating to be dependent there by making them lose the autonomy and its sustainability (Shylendra 1999).

Lack of Coordination between SHGs and Government Bodies

They bear only to fees, and it is very much similarly important a challenge for SHGs Situations where coordination between activists of them Two was un-got sinful when they met Any

government bods. Bureaucratic hurdles in the form of delays own fund disbursement and poor communication can be further hurdle to an effective collaboration SHGs with local authorities (Das, 2013). Second, overlapping functions which creates confusions in roles and responsibilities of both SHGs and PRIs may create governance confusion leading to increased transaction costs on one hand (Aiyar 2010).

VI. Case Studies from Karnataka

6.1. Success Stories

There are a number of success stories from Karnataka in which SHGs have been substantially contributing to local governance. SHGs in Mysuru district succeeded to demonstrate and demand installation of street lights for rural safety which improved women's security very significantly (Rao, 2005). Likewise, there was a maternal health program in Dakshina Kannada district where SHGs worked with local public Health officials and contributed significantly by reducing the occurrence of Maternal Mortality (Siddiqui 2008).

6.2. Lessons Learned

The SHG experience in Karnataka provides a number of important lessons for the furthering their role in local governance. Capacity-building programs are crucial for preparing SHG women with necessary skills to participate successfully in the governance process (Namboodiri & Shiyani, 2001). Second, as SHGs are emerging on the socio-economic front foot for village-level development balancing with PRIs and other semi-government institutions will enhance their impact (Reddy & Manak, 2005). Moreover, breaking down social barriers like caste and gender inequalities is an essential prerequisite for SHGs to get actively engaged with local governance (Vijayalakshmi 2002).

VII. Policy Recommendations

7.1. Strengthening SHG-Government Cohesion

Institutionalising Partnership between SHGs and Local Governments: One of the policy strategies to strengthen grassroot democracy is also making Self-Help Groups (SHGs) an

indispensable part of decentralized governance. A more concrete measure may be the full incorporation of SHGs into Panchayati Raj Institutions (PRIs) planning and implementing process through formal mechanism (Poshan — Domestic menu pose Resource Type: Information/resource Title: Street Plays on Energy Conservation; Crop Diversification, Missing link - Dairy development). This can be done by giving SHGs observer or advisory role in local governance meetings so that their voices are heard during decision-making processes. There could also be a case for governments to create formal pathways through which SHGs can directly report concerns to local level officials, streamlining responsiveness and accountability.

7.2. Capacity Building and Empowerment

SHG faces challenges mainly in terms of its capacity, furthermore most successful SHGs is a result of certain microfinance services and involves important programs that cater to shut the gap between are required. These schemes must concentrate on building the leadership, financial and governance acumen of SHG members. In addition, various literacy and skills development or political awareness programs will help to build the capacity of SHG members in participating meaningfully at governance. SHG should also be facilitated to have access of resources (including funding, training and technical support) which will on the other hand reduced its dependency & enhance their autonomy. Finally, the creation of a culture conducive to peer learning and networking between SHGs can also allow for knowledge exchange and collective problem-solving.

7.3. Future Research Directions

Since SHG members can have a substantial role in local governance, future research needs to look at whether this involvement is sustainable and scalable over time. Such cross-sectional analysis would allow for comparison between different regions within Karnataka and with the state of other napes that either make SHGs as effective influence over governance or not. Also relocating some of the research on caste, gender and SHFs effectiveness to this piece would have helped in revealing strategies for breaking down social barriers -- viz., Shackles that bind them women into economic systems) information comm.). Lastly, studies should be conducted which

could evaluate the role of digital tools & technology in working as well as governing processes among SHGs.

VIII. Conclusion

8.1. Summary of Findings

In brief, SHGs have not only facilitated but further helped to deepen decentralised governance in Karnataka. The SHGs have empowered women and marginalized communities, increased accountability and transparency as well as anchored local governance. SHGs, on the other hand, are found to have operated generally well despite facing many challenges and having had a favourable impact in terms of influencing local policies as well community development initiatives.

8.2. Implications for Policy/Practice

The impact SHGs have made in Karnataka has relevant lessons for decentralized governance and grassroot level partnership across India. Policy Perspectives Involving SHGs within local governance frameworks because this enhances the inclusivity and responsiveness of governance processes to community demand. Secondly, this model of overall democratic decentralization involving wide participation in SHG governance has potential to spread across regions making grass roots democracy stronger and development more sustainable.

8.3. Final Thoughts

SHGs have a huge potential to make local governance in Karnataka very vibrant. By deepening the training of SHGs and harnessing better synergies between these groups with local governments, Karnataka can set a strong precedent for other states in India as well. The empowerment of the likewise and its sync with governance not only strengthens democracy but also guarantees that development (is) essentially demand led emerging out from below up to meet people's needs, wants, wishes. Without a doubt, the next phase in SHGs will be defining their part in moulding decentralized governance and hence viable inclusive growth.

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