POVERTY ALLEVIATION THROUGH MICRO-CREDIT PROGRAMME OF SHGs: A CASE STUDY OF SABALA (NGO) IN BIJAPUR DISTRICT OF KARNATAKA

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1. INTRODUCTION

Alleviation of poverty and unemployment has always been accorded top priority in development paradigm since the inception of planning era in India. Since the 1970s, a series of poverty alleviation programmes have been implemented. Nevertheless, the incidence of poverty continued to be persistent and widespread. Even today a substantial segment of the population at the lower rungs of income spectrum does not get sufficient food bath in terms of quality and quantity. Most of the rural people do not have equal and easy accessibility to jobs, land, credit, market, natural resources and civic amenities. Unfortunately, all are not treated equally in the rural socio-economic hierarchy. Many of the poor do lack dignity, autonomy, self-respect, self-esteem, power and freedom to make decisions and choices (WB, 2000; Deepa et al, 2000; Nussbaum 2000; Sen, 2001).

The places of the poor, ipso facto, are congested, risk-ridden, covered with pollution, sewages and crime, too close to waterways, draught prone, isolated and vulnerable to the vagaries of worst weather. Many of the poor do not have physical well-being; they often speak of being hungry, weak, sick, exhausted, mentally distressed and hence they are "skeleton-like figure" in appearance (WB, 2000; Deepa et al, 2000). Poverty is not just law income but encompasses various disadvantages, deprivations and wants of human life. The multiple disadvantages and deprivations quite often tend to interlock to keep the poor and drive the not so-poor into the vicious circle of poverty or lead to further impoverishment and faster deprivation trap, especially in the case of the scheduled castes (SCs) and scheduled tribes (STs), the socially marginalised and economically disadvantaged sections of the society. This can be largely attributed to lack of productive assets (land or capital) and capabilities of the poor to take active participation in mainstream development process an the one hand, and convert growth impulses into opportunities which give them sustained income and hence improvement in their socio-economic well-being.

2. OBJECTIVES OF THE STUDY

Objectives of the study are to:

- examine the factors contributing to the incidence of poverty;
- identify the activities that are taken up by the poor to overcome poverty;
- examine the impact of micro-credit on income and poverty reduction;
- examine the changes in asset position and accessibility to education and health care facilities after provision of micro-credit; and
- offer policy prescriptions for better implementation of micro-credit programme of NGOs and bring about faster and sustained reduction of poverty.

3. DATABASE AND LIMITATIONS
The present is based on the case study method. The primary data were collected by conducting focus group interview held with some randomly selected members of SHGs formed by SABALA in Bijapur district of Karnataka. SABALA is a non-profit, non-Government organization working for the upliftment of the weaker sections of the society specially lambanis & dalits in poverty stricken areas of Bijapur districts mainly covering Bijapur, Basavan Bagewadi and Sindagi taluks.

4. RESULTS AND DISCUSSION

The analysis on a few case studies of SHG members formed by SABALA in Aheri, Minchanal and Ainapur tandas clearly indicates that SABALA has targeted the poor belonging mainly to the lambani community, who are historically deprived of certain basic needs of their life. SABALA has considered organizing the poor into a platform popularly known as "self-help group" as a challenge and provide them savings and credit services, enabling them to undertake income generation activities.

It has been found from the case studies that, lack of productive assets (land), human capital (education), employment growth, poor performance of agriculture and more dependent people are the important sources of poverty. Lack of Government programme (wage and self employment, social security schemes, etc.) and lack of opportunities to access and use common property resources are also found to be important factors keeping a large chunk of the people in poverty. The intervention made by SABALA, an NGD, has made several changes in the lives of the poor. It has been found that the savings by SHG members have increased. The members of the group have been able to access micro credit and undertake certain income generating activities which give them regular employment and income. The provision of micro credit has positively contributed to an increase in the household annual income, which in turn, resulted in an improvement in the household assets such as radio, tape recorder, wall clock, TV, bicycle, table and chairs, fan and also livestock. The household endowments have improved due to the provision of micro credit. The expenditure towards education, health, food and nutrition and housing has increased significantly. There has been a greater importance in the household budgetary expenditure towards human resource development and thereby building their capabilities. It is evident that social mobility of the SHG members has been improved. The SHG members have been respected within and outside the house. Most of the SHG members were involved in major decision making activities by their husband or other family members. Most of the members felt that their confidence to lead a better life has increased due to their association with SABALA. The observation made on the basis of a few case studies of members of SHGs formed by SABALA in Bijapur district of Karnataka state, however, can't be strictly generalized. It warrants in-depth study employing different techniques of data collection and analysis.

5. Policy Implications

1. The problem of promoting livelihood among SHG member is becoming increasingly important because of the need to create livelihood and employment opportunities for higher incomes in the rural areas. We believe that the problem of rural migration, which is a cause of concern, could among others be addressed through this intervention

2. The policy of supporting SHGs by linkages with banks has merits in the country with a large bank network. The study comes out with a concern about the quality of SHGs being linked. Since the SHGs Bank linkage programme has almost become target driven. There is impending threat of defunct of SHGs due to various reasons.