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A STRUCTURAL EQUATION MODEL OF WOMEN EMPOWERMENT THROUGH SELF-HELP GROUPS IN RAJASTHAN

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Abstract *The main objective of the present study is to identify the association between microfinance and women empowerment. In other words, an attempt has been made to find out as to how effective microfinance has been in empowering women through their self-employment. The women linked with Self-Help Groups (SHGs) in Rajasthan are taken as a target population for this paper. For this purpose, multi-stage random sampling technique has been used. Dausa district of Rajasthan has been chosen for the field study. Lawan block has been randomly selected. Thirty-eight SHGs have been selected by random sampling. Women linked with SHG are taken as sampling unit. The randomly selected 500 women were interviewed and their views were collected through structured questionnaire under the household survey administered during the months of January-February 2018. The study identified four significant factors of empowerment viz., Economic, Autonomy, Network, communication and political participation, and Social Attitude. Among these, empowerment by the economic factor is the most effective. In fact, economic factors are twice as effective in empowering women as members' autonomy and network, communication and political participation factors. Without doubt, the social attitudes are also decisive in terms of their contribution to women empowerment, but are about 85% as effective as the economic factors. Education factor is unable to capture statistical significance to influence the women's empowerment.*

Keywords: *Empowerment of Women, Economic Factors, Microfinance, Non-Economic Factors, Rajasthan, and Structural Equation Modeling*

INTRODUCTION

Historically as well as traditionally, women have remained marginalized general and economically in particular. Even today, they are largely vulnerable. The Human Development Report, 1995 eloquently observed, "no society treats its women as well as its men" (p. 75). They have no easy access to credit and other hassle-free financial services. Women, no doubt, receive a disproportionately small share of credit from formal banking institutions professedly due to their inability to offer collateral (HDR, p. 4). More than two decades old verdict of HDR was corroborated by Nachikel Mor Committee (2014) in response to which payments and small banks have been set up only recently. In fact, Grameen banks (1983) were also created to fill the gap mentioned earlier.

Microfinance has been tipped as a powerful tool to promote inclusive economic growth by financing and fostering development and bringing about positive socio-economic changes. Since microfinance has been predominantly women-centered (Mohd Yunus, Grammen Bank, 1976), it is said to have contributed immensely to the expansion of their capabilities.

Resultantly, due to availability of microcredit, while IMR and CMR have decreased, the enrolment ratio and health status have improved. All in all, an increase in economic opportunities for women enhances their socio-economic securities, enlarges their choices, encourages them for political participation, and reinforces their decision-making opportunities. The greater their participation, the greater their contribution (HDR, 1995, Schuler p. 1, para 4) and, finally, the higher the rate and level of socio-economic growth. After all, "women hold up half the sky. This is not a moral or social argument-it is essentially an economic fact" (*The Economic Times*, 10 August 2017).

This paper is divided into 10 sections as follows: After introduction, the Section 2 briefly discusses theoretical issues

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pertaining to microcredit including women empowerment. Section 3 presents some of the previous empirical research findings on the relationship between microcredit and women empowerment. Section 4 deals with the Structural Equation Modeling (SEM). The method of data collection is presented in Section 5. Demographic characteristics of the respondents and Women Empowerment Variables are explained in Sections 6 and 7, respectively. The empirical confirmatory factor analysis model is covered in Section 8. Estimation of Women Empowerment Model is contained in Section 9 and, finally, summaries and conclusion are given at the end of this paper.

THEORETICAL FRAMEWORK

For bringing about women empowerment as a key strategy of development, the Beijing Conference (1995) proved to be a landmark event: "women's empowerment and their full participation on the basis of equality in all spheres of society, including participation in decision-making process and access to power, are fundamental for the achievement of equality, development and peace" (Beijing Declaration, UN, 1995).

Soon after the 1994 International Conference on Population and Development, where women empowerment and gender equity were accepted as fundamental to sustainable development, researchers noted that the concept of empowerment was ill-defined and its relationship to demographic processes was vague (Presser & Sen 2000). Since then, there has emerged a wide consensus about a clear theoretical conceptualization of women empowerment in international development researches (Malhotra, Schuler, & Boender, 2002).

Frederik (2013) has proved that microcredit leads to women's empowerment by enabling poor women to earn an independent income and thereby contributing financially to their household, giving women greater decisional power within the household. Also, microcredit enables women to move beyond the confines of household and get exposure to the real outside world. The exposure to the outside community, together with the formation of networks with other women, are expected to lead to greater self-confidence and courage. However, there is no real consensus among academics on the impact of microcredit on women's empowerment. Some studies state that microcredit has a role in increasing female borrowers income-earning ability, leading to stronger decision-making power and ability to overcome gender-related inequity (see, for example, Hashemi, Schuler, & Riley, 1996; Holvoet, 2005). But some other studies suggest that men often take control over the microcredit, originally allocated to women, leading to their more vulnerable position within the household for women (see, for example, Ackerly, 1995; Goetz & Gupta, 1996). The conflicting results regarding the impact of microcredit on women's empowerment largely arise from factors such as different methodological approaches, the multidimensional nature of empowerment, and sample-selection biases.

Women empowerment is in fact an increase in capacity of the people to exercise important decisions of life, which were hitherto outside their realm. The elements of the process constitute a transition from the phase of disempowerment and an agency, which can remove the barriers constraining choices.

Three key components of women empowerment as per the definition of Kabeer (1999) are as follows:

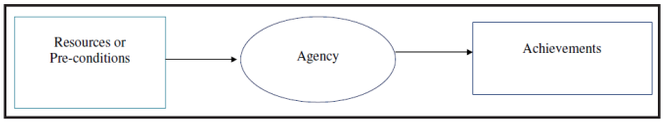

Fig. 1: A Conceptual Framework for Empowement (Personal elaboration from Kabeer, 1999)

Agency is a central concept in empowerment literature, which covers the ability to devise strategic choices, and manage resources and decisions that impact significant life outcomes (Sen, 1999; Malhotra et al., 2002).

Economic, human, and social resources shape the conditions of empowerment under which choices are made. These are the critical inputs in the process of empowerment. Therefore, resources and agency together generate the potential for specific outcomes called "achievement" (Malhotra et al., 2002).

With regard to microcredit intervention, actual participation is considered to be a precondition alongside its availability (Goetz & Gupta, 1996; Kabeer, 1999; Swain & Wallentin, 2012, 2009; Pitt & Khandker, 1998; Pitt, Khandker, & Cartwright, 2006). Access to microcredit is a resource that can yield valuable achievements (Kabeer, 1999). This kind of approach is used in other studies (e.g., Mahmud, 2003; Malhotra et al., 2002).

The attitude of men toward the role of women in the social and intra-household setting can yield a valuable insight into the intra-household gender differentials. A favorable attitude of men toward women can increase the choices for the latter, whereas an unfavorable attitude impedes the choices for women significantly ("The Determinants of Women's Empowerment in Bangladesh: The Role of Partner's Attitudes and Participation in Microcredit Programmes," 2016). Indisputably, the variations in the gender relations are not only spatial but also over time and they have to be taken care of ("Improving the well-being of the poor through microfinance: Evidence from the Small Enterprise Foundation in South Africa," 2011).

Following Kabeer's study (1999), the third component of empowerment concerns achievements. In the evaluation perspective, achievements are generally regarded as outcomes of empowerment. We assume that their empowerment would be related with positive achievements in terms of health, purchases, mobility, and remunerated employment.

Empowering Women Through SHGs

Both the Ninth and Tenth plans envisaged the Self Help Group Bank Linkage Programme (SBLP) as the core strategy for women empowerment. The Self-Help Group (SHG), comprising 10–20 members, are linked to a bank for savings and/or credit ("The impact of microfinance on factors empowering women: Regional and Delivery Mechanisms in India's SHG Programme," 2014).

Theoretical Model[2]

Consider a static version of the collective model for a two decision-maker ($i = m, f$) household where, m = male or husband, f = female or his wife. It is assumed that there are various types of commodities that individuals consume. The household demands can be divided between three uses: private consumption by husband and wife q^m and q^f, a vector of household public goods K, and a vector of Hicksian composite goods C, which may be consumed privately, publicly, or both ($C = C^m + C^f + C^K + C^H$). Children can be thought of as collective consumption goods from the point of view of the parents (Weiss & Willis, 1985). Individual preferences are represented by utility functions u^m (q^m , q^f, C^m, C^f, C^K, C^H, K; μ, ξ) and u^f (q^f ,q^m, C^m, C^f, C^K, C^H, K; μ, ξ).

where

μ = vector represents observed heterogeneity in individual and household characteristics and preferences which influence individual utilities.

ξ = vector represents unobserved heterogeneity in individual and household characteristics and preferences which influence individual utilities.

z = a set of observable variables, named distribution factors, affect consumption choices directly and not through preferences or the budget constraint.

These variables are important because their influence upon behavior provides the testable restrictions for the collective model in our context. Following the Pareto efficiency, assumption of intra-household allocation decisions, any efficient allocation of resources in the household can be characterized as the solution to the program:

(1) Max u^m (q^m , q^f, C^m, C^f, C^K, C^H, K; μ, ξ) + λ u^f (q^f ,q^m, C^m, C^f, C^K, C^H, K; μ, ξ)

subject to $p^m q^m + p^f q^f + p^C C + K \leq (\omega^m + \omega^f)T + y^m + y^f + y^O$

The Pareto weight function $\lambda = \lambda\,(p^m, p^f, p^C, \omega^m, \omega^f, y, z; \mu, \xi)$

where,

p^m, p^f, = price vectors of private goods

p^C = price vector of public consumption goods

ω^i = wages of individual i ($i = m, f$)

y^i = non-labor income of individual i ($i = m, f$)

y^O = all income held jointly by household members

T = total time endowment of each individual

The resource sharing rule and the utility of each household member is related to the distribution factors that impact the power of decision-making within the household. As empirically established in the literature (e.g., Schultz, 1990; Thomas, 1990), it is assumed that partner-specific and jointly-held incomes (y^m, y^f, and y^O) are distribution factors. These are variables that influence consumption choices through their impact on the decision process.

The solution to maximization problem (1) implies that households will have demand functions for private, composite, and public goods as functions of prices, total resources denoted by x, individual and household characteristics, and the Pareto weight function which influences the power of each partner.

(2) $g = G[\,p, x, \lambda(\,p, x, y^m\,, y^O\,;\mu,\xi\,);\mu,\xi\,]$; for all goods g, $g \in \{q\,A\,,q^f\,,c,K\}$.

Under the collective-rationality model, changes in partner-specific and jointly held incomes may affect household demand and allocation decisions, as these may affect the household resource sharing rule.

Bourguignon, Browning, and Chiappori (2008) developed an alternative demand system in harmony with the collective model assumptions, as the z-conditional demand-system approach.

For distribution factor y^m and composite good c_1, the demand function for good c_1 can be inverted on this factor:

(3) $y^m = \varsigma\,(\mathrm{p}\,,\mathrm{x}\,,y^O\,;\mu,\xi\,)$,

and substituting this into the demand for all other goods results in the system of z-conditional demand functions:

(4) = $[\mathrm{p}\,,\mathrm{x}\,,y^O\,,c_1\,;\mu,\xi]$

This demand system is a function of total expenditures, preference factors, the consumption good assumed to be monotonically influenced by the distribution factor, and all additional distribution factors except the one identified earlier.

EMPIRICAL RESEARCH ON THE RELATIONSHIP BETWEEN MICROCREDIT AND WOMEN EMPOWERMENT

The economic and social impact of microfinance empowers women. The empirical findings bear a testimony to the aforementioned fact (Bali & Wallentin, 2009, 2012; Pitt & Khandker 1998; Pitt, Khandker, & Cartwright 2006; Goetz & Gupta 1996; Aghion & Morduch 2005; Dijkstra 2002; Anderson & Eswaran 2005; Bardhan & Klasen 1999; Beteta 2006) ("Factors empowering women in Indian self-help group programs," 2012). In the Indian setting, it is worthwhile to assess which factors are effective in women empowerment, economic or non-economic. Some opine that microfinance increases the income of a woman improving her negotiating power ("Impacting Women through Microfinance," 2007). A greater autonomy, awareness, and political and social inclusion, the social impacts of microfinance, are more effective in women empowerment, in the eyes of others ("The impact of microfinance on factors empowering women: Regional and Delivery Mechanisms in India's SHG Programme," 2014).

STRUCTURAL EQUATION MODELING (SEM)

Structural Equation Modeling (SEM) contains two models – the measurement model and the structural model. Measurement Model is also known as confirmatory factor analysis (CFA) ("A questionnaire to measure women's experiences with pregnancy, birth and postnatal care: instrument development and assessment following a national survey in Norway," 2015**)**. It indicates the constructs (latent variables) that the model uses, and allocates observed variables to each, while structural model also termed as regression or path analysis defines the hypothetical relationship among the latent variables, Hair et al. (2006); Gefen et al. (2000). It is imperative to clarify that the latent variable is a representation of the theoretical construct, which cannot be observed directly and can have exogenous form (i.e., independent variable) or endogenous form (i.e., dependent variable) in model, Hair et al. (2006). It is a general practice to display confirmatory factor models as path diagrams in which rectangles represent observed variables and circles represent the latent concepts. Additionally, single-headed arrows are used to imply a direction of assumed causal influence, and double-headed arrows are used to represent covariance between two latent variables.

The study estimated the impact of microfinance-related economic and non-economic factors on the empowerment of women using the SEM. Factors such as social attitudes, autonomy, communication, political and network participation, and the proposed latent factors were considered by the model. The latent variables are measured by the observed decision-making variables, which point toward improved involvement in the typically male dominated regions ("Factors empowering women in Indian self-help group programs," 2012).

The share of household income, independent savings, investment to develop home, and organizing loan are ways through which economic activity is measured. Purchase of raw material, planning of work and reaction to emotional abuse are used to measure the autonomy factor. The network, communication, and political participation are measured through: officials SHG members have met, communication, knowledge about women reservation, and alteration in family violence. Treatment by spouse, response to physical abuse, taking part in family decisions, and improved self-confidence are means to measure social attitude. The education level of the sample members was taken as the last latent factor of woman empowerment (Retrieved from http://shodhganga.inflibnet.ac.in/bitstream/10603/69888/14/14_chapt er%207.pdf). A set of observed ordinal variables has been used to quantify these latent factors. The analysis is based on unique cross-section data on SHG women members ("Factors empowering women in Indian self-help group programs," 2012).

DATA

The women linked with SHGs in Rajasthan are taken as the target population for this paper. For this purpose, multi-stage random sampling technique has been used. Out of 33 districts in Rajasthan, Dausa district is randomly selected. There are six blocks in Dausa district. Lawan block has been randomly selected. Thirty-eight SHGs have been selected by random sampling. Women linked with SHG are taken as sampling unit. The randomly selected 500 women were interviewed and their views were collected through structured questionnaire under the household survey administered during the months of January-February 2018.

DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

On the basis of the binary questions as asked from the SHG members during January-February 2018 by the author, certain characteristics of the respondents are discussed in this section. The SHG members were mainly within the age group of 17-67 and, on an average, about 34.98 years old ("Factors empowering women in Indian self-help group programmes," 2012). Approximately, there are two earning members per household and most of them are engaged in farm or farm-related activities. Dependency ratio is reported at high level (0.87). Though mean size of owned land and total assets are reported at low level for the average household (1.07 bighas and 3.75 lac rupees respectively), about 99% of the respondents have claimed an increase in their own income and income of household as well. Before joining the SHG, 29% of the respondents have felt shocks (lack of cash or food) and out of which 29% and 22% were related to money and food, respectively.

In terms of their location, the SHG members are on an average close to the banks (1.93 km), schools (1.67 km), health care units (3.60 km), and government hospitals (9.37 km). Improved infrastructural access to the SHG members is reflected in terms of average distance to paved roads (0.37 km), bus-stops (1.93 km), and markets (2.56 km).

WOMEN EMPOWERMENT VARIABLES

The variables considered for women's empowerment model are based on Bali Swain (2007) and Bali Swain and Wallentin (2009, 2012), who inferred that women were empowered when their well-being increased through participation in non-traditional domains.

The participation in family planning decisions had increased for about 98% of the respondents and 80% claimed use of birth control measures, after becoming a part of the SHG ("Factors empowering women in Indian self-help group programmes," 2012). The 98% of the SHG members exhibited an increased involvement in acquisition and disposition of property.

A good number of the members are economically active and involved in agriculture and allied activities (76%). Amazingly, 97% of the members claimed that they have independent savings, which they have accumulated after joining SHGs. About 91% of the respondents claimed substantial improvement in housekeeping and repairs after joining SHGs.

Their degree of autonomy is represented by their independence in taking crucial work-related decisions (94%), planning and implementation related to work (95%) and their resistance to psychological and emotional abuse (either by submitting themselves 62%, do nothing 14% or lodging complaint with SHG or take their help 23% or complaining to relatives, a negligible proportion, only 1%).

About 92% are fairly confident in communicating and raising their concerns in the group meetings. More than half the group members (52%) are aware of the reservations in the local political institutions and jobs, for women, and 17% have been involved in village-level politics. Greater awareness toward domestic violence women rights are also reflected in their resistance to verbal abuse (24% lodged complaint with the SHG or took their help) ("Factors empowering women in Indian self-help group programmes," 2012).

Social attitudes and changes are measured by the increase in the level of self-confidence (98%) due to non-economic factors and greater involvement in all family decisions (99%). Finally, the level of educational attainment measures the contribution of education Toward empowerment of women.

EMPIRICAL CONFIRMATORY FACTOR ANALYSIS MODEL

Based on the review of literature, the empirical confirmatory factor analysis model can be formulated and expressed as the set of regression equations, in which observed variables are regressed on the latent variable or common factor (represented by ξ , ksi). The regression slopes are termed as factor loadings (represented by Lambda λ_i), revealing the effect of latent variable on the respective observed variables. Delta δi represents residuals or unique factors because they affect only a single observed variable. After estimating the aforementioned empirical confirmatory factor analysis model, many rounds of estimation and reformation are performed in the light of Modification Indices (MI). The finally considered model is presented in Fig. 2.

In order to assess the impact of varied latent components on women empowerment, a structural equation model is estimated. The women empowerment model is summarized in the path diagram (Fig. 2). The model contains two parts: the measurement and structural parts. Toward the right in Fig. 2 is the measurement model. It measures the latent women empowerment variables, represented through the ellipses, by its respective observed indicators, denoted by way of rectangles. These indicators capture the definition of empowerment of women enclosed within the South-Asian context (Bali Swain & Wallentin, 2009, 2012) ("The impact of microfinance on factors empowering women: Regional and Delivery Mechanisms in India's SHG Programme," 2014).

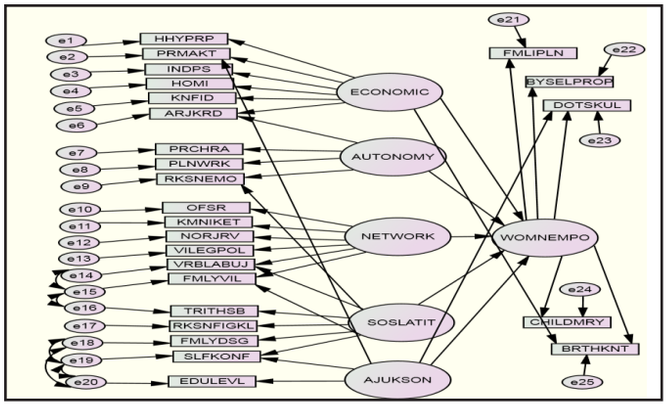

Fig. 2: Path Diagram for the Women Empowerment Model

ESTIMATION OF WOMEN EMPOWERMENT MODEL

The analysis is performed by using the statistical software *Amos 18 and Mplus version 6.12.*

Table 1: Goodness of Fit for CFA Models

Models →	Ideal Value	Women Empowerment Model
χ^2 test for model fit		
Value	χ^2/DF = 2 to 4*	110.656
Degree of freedom		247
p-value	> 0.05	1.0000
RMSEA		
Estimate	≤ 0.06 to 0	0.000
90 percent C.I.		0.000 0.000
Probability RMSEA ≤ 0.05	> 0.05	1.000
CFI	≥ 0.95	1.000
TLI	≥ 0.95	1.013
SRMR	≥ 0.08	0.034

Goodness of Fit Testing

For this model, $\chi 2$ value is 110.656 with df_M = 247 and p-value (p = 1.0000) is insignificant, which means that there is no evidence to reject the null hypothesis: the model fits the data well. The fitness of this model is also proved by RMSEA, CFI, TLI, and SRMR.

Evaluation of Confirmatory Factor Analysis Model

As expected, most of the observed indicators are high and significant, and are valid measures of the latent factors. Hence, the construct validity is ensured and it can be concluded that the construct significantly explained the variables.

Economic Factor

The regression coefficients indicated that the "Confident of meeting financial crisis (KNFID)" (estimate of 0.94) explaining 88.40% of the variances was the most influencing variable for "economic" factor followed by the "Primary Activity (PRMAKT)" with the estimate of 0.912, explaining 83.17% of the variances, and "Member income as proportion of household income (HHYPRP)" (estimate of 0.911) explaining 82.99% of the variances. "Controls independent savings (INDPS)," "Birth control Decision (BRTHKNT)," and "Makes decision to repair home (HOMI)" with the estimate of 0.897, 0.896, and 0.895 are explaining 80.46%, 80.28%, and 80.10% of the variances respectively, while "Able to arrange credit and input in time (ARJKRD)" (estimate of 0.002) could not got capture statistical significance.

The economic factor with estimate of 0.194 and explaining 3.76% has the most considerable impact on empowering SHG members. Bali Swain and Wallentin (2014) argued that women participating in SBLP get access to loans that are used for generating livelihoods and accumulating assets. Women who receive loans start and enhance economic activities and have a larger ownership of resources (Muherjee, 2015; Haile et al., 2012) ("Women's Empowerment through Microfinance Self-Help Groups: A Systematic Literature Review," 2015).

Autonomy Factor

The regression coefficients demonstrated that the "Plans work related Activities herself (PLNWRK)" (estimate of 0.934) explaining 87.30% of the variances was the most effective variable for "autonomy" factor followed by the "Reaction to emotional abuse (RKSNEMO)" with the estimate of 0.931, explaining 86.50% of the variances, and "Takes crucial Decisions related to purchase of raw material (PRCHRA)" (estimate of 0.912) explaining 83.30% of the variances, while the "Able to arrange credit and input in

time (ARJKRD)" with estimate 0.886 explaining the least (78.50%).

NETWORK, COMMUNICATION, & POLITICAL FACTOR

The regression coefficients signified that the "Awareness about reservation of women in political institutions and jobs (NORJRV)" (estimate of 0.945) explaining 89.40% of the variances was the most influencing variable for "network" factor followed by the "Involvement in local Village politics "(VILEGPOL)" (estimate of 0.92) explaining 84.80% of the variances. It is followed by "Communication skills (KMNIKET)" with the estimate of 0.904, explaining 81.70% of the variances and "No. of officials met & talked to (OFSR)" (estimate of 0.898) explaining 80.70% of the variances. "Reaction to verbal abuse (VRBLABUJ)" and "Change in family Violence (FMLYVIL)" could not get statistical significance to explain.

SOCIAL ATTITUDE FACTOR

The regression coefficients reported that the "Reaction to verbal abuse (VRBLABUJ)" and "Reaction to physical Abuse (RKSNFIGK)" with equal estimate of 0.910, explaining 82.70% of the variances were the most influencing variables for "social attitude" factor followed by the "Change in family Violence (FMLYVIL)" and "Changes in treatment of your spouse (TRITHSB)" with estimates 0.909, 0.907; explaining 82.50% and 82.20% of the variances. While the "Increased involvement in family decisions (FMLYDSG)" with estimate 0.138 explaining the least (1.9%). Variables "Reaction to emotional abuse (RKSNEMO)," "Changes in self-confidence (SLFKONF)" could not got statistical significance to explain. Changes in social attitudes can be exacted through managerial training. The social attitudes of each member of the household, including the respondent, are also instrumental ("Factors empowering women in Indian self-help group programs," 2012).

EDUCATION FACTOR

The regression coefficients illustrated that the "Sending daughter to school (DOTSKUL)" (estimate of 0.370) explaining 13.69% of the variances was the most influencing variable for "education" factor followed by the "Education Level (EDULEVL)" and "Primary Activity (PRMAKT)" with estimates 0.343 and 0.327 and explaining 11.76% and 10.69% variances, respectively.

Of these four significant factors, empowerment by economic factor is the most effective. In fact, economic factors are twice as effective in empowering women as member's autonomy and network, communication and political participation factors ("Factors empowering women in Indian self-help group programmes," 2012). Improved networking, better communication, and greater mobility also empower women. Increased social and political networks are facilitated through participation in SHG programmes ("The impact of microfinance on factors empowering women: Differences in regional and delivery mechanisms in India's SHG programme," 2016). In fact, the meetings of the SHG provided a platform to bring the members closer to government officials, bank officials, and NGO workers. This was confirmed by Swain and Wallentin (2012), where each member would meet at least one official. There are studies confirming increased awareness about women's rights and legal rights (Garikipati, 2008; Mukherjee, 2015) ("Women's Empowerment through Microfinance Self-Help Groups: A Systematic Literature Review," 2015).

The process of joining a group can be empowering in itself (Swain & Wallentin, 2012). Membership of SHG along with regular meetings and open discussion bring about far-reaching positive changes individually as well as collectively.

Education factor is unable to capture statistical significance to influence the women's empowerment. This is not surprising. An access to formal schooling does not necessarily lead to a higher level of empowerment rather women empowerment is possible more through non formal education programs as argued by Stromquist (2002).

SUMMARY AND CONCLUSION

Rural poverty, mainly caused by financial exclusion, has been a matter of grave concern for the policy makers. The key to financial inclusion lies in the evolution and participation of community-based organizations at the grassroots level as epitomized by SHGs. Undoubtedly, providing the poor with microcredit, results in improvement in the standard of living, asset creation, employment generation, economic security, and empowerment, particularly of women. The study endorses the fact that the spread of SHG-Bank Linkage programme has resulted in an improvement in the status of women. Statistical facts in the tables bear a testimony to this. The study identified four significant factors of empowerment viz., Economic, Autonomy, Network, communication and political participation, and Social Attitude. Among these, empowerment by economic factor is the most effective. In fact, economic factors are twice as effective in empowering women as member's autonomy and network, communication and political participation factors. Education factor is unable to capture statistical significance to influence the women's empowerment. "Empowering women is a prerequisite for creating a good nation, when women are empowered, society

with stability is assured. Empowerment of women is essential as their value based system leads to the development of a good family, good society and ultimately a good nation," as per Dr. APJ Kalam.

NOTES

1 Source: Planning Commission (2002). Chidambaram (2004), India's then Finance Minister recognised the SBLP as one of the most popular strategy for empowering women.

2. This subsection draws heavily on Deaton (1997) and Bourguignon, Browning, and Chiappori (2008) and Bobonis, G. J. (2008).

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