

Constructing Social Capital: Self-Help Groups and Rural Women's Development in India

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Abstract

The success of the group approach in rural micro-finance among women has inspired the tendency to look at all networking as essentially good and desirable in rural community development, without acknowledging the entrenched caste, class, ethnic and religious hierarchies that lead to diversities among women. Government schemes designed for poverty alleviation among rural women tend to be influenced by concepts and models that have been successful elsewhere, but do not take into account the diversities of situations at the local level. Internationally popular catchwords are used indiscriminately without questioning how these concepts can work effectively in the specific local context. This paper examines why some 'self-help groups' fail by using the Development of Women and Children in Rural Areas (DWCRA) experience in India. The empirical survey was done over a period of two years in Burdwan, a relatively rich agricultural tract located in eastern India. We argue that whilst the 'group' has inherent benefits, it must never be allowed to become *the* paradigm in developmental policies for women.

KEY WORDS *group approach; women in rural India; gender and development; local context; women's empowerment*

ACRONYMS

DRDA	District Rural Development Authority
DWCRA	Development of Women and Children in Rural Areas
GAD	Gender and Development
ICDS	Integrated Child Development Scheme
SGSY	Swarnajayanti Gram Swarozgar Yojana
SHG	Self Help Group
WID	Women in Development

Introduction: bowling together

The overwhelming success of the group approach and 'networking' in rural women's development has turned them into dominant paradigms used indiscriminately in development circles, irrespective of the local context. This is a 'too good to be true' story, leading to a widespread

and formulaic application of the group approach in most government policies and schemes aimed at developmental interventions, especially those meant for rural poor women in less developed countries. This paper examines the reasons for the failure of self-help groups (SHGs) under the Development of Women and Children in Rural

Areas (DWCRA) scheme popularised by the Government of India for micro-financing income-generating activities for rural women.

The objectives of this paper are to examine the factors underlying the failure of self-help groups in the DWCRA scheme, and by making a critique of the indiscriminate use of the group approach in rural women's development schemes, contribute to the current Gender and Development debate relating to women's economic citizenship. To elaborate our point, we have chosen to use the micro-level context of Burdwan in the state of West Bengal in eastern India, a relatively prosperous agricultural district. The study is based on District Rural Development Authority (DRDA) data, local official statistics, published census materials, interviews with government officials responsible for implementing the scheme and, above all, with those rural women who are the putative beneficiaries of the scheme. Our previous experience with local groups in this region using participatory action research methods (see Lahiri-Dutt and Samanta, 2002) informed this work, as did some recent critiques of the static and reductionist uses of the GAD approach critiquing the persisting dualism of the donor-recipient binary (see Baden and Goetz, 1998; Koczberski, 1998; McIlwaine and Datta, 2003 for a general overview of WID to GAD policies).

We interviewed individual women from both successful and failed groups in their homes. In selecting our participants, there was no conscious effort on our part to do 'scientific sampling'; however, the resultant interviews can indeed be described as a 'sample' of SHG members who were interested in our research and were willing to participate in it. This, we believe, made it possible for us to get the richest data, because of their interest in our research. Consequently, we have tried to avoid generalisation in this paper since our examinations of constructions of social capital took place through open-ended discussions with no fixed set of questions. Casual conversations initially focused on routine everyday chores at home and at work as well as perceptions of their work, following methods described by Garcia-Dungo (1999, 7) because of the important issue of getting access to research participants, and following her instruction that 'the researcher should consistently flow with the direction of the "talk" riding on what people are conscious of at any moment of time'. Thus these discussions were free-flowing. These interviews were supported by repeated

meetings of very small focused discussion groups of not more than 3–4 participants, organised in villages, and culminated in a final meeting in the neighbouring town. We have used fictitious names in the paper to conceal the identities of participants.

Civic engagement, networks and women's development

The concept of cooperativisation, the basic building block of Gandhian philosophy, has been reinforced in recent years by the group approach in rural development schemes essentialised in contemporary concepts of social capital, civic engagement and networking in India. Widely applied now in rural women's development schemes, the SHG is one operational expression of such concepts. Yet, in specific locations certain self-help groups are characterised by their lacklustre performance, rural Burdwan being one of them. Let us first outline the concepts that propelled the SHG into the limelight in rural development schemes in India and elsewhere.

Gender disparity and discrimination are essential characteristics of rural society in India. The salient features of rural women's marginalisation are low levels of literacy, low purchasing power, poor health status, low participation rates in the formal economy, and low levels of empowerment in the family as well as in the society. However, although Indian society is characterised by multiple hierarchies, women, as a group or set of groups, are commonly seen as homogeneous; this makes development interventions easy to operationalise. Consequently, criticisms of development policies for women have emerged: 'contrary to the statements made by the state officials, neither their views nor the interests of grass roots women have been taken into consideration at the time of policy formulation' (Rajagopal and Mathur, 2000, 2910). Similarly, 'People have to be looked [at] as the fundamental resource and not as problems for whom planning is devised' (Bandyopadhyay *et al.*, 2002, 2558). Group formation and networking, following the example of poorer communities elsewhere in Bangladesh or in Africa, have been the hallmarks of micro-enterprise development amongst rural women in India (Beaumont *et al.*, 1992; Creevey, 1996). This excessive emphasis on the group fails to recognise the various constraints on poor rural women in specific contexts and cannot necessarily ensure their success in every rural context. Indeed, it has been argued (Pretes, 2002), that the entire

focus in micro-financing rural development has now shifted to 'micro-credit' from aid or assistance such as the granting of start-up funds. Yet, it has been noted that whilst groups are fundamental to economic, social and political outcomes, the chronically poor are usually disadvantaged in group formation due to several reasons including their lack of assets and rights (Thorp *et al.*, 2003).

Uncritical acceptance of the group approach as one that generically empowers all women and materially improves their lives is a manifestation of a communitarian vision. Bauman (2001) has criticised from a sociological point of view the 'feel good' (p. 1) sense or 'naive immersion in human togetherness' (p. 10) that the word 'community' conveys. The self-help groups are indeed communities of purpose, but fail to take into consideration the plurality of issues within the category of 'women'. Long ago, liberal feminists expressed anxiety that the natural rights of individual women might become subsumed in strong 'community schemes' (Gutmann, 1985). In declaring the group approach as the only mode of poverty alleviation and empowerment, a similar discourse has been entrenched in GAD schemes in rural India. This discourse neglects to analyse the gender relations in which women are subordinated, which, according to Kabeer (1994), must inform any effort to empower women (Moser, 1989).

Contemporary developmental literature is rich with instances of participation in, and engagement with, communal activities bringing people into close contact. Beginning with Chambers' early work (Chambers, 1983), such participation and cooperation have now come to be regarded as essential to the accumulation of social capital¹, captured through social relations by virtue of actors' connections enabling access to resources in the networks or groups of which they are members. Human capital is a similar concept, the roots of which can be traced back to Adam Smith who included all the acquired and useful abilities of the populations in a country as part of capital. In the late nineteenth and early twentieth centuries this notion occasionally resurfaced in the economic literature but according to Lin (2001) the contemporary understanding of human capital can be attributed to the works of Johnson (1960), Schultz (1961) and Becker (1964; 1993). Bourdieu distinguished between cultural capital and social capital (1972/1977; 1983/1986), and Perez-Diaz (1993; 1995; 2002) differentiated between

civil and uncivil social capital. Whichever way it is defined, social capital is generally considered to be intrinsic to social functioning, in that it enables the members of a society to act collectively in solving their problems and working for their common good (Cox, 2002, 337). Members of a society, affected by each other's actions and those of public authorities, develop interest in improving their situation by pooling resources and sharing costs, which is the essence of collective action (Garber, 1995). For poor people, support networks and sharing resources are seen as primary means of economic survival (Fowler, 1991).

Since the 1980s, development planners working in poor countries have increasingly appreciated the resilience of poor people leading to greater attention to the interpersonal trust and networking that enhance the collective opportunities of members (Francois, 2002). Since Putnam's series of articles critiquing its deficiency in American society², the concept of social capital has gained much prominence amongst developmental planners (Leman, 1996; Potapchuk *et al.*, 1997). The emphasis on the group approach has also come from the successes of micro-credit financing in rural parts of the world (Creevey, 1996) such as Latin America (Hirschman, 1984), Bangladesh (Haider, 2000) and India (Fisher and Sriram, 2002). This is because rural community development as participation from below is made possible by self-help or user-led groups, as families, relatives, friends, neighbours and associates with shared motivations and concerns come together with a specific intention (Adams, 1996).

Another metaphoric concept experiencing a recent rise is 'network', its roots lying in the formulations of Radcliffe-Brown proposed early in 1940 in the USA and by Barnes (1954) in the UK. Newly independent India was at that time toying with centralised Soviet style planning while trying to retain the rural ties that bind and provide the foundation of Indian society. Networks of social cooperation facilitate collective action; yet Giarchi (2001) has criticised networks because they are theoretically systemic and empirically mechanistic. He pointed out that networks belong to the formal domain, whereas 'social' pertains to the informal sector, and has suggested that 'social circle' rather than 'social network' might conserve better the substantive meaning of the informal engagements that development schemes attempt to capture. The evidence is mounting that communities can create and maintain marked differentials in access to productive

resources (see, for example, Schrauwers, 1995; 1999; Agrawal, 2001; Walker, 2001).

Cooperatives have had a long history in rural development planning in India. In 1904, the colonial British Government enacted laws to encourage the formation of cooperatives in order to free the farmers from the informal debt-traps set by *mahajans* or moneylenders. Independent India too encouraged cooperativisation to secure scale economies of production for the rural poor, and aimed for the elimination of middlemen to increase efficiency, essentially summarised by the Maclegan Committee's assertion of cooperativisation as the effective means of harnessing the power of scale by an individual through association with others. The Cooperative Planning Committee (on the eve of independence in 1946) emphasised the aspect of voluntary association with common economic aims. The groups of women in DWCRAs may also be seen as an exercise with parallels to cooperativisation (Karmakar and Ghosh, 2001, 36), although the SHGs are not formally institutionalised cooperatives.

Participation in rural cooperatives is often seen as an instrument for the empowerment of women, opening new opportunities to master financial skills and create economic enterprises (Malhotra and Mather, 1997; Donahoe, 1999). Yet, statistics from the world over show that the participation rate of women in cooperatives is lower than for men, especially in rural farming or credit, which tend to be synonymous with men's activities. However, the importance of cooperatives for ensuring food security for poor families as well as for women remains great. There are spectacular success stories of using the scale dimension in rural development in India. For example, the National Dairy Development Board's Amul model of cooperativisation has made a 'white revolution' of sorts. In 1995, there were 540 000 rural women in 950 dairy cooperatives in Gujarat, making Amul the largest milk producer in the world (see for example http://www.nddb.org/core_competencies/coop-ewic.htm). Examples of recent geographic and ethnographic research on cooperative formation and survival are common (for example, Mutersbaugh, 2002).

It must be remembered that some recent research on micro-credit in South Asia has shown that the availability of credit can increase women's work burdens, and that men often control the income generated by the credit that women receive (Rankin, 2001, 32). Acknow-

ledging the complex dimensions of entrepreneurship and micro-credit, this paper does not deny the significant achievements of these projects, but intends to critique the sweeping use of the above concepts in SHGs for GAD by highlighting how such approaches deny the individual enterprise of rural women in particular contexts such as Burdwan.

Rural women in Burdwan, India

Burdwan, located in the long-time Marxist-ruled state of West Bengal, in eastern India is one of the richest districts in India with regard to agricultural and industrial-mining growth (Lahiri-Dutt, 2001). The eastern parts of Burdwan have particularly done well in terms of canal-irrigated agricultural prosperity and *panchayati raj* (three-tier rural governance), and this unusual success story has been intensely scrutinised by experts (for example, Harriss, 1993; Rudd, 1994; Banerjee and Ghatak, 1995; Sen and Sengupta, 1995; Gazdar and Sengupta, 1999; Sanyal *et al.*, 1998; Samanta, 2002). Comparatively little has been written about women responding to these changes. Women in rural areas of Burdwan are primarily engaged in domestic chores such as food and fuel collection; fetching of water for household use; childcare; and domestic cooking, washing and cleaning. However, a number of women, primarily from the lower castes, have also joined the informal labour force in agricultural fields, brick kilns, and construction work, and as mill hands in local rice processing mills. The year-round cultivation provides jobs in the fields and also in processing units and in richer farmers' homes as domestic help (Nandy, 2003). On the whole, economic opportunities for rural women are certainly better in Burdwan than in many other parts of rural India.

The large majority of women come from caste-bound agricultural families (approximately 75% of Burdwan's population is rural-based), own no land of their own, work long hours, and contribute substantially to the viability of the household economy and the welfare of the family. Usually, they have little or no control over household assets or means of production. Their control over incomes they may earn and monies they may borrow is often tenuous. In general, women in Burdwan have more restricted access than men to social services, and lower security in food, life and property.

Government schemes to alleviate poverty in independent India have tried to empower women

primarily through a broadening of economic opportunities. Though such initiatives have a long history³, it was the variety of pressures on the government of India and state governments during the 1980s and 1990s, especially from international bodies and from affirmative action groups within, that gender issues began to be taken seriously in policy planning (Rajagopal and Mathur, 2000). Since 1953, the Indian state has adopted a range of token schemes, but the 1974 report⁴ of the *Committee on the Status of Women* in India, stressed that none of these measures had any remarkable success in empowering rural women. The declaration of 1975 as International Year for Women and the dedication of 1975–85 decade as International Women's Decade were followed up by a host of state initiatives for women. The Integrated Child Development Scheme (ICDS), to provide food and medical facilities for poorer children and their mothers, was most significant for improving the pre-natal and post-natal health of women. An aspect of this was the priority allocation of different development schemes for women. These efforts reveal an increasing appreciation that, in dealing with rural women's issues, the basic needs approach does not really take into consideration the institutional, legal and political aspects of inequality (Menon-Sen and Prabhu, 2001)⁵. Yet, critical sectors like agriculture, rural development, urban development, science and technology, and industry (to name only those mentioned in the Beijing+5 document) do not have any explicitly women-specific schemes. Women in general continue to be identified primarily as mothers and, consequently, investing in building their individual capacities – as workers, farmers and professionals – has been low on the list of priorities of the Indian state.

The DWCRA scheme⁶ is special because in 1982/1983 it introduced an explicit gender approach in rural development. It was intended to raise women's socio-economic status and to encourage their economic self-sufficiency by inculcating the idea of professionalism and accountability through economically empowering poor rural women. The scheme essentially hinges upon the philosophy of collectivisation and building social capital through networks, and depends exclusively on the formation of SHGs.

DWCRA and SHG

The DWCRA scheme was initially started in the 'backward', *adivasi* (tribal)-dominated, marginal and semi-arid districts. Interestingly, the

more prosperous Burdwan received its first DWCRA project eight years later, in 1991/1992. Initially, DWCRA was introduced to those rural areas where the ICDS was running. The rationale behind doing so was that the ICDS had been useful in developing leadership among a few women extension workers. However, a large number of SHGs in DWCRA became defunct; at last count, Burdwan had about 427 groups in the district out of which 261 had failed to operate (DRDA Cell, 2001). Of the 261 defunct groups, about 35 had just initiated their primary savings pool, but were unable to start any sort of economic activity. The 166 currently active groups also have problems, mainly related to capital supply and the marketing of products.

An SHG in DWCRA generally comprises 10–15 members, generally women from poor agricultural communities⁷. The group leader is usually chosen from among the group members through a formal selection process, but she has to be literate to be able to keep records and maintain accounts. In almost every case, however, we found that the group leader is the only executive and decision-maker. Only in the rare case, is she helped by the assistant leader. This goes against the grain of network and trust building through cooperative actions. Theoretically, there is no division of responsibility within the group, but often decision-making is concentrated due to the inherent social and cultural inequalities of the society that women represent.

It is apparent that the concepts of social capital, civic engagement, networking and cooperativisation have been combined to give rise to DWCRA, which is also influenced by the success of rural micro-credit schemes successful elsewhere (see Pitt *et al.*, 2003 for a general overview of such schemes). The DWCRA groups are in a quasi-united state where fund allotment and responsibility of repayment is group-specific; however, the utilisation of the fund is most often individual-specific and independent, operating through intra-group loan repayment norms⁸. Besides creating economically active women's groups, the DWCRA scheme also aims to provide support for the overall development of rural women in other fields such as literacy, health and legal assistance (GOWB, 1996) in the absence of which economic enterprise-building largely loses its edge. The existing social fabric remains unchanged, and the minimal benefits fail to attract women to form groups for self-help.

The economic functions taken up by the DWCRA groups can be grouped into six broad categories. Most of these functions can be performed with minimum capital investment. The functions include services such as book binding and tea shops (12%), agro-processing (21%), household manufacturing such as the making of incense sticks, flower vases, cotton and woollen garments (9%), artisanal/traditional crafts such as leather work, bamboo work, jute bags, pottery (21%), fisheries and cattle or livestock rearing/pasturing (15%), and mixed activities involving more than one function by a single group (22%). Many of these activities comprise agro-processing and crafts – both traditional, non-farming occupations of women in rural Bengal. However, some respondents observed that the group often could not decide on a particular function. In most cases, the DRDA officials were required to resolve disputes over choosing the function of the group. In micro-credit and other successful group approach stories, we find that such key agents have often played a significant role in preparing the tasks, helping women learn a new job and to cope with various local cultural factors (for example, Beaumont *et al.*, 1992). Power and control dynamics, and cooperation keep playing important roles in survival of a group. Unless the rewards are sufficient, the groups are doomed to fail. What comprises ‘sufficient’ is highly subjective. In a rich agricultural district like Burdwan with well-articulated agro-processing and trading businesses as well as caste and religious complexities, the ‘micro’ credit that works elsewhere may not appear to be sufficient to spur rural women into action. Above all, the group must help to either reinforce or construct a sense of identity among the members. The official statistics suggest this has not happened for DWCRA SHGs in Burdwan. The following section explores why they did not.

Why did SHGs fail in Burdwan?

The DRDA report (2001) suggests that SHGs are not functioning well and that most groups are experiencing a decline in membership. Our data indicate that volunteering in groups appears to be far less attractive to women in Burdwan than was anticipated by the administrators. That should not be the case in a poor rural society eager for civic engagement and the building up of social capital, as suggested by the literature discussed earlier.

Younger women in groups were involved in fewer structured activities, such as household manufacturing, than older women. Short-term events and actions were popular but longer activities such as learning crafts that are helpful for ongoing learning of transferable skills were often seen as tedious and not worthwhile. In addition, the functioning groups were limited by insufficient capital, which affects their ability to market their products. The various problems that have led to the closure of SHGs can be grouped into seven categories: production and technology, organisation, raw material, infrastructure, finance and capital flow, marketing, and other problems. However, as we met members of failed groups, it became apparent that the failure was due more to the lack of coordination and communication between group members, than the reason given in the DRDA reports. Significant issues that came up during the course of our individual conversations and group discussions are summarised below.

Important questions in understanding the dynamics of failed groups are: how does a group come together and on what basis? How do the local social, economic, political and cultural inequalities continue to persist in a group? How can the leader ensure transparency to retain group members’ trust? We noted that the hierarchy of caste location often leads to increasing levels of intra-group discordance. This was exemplified by a member who said, ‘we were never a group in the true sense. It is not surprising that we could not work together’. We then explored further the reasons of failure amongst her colleagues; again we came across remarks on the difficulties of interaction between members across their caste and class divides. Such ruptures are not uncommon; in several cases members spoke about missing a ‘real’ cohesiveness in the group leading to its fracture. Differences in political allegiance at the local level also caused rifts, causing a lack of integration. The local political boss often tried to ‘choose’ the group leader and in one such case, she had no time to create a dialogue among the members to facilitate networking. Two other groups collapsed due to the lack of trust; as the leader did not reveal the details of the account book to other members, making others feel that she was trying to cheat. In yet another case, the leader keeping the records of income and expenditure behaved in such secretive ways that misunderstanding with regard to loan repayments eventually splintered the group. In many

cases, the team leader has received little more education than other group members, creating problems for the group in turn. Sometimes the husband of the team leader became the virtual leader of the group. Thus, we noted the range of problems included first the additional burden of keeping accounts, a task which the team leader may be ill-equipped to perform; and second, the subtler question of the leader being among equals, which goes entirely against the very concept of 'the group' as the recipient of official support. The group leader often furthered her contacts with local political leaders and explored avenues for additional cash incomes.

The question of religious differences among rural women was another factor leading to group collapse. A woman *panchayat* member noted in a group discussion that she found it difficult to involve women from Muslim families in activities outside the home because of their lack of control over finances, movement or time management. This was somewhat complicated by Nasreen, a Muslim girl running a group. Nasreen noted that although Muslim mothers following the *pardah* are eager for their daughters to acquire some education, investments in education and health have little expanded their choices in labour markets. Literacy workers play a significant role in the extension of literacy among home-bound Muslim women, but they are not permitted to bring the women into economic networks. As a result, Muslim women were conspicuously absent from the SHGs in Burdwan.

The most discussed grievance was that the government does not allow women to build up contacts and networks through one sort of activity, and then apply it to another activity. This is the essence of networking and empowerment: enabling someone to choose freely the next course of action. One participant felt that her initiative to educate Muslim women by teaching them at home and by delivering books through building on her personal contacts established as an extension worker was thwarted when she was not permitted to form an SHG. She lamented that government officials do not acknowledge innovative initiatives and claimed this dissuaded her from adopting flexible programmes to suit her specific target group. The same was true of literacy or ICDS workers who expected their leadership to be fruitful and flourish in other income-generating activities, but who were undermined by government officials when they

tried to set up groups with women contacts. In a context where women's autonomy and physical mobility are generally restricted by gender inequalities within the family, differences in economic roles and power, son preference, and oppressive cultural traditions, this lack of encouragement seems to be entirely bureaucratic and misplaced. Klenk (2004) in her study of 'Who is the developed woman?' raises the question of new subjectivities being created against the official version of 'the self-maximizing entrepreneur' of micro-credit schemes:

in this seemingly highly 'localized context', differently positioned rural women made strategic use of *and* reconfigured a developmental category, and thereby engaged with and contributed to productions of development circulating at national and global levels. In so doing, they experimented with creative possibilities for new, gendered subject positions for themselves.

In Burdwan, as we noted these new and emergent gendered subjectivities were either ignored or suppressed by more powerful agents.

The lack of information flow and communication among group members can take other forms as well. Health care was an important area where readily available information was inadequate, and several participants raised this issue. For example, several women had not heard of the government scheme that provides financial assistance for pregnant mothers or of the small incentive/grant for the birth of a girl child. Their village does not have a sealed access road or any primary health centre. Large rural tracts are poorly serviced by roads of any kind and there are roads that become inaccessible during the rainy season (Samanta and Lahiri-Dutt, 1996). When the DRDA official selects a village for initiation of groups, it is usually located on a road accessible by government jeeps. In this way, remote villages continue to remain outside the influence of DWCRA. Women from the villages in this southern part of the Damodar repeatedly complained that they had poorer access to the government's various schemes for Women's Development (WD). This area has traditionally been the *nikashi* (drainage) area for the Damodar's monsoon overflow, and the embankment is lower and weaker along the southern bank of Damodar. These villages are flood-prone and low-lying/waterlogged, and have a higher concentration of lower castes compared with other villages of the eastern

agricultural tract. In addition to these logistical problems, women face gender-specific difficulties at different levels, such as political intervention or lack of gender sensitivity among *panchayat* members at the community level, and active discouragement from male members at the family level. The control of women's involvement in the public sphere is often strongest at the family level: husbands prevent women from going out of the home; they use domestic quarrels, violence and other forms of intimidating behaviour, and try to spend women's savings so that their payments in group formation becomes irregular. Commenting on a similar situation, Koczberski (1998, 403) noted that such generalisations should not substitute for a contextual analysis. The specific social and cultural contexts of women's lives need to be taken into consideration. It is clear that rural women in Burdwan are from diverse backgrounds; they have different levels of allegiance to networking, different household situations, different levels of wealth and status, and have different needs and interests. As long as these differences are not recognised, it will remain difficult to propagate the SHGs.

The points raised by our participants are indeed significant; if the objective is to build entrepreneurship among women, then the multiplicity of ways a person operates must be recognised. Individual initiative is no longer eligible for government assistance as the formation of a group has now become the most important requirement for the DWCRA. The government official too becomes helpless in her project. The example of Bela is pertinent here. After saving up some capital by working in the fields for a few years, she sought a matching loan from the DRDA, but was unsuccessful. The official maintained that she was forced to refuse because the DWCRA recognised only groups and not individuals.

In general, the large investments by the government in creating SHGs in DWCRA should have increased the social and economic opportunities for poorer women living in rural areas. In reality, we found that most of these failed groups were unable to act together, and often one or two members in the group, crucial in bringing the group together in the first place, left, leading to the collapse of the group. In others cases, local specificities – either of geography, community, or individual personalities – were ignored by government officials during their solicitations in choosing the functions of the group.

Clearly, the key issues identified by the women in explaining the failure of SHGs from their perspective were not envisioned by the government agency's policy formulations. These issues point out the inappropriate and gross use of the concept of social capital by treating women as voiceless subjects without agency (see Pryke's 1991 critique of such perceptions of women by developmental agencies).

Key issues and their relation to social capital

A primary reason for the poor performance of DWCRA is that women are 'targets' of action and their voices are rarely heard. The problem with 'self-help' schemes for women is the way they problematise the 'self', mostly in the mould of the bureaucrat's own image, rather than the women for whom these schemes are made. The act of government officials 'determining' what kind of activities women should engage in, invariably leads to replication of existing power structures within the society such as caste.

In essentialising networking, the SHGs emphasise only the positive roles groups play in women's empowerment. In ignoring the aspirations and enterprise of individual women, the government schemes defeat the very purpose of new entrepreneurial identities for women. Further, the idea behind the shift from assistance to credit is the assumption that such assistance schemes do not work in low-income countries. Such universalising principles deny localities and communities their specific characteristics and needs. Factors such as caste and political allegiance as well as subtle class differences inhibit the free flow of government information from women *panchayat* members to the women of families below the poverty line. The woman as an individual in rural society must be viewed as a free actor making her own decisions. The implied collectivity envisioned by DWCRA does not leave space for the individual's agency as a significant factor in determining women's efforts. The interconnectedness of women's multiple occupations and life roles is ignored by this approach.

State policies must recognise and respect the new identities women build and the new spaces they create for themselves in the community through their work efforts, and help to enhance them. The individual is an important factor in entrepreneurship and those with a high need for achievement become successful entrepreneurs. Individuals need to be motivated and this is not

usually encouraged in rural women. From her childhood, an Indian woman is brought up to believe that her place is at home, especially in middle-level farming families found in rural Burdwan. Consequently, women lack the skills and motivation needed to take up non-traditional economic activities. Indeed, women who step out of this mould need to be identified as leaders setting examples for other women. As we saw, our participants felt that the state neglects to play this supportive and encouraging role.

GAD schemes in India aiming at rural women's development are created to play a *supportive* role; they neither create specific opportunities for women, nor have specific programmes to encourage leadership. Given the socio-cultural environment of a prosperous farming region such as Burdwan, the schemes must address specific contextual needs and requirements rather than act as restrictive instruments. They must also provide financial and commercial support systems, research and training institutions, and extension and consultancy services that are yet to reach rural women adequately and to address their risk factors.

In concluding our paper, we are reminded of a 'participatory development and the appropriation of agency' case study, showing how this model of 'development thinking ascribes agency to collectivities of poor people' (Green, 2000, 70). Indeed, the goals of personal development encompass a range of lifestyle aspirations, including being more modern, having more education, increased access to off-farm incomes and, in the context of the pervasive collapse of state services and periodic food insecurity, enough money to provide for a person's family. A longer-term goal is to build a brick house, which can act as a sign of status and an object of wealth. Do the government schemes take an approach sympathetic to these relatively individualistic aspirations? There is no doubt that notions of the group underlying a sense of community is an important motivator, but this local understanding of the community needs to be carefully contextualised in view of the evidence from our study. Hobsbawm (1996, 40) commented, 'Men and women look for groups to which they can belong, certainly and forever, in a world in which all else is moving and shifting, in which nothing else is certain'.

Our research demonstrates that whilst the broader contexts of cooperative and household labour allocations continue to remain enigmatic, development schemes assume that women

exercise agency in creating development outcomes and this agency is embedded in cultural understandings of what development is and how it operates. What this agency presupposes is a kind of imagined 'group'; a group in which people come together willingly, create their networks, and act in a cooperative manner irrespective of local heterogeneities within the community. A group, in DW CRA, thus needs to be artificially produced and handpicked, which makes it fragile and vulnerable, giving neither long-term security nor bringing real empowerment to women.

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NOTES

1. If 'capital' is defined for convenience as investment of resources with expected returns in the marketplace, then social capital, following Lin (2001, 3) could be defined as capital that is captured in social relations that evokes structural constraints and opportunities as well as actions and choices on the part of the actors.
2. In his latest study, Putnam has emphasised that 'social capital is generally distributed unequally – more trusting, more joining, more voting, and so on among the better-off segments of society' (Putnam, 2002, 414).
3. Although colonial rule was pivotal in bringing about critical social reforms that included women's education among other things such as *sati* prevention, it generally recognised that women's position could be used as an indicator of society's advancement.
4. The committee's report titled *Towards Equality* led to increased lobbying for more visibility of women as well as bringing women's empowerment issues to the centre of policy debate.
5. As many as 35 poverty alleviation schemes could be classified as 'women-specific', with 23 being located in the Department of Women and Child Development. Menon-Sen and Prabhu (2001) identified three types of women-related programmes leading to empowerment: financial and technical support, including the *Indira Mahila Yojana (IMY)*, *Mahila Samridhhi Yojana (MSY)*, *Rashtriya Mahila Kosh (RMK)* and *Swashakti*; socio-economic programmes for special categories of women; and schemes for children's welfare.
6. Initially started as a pilot project in 50 districts of the country, DW CRA begins with multiple objectives of organising poor rural women, developing awareness and agency in them regarding different societal aspects of their life, improving work skills and economic conditions, and making them aware of different development schemes for them.

7. In April 1999, SGSY was introduced to emphasise Self-Help Groups (SHG) identified as 'a collection of rural poor who have volunteered to organize themselves into a group for improving the standard of living of the members' (GOI, 2002).
8. In most cases, group members adhere to the practice of saving Rs10–20/person/month (A\$1=Rs30) under the small savings scheme. The formulation of this initial capital is critical for the group as it determines the availability and level of government funding assistance. Capital formation and creation of a revolving fund by a self-help group, therefore, is the first pre-requisite for the formalisation of a DWCRA team. The financial assistance for starting any economic activity is disbursed in two phases of Rs15 000 and Rs10 000 to each group, as a revolving fund for running expenses.

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