INEQUALITY AMONG THE MEMBERS OF SHG- A CASE STUDY OF TEN GRAM PANCHAYETS OF PASCHIM MEDINIPUR DISTRICT

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ABSTRACT

The self-help group scheme is a centrally sponsored under SGSY. Its objective was to reduce the poverty, to provide a sustainable livelihood of the poor women and to reduce the gap of inequality in the rural areas. The members of SHGs engage in income generating activities by receiving revolving fund after qualifying Grade 1 and involve in credit linkage scheme after passing Grade II. Most of the groups have qualified for Grade 1 and a small percentage of groups have passed Grade II. Therefore, they involved in credit linkage scheme. The objectives of the study are to analyse the socioeconomic status, to measure the inequality among the members of ten gram panchayets in Paschim Medinipur district. However, the inequality remains among the members of SHG.

Keywords: SGSY, SHG, PCMY, PCMFE, Inequality.

I.   INTRODUCTION

The government of India initiated a scheme for the poor women to reduce their poverty (Abed, 2000) as well as reduce the gap of inequality in the rural areas. This is the fact that the movement of SHGs could significantly contribute towards the reduction of poverty in the rural economy (Panda, 2005; Jerinabi, 2006). The SHG scheme is different from earlier scheme, IRDA because it was the scheme which was individual approach. However, there emerged so many problems. Thus group approach scheme, Self-help group scheme was initiated under Swarnajayanti Gram Swarojgar Joyana. The members of SHGs engage in income generating activities by receiving revolving fund after qualifying Grade 1 and involve in credit linkage scheme after passing Grade II. However, the inequality remains among the members of SHG. This is evident from the fact that inequalities among non-members are higher in respect of the per capita monthly income and per capita food and non-food expenditure.

Objective of the study are

i) to analyse the socioeconomic status of the members of HGs in ten gram panchayets of Paschim Medinipur district.

ii) to analyse the distribution of income and expenditure among the members of SHG in ten gram panchayets of Paschim Medinipur district.

iii) to measure the inequality among the members of SHG in ten gram panchayets of Paschim Medinipur district.

II.   DATA SOURCE

In this study primary data have been collected through interview method. Out of 29 blocks, 5 blocks have been randomly chosen. Out of 5 blocks, 2 gram panchayets have been randomly selected from each block. Therefore, ten gram panchayet from five blocks of Paschim Medinipur district have selected. 2 SHGs have been randomly selected from 10 gram panchayets. These gram panchayets are Radhanagar , Chubka , Aguiboni , Chichira , Dubra , Parihati , Belpahari , Sandhyapara , Silda and Belberia. The socioeconomic backgrounds of all members are almost same.

The study used the Gini concentration to measure the inter-panchayet disparities in inequality of per capita income, per capita food expenditure, per capita non-food expenditure.
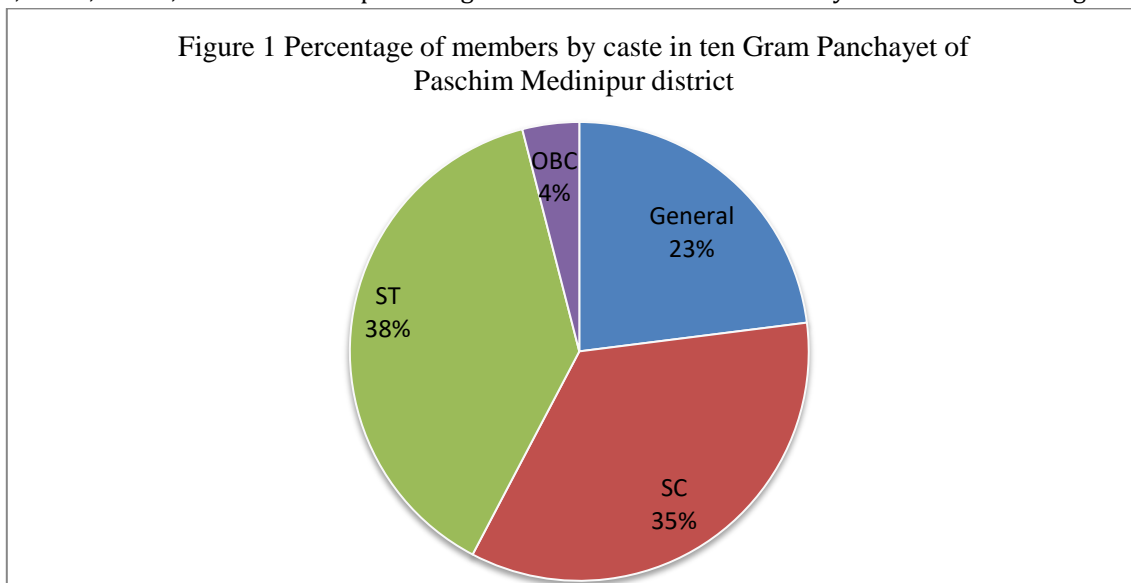
III.   ANALYSIS AND RESULTS

Socioeconomic status

In this study the socioeconomic status is analysed by the distribution of the members by caste, literacy level by caste, engagement of the members in economic activity. This approach is helped uplifting the socio-economic

status of rural poor (Sau, 2009), particularly after their engagement as a member of SHG (Katz, 1981; Wilkinson, 2005).

Caste

In this study, it was seen that 100 per cent SHG members belonged to female category. The members by caste showed the dominance of SC and ST categories in all gram panchayets. Besides, the dominant sub-tribes are Kheria, sabar, Santal, Lodha etc. The percentage distribution of the members by caste is shown in Figure 1.

Figure 1 Percentage of members by caste in ten Gram Panchayet of Paschim Medinipur district

Education

In this study the literacy level of the members by caste is analysed before and after their group formation. The study found that 57.4 per cent members belonged to SC category, 51.3 per cent members belonged to ST category were found to be illiterate before group formation. However, this percentage has decreased after group formation. It was found that about 41.5 per cent members belonging to SC category and 37.2 per cent to ST category were found to be illiterate. Therefore, the illiterate member by castes has decreased after group formation. They could read and write their names. It was possible through the educated members of the family and some resource persons who have helped them to be literate.

Economic activity

Ojha (2001) found that Self-Help Group model of self-employment generation seem to be a workable model. The SHGs helped to set up a number of micro-enterprises for income generation (Borbora and Mahanta, 2008). This is evident from the fact that the engagement in subsidiary activities has increased after joining as a group member. Again, it was found that 13.5 per cent members were engaged in principal activities, 52.4 per cent in subsidiary activities and 34.1 per cent members were involved in both the activities. However, the situation has changed after group formation. It was found that 9.2 per cent members were engaged in principal activities and 58.2 per cent in subsidiary activities. This is shown in figure 2. That indicates that the members engaged in higher proportion at subsidiary activities than principal activities. Therefore, the dependence on principal activity has decreased.

Figure-2A Percentage distribution of the members by their economic activities before group formation
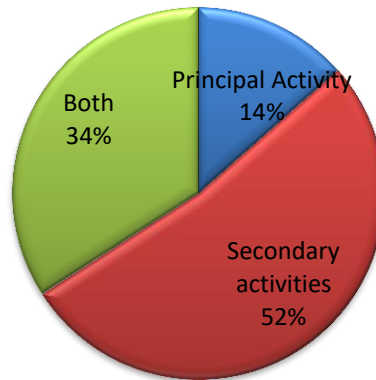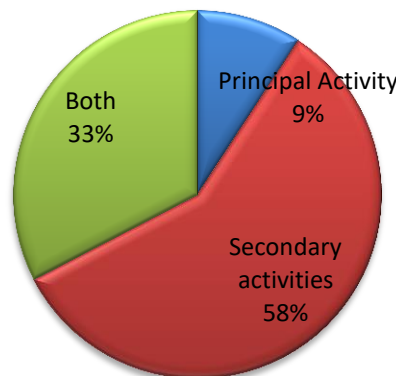

Figure-2B Percentage distribution of the members by their economic activities after group formation

Distribution of income and expenditure

The study found that the average monthly per capita income of the sample SHG households varied widely among panchayets. It was highest for Chichira gram Panchayet estimated to Rs. 1135.50 whereas it is lowest for Parihati gram Panchayet estimated to Rs. 563.75 which implies that it is varied widely, almost double. In this context it was found that the average income of the members of SHGs improved, however, it is higher for members than that of non-members in respect of inequality (Banerjee, 2009). This is shown in the Table 1. Again, average monthly per capita food expenditure and non-food expenditure of the sample SHG households varied as before. In both cases the gap between highest value and lowest value are maximum, almost double and in some cases it is more than double.

Table 1: Distribution of SHG members by their per capita income and expenditures.

Gram Panchayet	Monthly average of PCY	Monthly average of PCFE	Monthly average of PCNFE
Radhanagar	633.7	393.91	168.1
Chubka	798.65	424.03	169.3
Aguiboni	715.65	461.78	147.45
Chichira	1135.5	629.7	127.55
Dubra	583.65	360.35	132
Parihati	563.75	403.9	103.15

Belpahari	584.84	402.84	147.16
Sandhyapara	782.15	535.17	137.15
Silda	743.95	514.3	134.5
Belberia	679.1	381.21	219.2

Source: Field survey (2013-14)

Measure of inequality by Gini

The inequality among the members in ten gram panchayet is measured by Gini. This is shown in Table 2. It was found that Gini in respect of PCMY, PCMFE and PCMNFE varied among the members of gram panchayets.

Table 2: Inequality measures through Gini in ten gram panchayets of Paschim Medinipur district

Gram Panchayet	Gini PCMY	Gini PCMFE	Gini PCMNFE
Radhanagar	0.006437	0.009168	0.031422
Chubka	0.006597	0.009948	0.037328
Aguiboni	0.010514	0.012042	0.06423
Chichira	0.007603	0.010721	0.038094
Dubra	0.005534	0.009483	0.024392
Parihati	0.005859	0.008827	0.038755
Belpahari	0.006318	0.008166	0.03624
Sandhyapara	0.005965	0.008694	0.034738
Silda	0.005551	0.008324	0.033162
Belberia	0.004158	0.009354	0.020823

Source: Author's calculation from Field survey (2013-14)

IV. CONCLUSION

It is concluded that a large share of women members became literate which could help them to sign their names. Besides, the socioeconomic standard are same almost all members. However, the study found a greater difference showed in case of inequality among the members of SHGs in aspect of the distribution of income and expenditure. This was also found from Gini measurements. Therefore, inequality among the members of SHG remains though a number of groups involved in credit linkage scheme.

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