

1.1 Rationale

Poverty, undernourishment and escapable morbidity strike men as well as women of the households at the bottom pile of the income level in developing countries. Till recently, deprivation of the entire family was the focus for studying miseries and seeking remedies. However, concentration on household poverty irrespective of gender can be misleading in terms of causation and consequences.

In 1975, for the first time an international concern was expressed in the Mexico Conference for integrating women in the process of economic development in the developing countries. The convention on the 'Elimination of All Forms of Discrimination Against Women' was adopted by the U.N. General Assembly on 18th December, 1979 and became an international treaty on 3rd September 1981, notified by 110 countries by December 1991. This treaty provides a framework for women's participation in the development process.

Credit being an entry point to economic development, the importance of increasing women's access to institutional credit was emphasized in all international forums from 1975 onwards. In 1976, the United Nations General Assembly passed a resolution urging member states to ensure the

coverage and extension of credit to women. In 1980, the 'Mid Decade Conference' in Copenhagen adopted a detailed program : Action of Implementation of the World Plan. It spelled out rights of rural women to co-registration of land title and equal access to credit and other modern inputs and technology. As a consequence several other governments launched programs for achieving this goal during the 1975-85 decade on women declared by the United Nations.

In India, the earlier planned endeavors and strategies during the sixties and seventies were formulated with a macro perspective. An overall growth of the economy was sought through the percolation of benefits to rural poor known as trickle down theory. However, this assumption was belied as the poor continued to multiply and live under abject poverty.

The failure of this approach led to the formulation of specially designed policies / programs of employment and income generation tailored to match the nature, ability and skills of the target group population.

One of such programs, Integrated Rural Development Programme (IRDP), was conceived as the country's largest anti-poverty program. Initiated in 1978-79, it aims at economic upliftment of the rural households living below the poverty line threshold*. Under IRDP, identified benefici-

* The household income for poverty line is Rs. 6400 and for beneficiary identification under IRDP it is Rs. 4800.

aries are provided with income generating assets through cheap credit cum subsidy with the purpose of generating higher income, employment and better living conditions for them. However, it was soon realized that women were kept out of the IRDP net. Hence, the programme design was adjusted for their better coverage in 1982-83 as discussed below.

After several efforts from researchers, women's economic role found its due recognition in the Sixth Five Year Plan (1980-85) when specific stipulation of 17 per cent coverage for women was laid down under IRDP. 1981-82 saw an extremely limited coverage of women beneficiaries and hence, Development of Women And Children in Rural Areas (DWCRA) was conceived in 1982-83 as a sub-scheme (Pilot Project) in 50 districts. Under DWCRA, women who were unable to take advantage of the schemes under IRDP were organized into homogeneous groups of 5 to 20. Each group was provided training in a chosen activity along with the necessary infrastructure.

IRDP has been growing in magnitude and dimension right from its inception and the women's coverage stipulation has increased from 17 to 30 per cent from the Sixth to the Seventh Five Year Plan. From April, 1990 the coverage stipulation has increased to 40 per cent. However, the achievements have been slow in coming. They have increased merely from 7 per cent in the 1985 to 31 per cent in 1990-91.

In view of the growing dimensions of IRDP and financial assistance released, it becomes necessary to evaluate the project to provide systematic, reliable and valid information on the effectiveness of the program. In case of women the process of evaluation becomes complicated as it involves an analysis of women's multiple role within the household in lieu of the network of factors interacting within it.

Since Ester Boserup's pioneering study on women in development in 1970, several studies have emerged all over the globe. Simultaneously, there have been a spate of studies on women and credit. The most notable of these are Mayra Buvinic and Yousef [1978], Jennifer Sebstad (1982), Savara and Everett (1983). In India, some of the recognized scientific studies are those of Jain (1980), Parthasarthy (1982), Pushpa Sunder (1983), and Asghari Mohuddin (1987).

Most of the studies on impact analysis have followed different methodologies, hence, it was difficult to draw policy implications without a comparable data. B. H. Elavia (1988) developed a methodology for assessing the gender impact of credit at the household level which could generate data sets for comparative analysis. The contribution of this study is in improving the conceptualization of these indicators and providing an empirical evidence with a view to sharpen the focus on gender issues.

1.2 Problem Stated

Most of the Low Income Countries (LIC) governments are involved in a big way in financing poverty alleviation programs. In future much larger amounts may be committed. To avoid waste of resources and reap maximum benefits in terms of development it is pertinent to analyze the impact of credit at the household level in terms of employment and income generation, production and consumption of beneficiary households in general and women in particular. The gender dimension assumes importance as rural women are the most exploited, discriminated and deprived in the society. Hence, important questions are; how does IRDP induce and influence their participation in developmental activities and enable them to benefit from the development process? Does credit effect change the gender roles within the household? Is there any difference between the credit impact of female headed households (FHHs) and male headed households? Besides this, the other queries will be : were the beneficiary households (BHs) rightly identified? How many BHs could cross the poverty line threshold? What was the difference in the impact between the one and two loan cases? Only an indepth quest can provide right answers to all these questions and this study is an humble attempt in this direction.

This is a comprehensive study, which examines the employment, income and consumption effects of credit on the BHs. The focus is on capturing the gender differences in the impact of credit. The second dimension is to differentiate

the impact of one loan cases from two loan cases, with a view to throw light on the IRDP program design. The changes in the gender roles and activity-mix within the households are captured for lending visibility to women's productive activities induced by credit intervention. Some light is also thrown on women's empowerment and the credit impact on FHHs as they are vital issues in current literature.

1.3 Objectives

The study attempts to throw light on the impact of credit at the household level with special reference to gender issues. An attempt is also made to develop profiles of the borrower households, beneficiaries, loans and activities financed with a view to lend visibility to changing roles of women within households caused by credit effect.

The specific objectives are to examine the following with special reference to gender issues :

1. Identify the salient characteristics of sample loans, activities, beneficiaries, households, villages and district.
2. Examine the impact of credit on the labour use and substitution, production, income and consumption of beneficiary households separately for one and two loan cases with a view to capture the benefits of economies of scale operating in milch cattle activity.

3. Examine the relationship between labour input and working expenses for maintaining the asset financed with output at the household level.
4. Identify the characteristics of the sample Female Headed Households (FHHs) and assess the impact of credit on them.
5. Examine the changes in the gender roles within the households as a result of credit intervention.
6. Study the participation of women in the decision making process of beneficiary households relating to loan, asset utilization, income and marketing.

1.4 Chapter Outline

1. Introduction
2. Literature Review
3. Research Methodology
4. Profile [I] : Sample District, Taluka, Villages, Households and Borrowers
5. Profile [II] : Loan and Economic Activities Financed
6. Impact of Credit at the Household Level [I]
7. Impact of Credit at the Household Level [II]
8. An Analysis of Gender Roles and Activities Within Beneficiary Households
9. Women's Participation in Decision Making at the Household Level
10. Summary, Conclusions and Policy Implications

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