

SSE for localizing the SDGs and Scaling up Impact: The Case of Women's SHGs in India

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The SHG in India : *As Addis Plus much more*

- The ontological turn: to rethink the “Anthropos” and view the person as *agent*, not as “patient”
- Shift away from the “dark theories” to the ‘Anthropology of the good’, and create a global ethos for a ‘good’ *anthropocene*
- The SDG agenda crafted on a model of *Coproduction*
- SHG as a bottom-up *collective form of coproduction*
- The 3rd FfD (2015) underemphasized the “power of the small money” through community self-help
- Council on Sustainable Development (WEF): Addis Ababa is *just one piece* of the global FfD story
- Many other parallel processes (and SHGs in India) – are part of *Addis plus much more*

Background

- Neo-liberal Economic Reforms 1991
- SHG as a strategic policy thrust to mitigate the adverse impacts of neo-liberal growth
- Introduced as a core strategy of the Ninth Five year plan (1997-2002) and continued afterwards
- Social mobilization, Empowerment of the poor as elements of the “Pro-poor” growth strategy
- MDG met before target year : Poverty reduced from 45.3% (1993-94) to 21% (2011-12)
- Still 175 million poor, and multidimensionality – Challenge for the SDGs

SHG: a home grown model of SSE in India

- **Financial Engineering for Social goal**
- **People-centred, community-based financial structure for poverty alleviation and women empowerment**
- **Double innovation :**
 - Social* innovation - design of the group as nucleus of grassroots collective action to drive bottom-up development**
 - Financial* innovation- architecture of collective finance**
- **Rooted on a *social understanding of poverty*. Poverty as social construction (not a social condition), and multidimensional**

Home-Grown Model...Contd.

- A group of 10-20 poor and excluded women
- Savings-led, self-governed and managed, democratic, community-based organization
- Community-based finance is a means to strengthen community processes for collective action to : access institutional finance, government services, meet various developmental needs, and enhance their capacity, confidence, self dignity (empowerment)
- Produce both individual and collective benefits

Home-Grown Model...Contd.

- It is a *locus* for :
 - i. *Rebuilding new solidarities* around common goals and expanding circles of support for poor women (Horizontal and vertical ties)
 - ii. An important *site for new social learning* and *personal transformation* (empowerment)
 - iii. A *social infrastructure* for delivery of a range of public services at low cost for greater developmental impact

Originated in Civil Society, Now Propelled by the State

- A small pilot programme by MYRADA and PRADAN
- RBI accepted it as a model of community finance in 1990
- NABARD's SHG-Bank Linkage programme in 1992
- Today there are 8.7 million SHGs, reaching out to 112 million poor families, with a portfolio of about 1 trillion Rupees (Savings plus Loans)

As the Local Institutional Architecture for the SDGs

- **Localization of SDGs:**
 - i. Need to connect them with people's vernacular epistemologies and local sociologies
 - ii. Need to embed them in the grassroots and empower communities to drive the SDGs cost-efficiently
- **Compelling need for macro policy makers and governments to engage with the Bottom of the Pyramid**
- **This is what the SHG approach to the SDGs in India strongly resonates with**

As the Local Institutional Architecture for the DGs...Contd.

- **Early Thrust on SHGs: DW CRA Program (1982)**
- **Greater thrust in the SGSY program (1999) – major vehicle for the MDGs**
 - i. SHG building became a national movement**
 - ii. Significant achievement – 4.15 million SHGs formed – still had problems like sufficient credit mobilization, non-federated structures, insufficient capacity building etc.**
 - iii. Evaluations showed program was successful where systematic mobilization and capacity building was taken up in a process-intensive manner**

Local Institutional Architecture for the DGs...Contd.

- The program was restructured, and expanded in 2011, Known as *Aajivika*, National Rural Livelihoods Mission (NRLM)
- To lift every family out of poverty in 10 years through universal social mobilization by scaling up the SHG revolution by:
- mobilizing all rural poor households into functionally effective SHGs (and their federations)
- enhancing their access to financial, technical and market services
- Building their capacities and skills for sustainable livelihoods
- Convergence of various other support programs (food, nutrition, health, sanitation, drinking water etc.) for an integrated focus
- Achievements until today – 4.9 million SHGs promoted/revitalized, and 55.9 million households have been mobilized

The NRLM...contd.

- The NRLM goal is to:
 - i. Reach 70 million rural poor households (350 people) in 10 years to create sustainable livelihood opportunities
 - ii. Achieve efficiency of various other programs relating to the SDGs (e.g., Goal#2 – food/nutrition, Goal#3-Health, Goal#4-Education, Goal#6- water/sanitation etc.) through convergence at the SHG as a multi-sectoral platform. Goal#5- women's empowerment is both an intrinsic goal as well as an Instrumental goal to realize other goals. Thus the SHG is a central focus

A Model for Economies of Scale and Scope through Mass Localism

- SDGs require an approach *different* from: “moving from billions to trillion”
- SHG based on a model of *Mass Localism* – multiplying numbers of local actions to achieve national scale – that achieves :
 - i. Economy of scale through distributed solutions, and supporting communities to implement them, and
 - ii. Economy of Scope by joining up services, unifying and reconfiguring them at the level of the SHG as a multi-sectoral platform
- An *inductive* approach to the SDGs – essence of localization
- A subtle policy shift towards change management based on the economic theory of “nudging”
- A Good “fit” between a (supporting) State and active citizens (civil society) at the local level for *co-production* of development outcomes through a unique blend of top-down and bottom-up strategies

Achieving economies of Scale and Scope....contd

- SHG members are well connected and participate in multiple other community networks leading to spill over effects and information diffusion
- Women members reached an average of six others with (health) information (Manandhar et al 2004) making interventions highly cost-efficient
- Efficiency achieved through horizontal connectivity
- Economies of Scope achieved through complementarities across investments by providing different services by one interventions
- Groups organized for financial outcomes are also leveraged to achieve different other outcomes
- Groups also generate additional benefits by producing peer pressures, and sanctions to encourage adoption of new norms and practices needed to achieve the SDGs

Impact along Multiple SDGs

- SHGs do generate “empowering actions” to achieve positive impact to varying degrees
- On Poverty and income (Goal 1) and Women empowerment (Goal 5) – NABARD studies, NCAER, APMAS, Sinha etc.
- Better Nutrition and Consumption (Goal 2) – Deininger and Liu, Kumar’s review of 36 studies etc.
- Maternal and Child Health (Goal 3) – Saha et al’s study from the data set from the 3rd national district level hh survey of 601 districts of India and others
- Water and Sanitation (Goal 6) – Rai, Prakash, Shrestha et al, etc.
- Women Empowerment (Goal 5) – Dash and Kabeer, Saran, Swain and Wallentin, Broady et.al.’s systematic review of 34 studies etc.

Major Problems and Challenges

- Issue of equity in the SHG movement at various levels – uneven spread
- Inter-state disparities have implications for inequality of SDGs outcomes across states – already a problem
- Expanding into areas where SHG coverage is minimal is a challenge
- The poorest in a locality are often excluded from SHGs – and often those who are members don't get equal benefits (e.g., repeat loans) as others
- The target-oriented approach, and the speed with which they are growing is faster than the speed of the people for change
- Fragility of Groups (especially prevalence of the informal sector)
- Quality of the Groups vary to a significant extent depending on promoters – problems of Governance and (financial) management, local power dynamics etc. – APMAS (2017) using a critical ranking index tool found 68 % are Grade-A SHGs, meaning one-third are qualitatively poor



Thank You

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