

Women Empowerment through Cooperatives (A case study of Gaidahawa Rural Municipality, Rupandehi District)

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Abstract

The cooperatives have been popular within a short period among the poor people. This study attempted to see the lives of poor rural women thus it has mainly focused on identifying the status of empowered poor women in rural areas through cooperatives. Thus, it has taken 2 cooperatives where there was large or almost all populations of women and led by women leadership. Applying exploratory and descriptive research design, Gender participation, participation trends interventions for empowerment, and level of empowerment, have been analyzed. Both qualitative and quantitative data have been received. Primary and secondary data have been used in this research.

The level of income does not matter or hinder the participation because even the people having lower income have the highest participation. Likewise, there is no association between education and participation in cooperatives membership. Through involvement in cooperatives, the women have become self-confident. Their decision-making power was observed to increase. There was a great change in their perspective, attitude, authority, prestige, knowledge, ability awareness, and social relationships. The participation of various ethnic and caste groups in the program established good harmony and cooperation among all the beneficiaries and the staff of the cooperative. It should be better to conduct more training on capacity building, finance management, and skill development. The illiterate women should be provided literacy classes linked with entrepreneurship development. Finally, yet importantly, it is recommended that women should be provided the opportunity for involvement in the exposure by which the women realize the external environment.

Keywords: Income Generation, Cooperative, Savings, Loans, Empowerment

Introduction

Modern cooperatives have been developed for over 200 years around the world. Cooperative Philosophy originated with the revolutionary writing and activities of Robert Owen and Charles Fourier. Robert Owen (1771-1859), an avowed socialist, has the credit for inspiring the Rochdale Pioneers to set up the first modern cooperative shop in Toad Lane, near Manchester, in 1844. It was, however, Raiffeisen, a burgomaster in Germany and not the Rochdale Pioneers, who inspired the experiment in rural cooperatives in many developing countries. Raiffeisen though not wealthy, was an inspired philanthropist. It was in 1864, that he set up a credit cooperative society which was to become a model for others subsequently (Acharya, 2015). The modern cooperative organization has been a result of a long process of ideological and conceptual controversies as well as trial

and error. Social philosophers, philanthropists, professional groups, cooperative members, and politicians propagated in various forms the idea that socio-economically weak persons should establish cooperative-owned enterprises to gain access to various benefits and promotional services, which are needed to increase their income and improve their socio-economic condition (Ibid).

Co-operatives are being operated as socio-economic institutions at the primary level to meet and satisfy the needs of a common person. They not only endeavor to provide services and facilities but also provide training in the skills of operating democratic economic institutions. The essence of a cooperative institution is the democratic control and the participation of members in the government of their own cooperative without participating in a democratic institution (Haile et.al. 20017).

The cooperatives aim to raise the living standards and economic conditions of the women and their families; create facilities to encourage teamwork activities; give legal status to rural women in the environment of their activities; provide a forum for rural women's cooperation and exchange of ideas to resolve outstanding problems; facilitate women's access to available credits, markets, and rural decision- making centers, and organize necessary training programs for the women.

The status of Nepalese women, particularly in rural areas lags far behind that of men. The socio-cultural values are derived from patriarchy which is strongly biased against daughters' which means that daughters do not have equal opportunities to achieve development (Mahat, 2013).

According to CBS, (2021), 33.83 percent of the population of Nepal lives in rural areas. Whilst there were many banks in Nepal but still there are still no substantial banking facilities in rural areas, thus cooperatives has been playing a pivotal role in overcoming the monetary problem of rural people. On the other hand, there is no or very little access to banks for rural people. So, cooperative has been standing as a boon for millions of people. Considering the above-mentioned issues, this study focused on the research objectives to examine the association between income and participation and relationship between educational level and participation. And finally to trace the areas of women empowerment and to find out the available service and the ways to make cooperatives more accessible.

Research Methodology

This chapter describes the method adopted for data collection, analysis, and presentation of the study. This comprises with rationale for selecting the study area, hypothesis, research design, sampling procedure, method of data collection, data processing, and analysis.

Hypothesis Setup

This research has been focusing on gender participation, especially in the membership and executive board of cooperatives. Where income and education play a crucial role in participation. Thus, this research has set up some hypotheses to find out the association between income and participation and education and participation.

- Higher the income higher the participation
- Higher the education higher the participation

Selection of the Study Area

Gaidahawa Rural Municipality is the larger Rural Municipality in Rupandehi, based on area and women population. Though it is not far from the highway this Rural Municipality's financial status is poorer than other Rural Municipalities. Therefore, researcher selected this Rural Municipality to find out the financial institution service and future scoping of the cooperatives in this Rural Municipality. On the other hand, there is easy access to roads is another reason which makes data collection easier.

Research Design

The research is descriptive and exploratory, where analysis and association analysis trend is used to show the prevalent condition of participation/women participation in cooperatives. The study has focused on investigating the empowerment of women through Women Cooperative. The exploratory research design is conceived with the attitudes and the expressions of the participatory women members. The descriptive research design is concerned with the description of the facts to the socio-economic impact of the involved women members; education, employment, training, and its use are indicated. This research has adopted a type research design where there are both types of data (i.e. qualitative and quantitative) are collected and presented.

Association Analysis

Association analysis has been used in this research which is used to ascertain the extent to which two variables are related e.g. association between education and participation, income, and participation in cooperatives.

Nature and Sources of Data

Both qualitative and quantitative information was collected for the purpose. Primary data were collected from the field through field visits, personal interviews, key informants interviews, and focus group discussions with the executive members, members, and subcommittee members. In addition, the secondary data were collected by reviewing - previous studies, published books, journals, case studies, news, articles, documents, and bylaw of the cooperative under the

secondary sources and using both formal and informal methods for the collection of both quantitative and qualitative data.

Universe and Sampling

There were 10 saving and Credit cooperatives in this Rural Municipality. Among them, the 2 biggest cooperatives which have been led by women and mostly focused on women have been taken as samples through convenience sampling method considering that there would be a high possibility of women's participation. For household surveys of the cooperative's members, the samples were taken by random sampling method and purposive sampling method the member of the cooperative households. Hence, 100 samples from wards numbers 2, 4, and 6 have been collected for household surveys who were the members of the cooperatives.

Data Collection Technique

Several data collection methods and tools are used for this study such as key informant interviews, focus group discussion, and field observation. Secondary sources and existing records were also used for clarification of collected and supplemented data.

Key Informant Interview. Key informant interviews and informal discussions with the secretary of cooperatives, manager of the cooperatives, and chairperson of the cooperatives have been taken as samples for KII.

Focus Group Discussion. The focus group discussion was conducted within the groups of 2 cooperatives as per their number and size. The main aims of group discussion were to identify differences of opinion as well as areas of consensus within the group.

Field Visit and Observation: Field observation was done to collect the necessary data for this study. The observable information such as women's participation in cooperative programs, income generation activities, training, and women's group meetings and other activities was obtained through semi-participant observation.

Result and Discussion

This section shows the income distribution and educational attainment of the respondents. Association between the income and participation and education and participation as per the hypothesis has also been analyzed here.

Income distribution pattern

There is variation in the income amongst the respondents which has been categorized into several ranges. Due to the economic status, occupation status, and educational status, the income of households varies. Hence there was the range of income which is presented below in the table.

Table 1*Income distribution of the respondents*

S.N.	Income range	Frequency (no. of respondents)	Percentage
1	0-1,00,000	34	34
2	1,00,001- 2,00,000	40	40
3	2,00,001- 3,00,000	16	16
4	3,00,001-4,00,000	7	7
5	4,00,001-5,00,000	3	3
6	5,00,000 above	0	0
	Total	100	100

Source: field survey, 2022

The above table shows that the income distribution, where the highest income range falls on 1 lakh to 2 lacks. It is followed by the range 0-1 lakh are 40 and 34 percent respectively. It denotes that, most of the households in the research areas have an average income to feed their family. Owing to the agricultural occupation most of the families' household income seems average income and those who were involved in jobs and business or depending on remittance have slightly more income than the average households.

The data, presented in Table 1 shows that there is no association between income and participation as per the hypothesis. It has proven that low-income people also participate in cooperatives; there is no difference in participation due to higher or lower income. It is determined by the access of the cooperatives, focus, and services of cooperatives to the community people.

Educational Status of Respondents

Education is one of the most important characteristics of the social process. It is one of the major indicators to measure the status of empowerment of the respondents. Educational attainment is divided into 5 categories. Here, illiterate means those respondents who can't read and write, and aren't taking formal and informal classes, Primary level means respondents having education up to grade 5, Secondary means up to class 10, Higher Secondary means above SLC and the University degree denotes to graduate and postgraduates.

Table 2*Educational status of respondents*

S.N.	Education	Frequency (no. of respondents)	Percentage
1	Illiterate	54	54
2	Primary Level	30	30
3	Secondary Level	8	8
4	Higher Secondary Level	5	5
5	University degree	3	3
	Total	100	100

Source: Field Survey, 2022

Under the above data presented in Table 2, most of the respondents can't read and write and least no University degree holder, from the interpretation we can say that education status of the women is poor. The level of empowerment of illiterate women is also satisfactory due to the cause of their involvement in the cooperatives and programs organized by NGOs, INGOs, and local-level organizations. In addition, the university degree attainers are noticeable with the account of the number of secondary and higher secondary levels. It indicated if the women get a chance to study they dare to attain a higher level but due to socio-economic barriers they are unable to do so, and are limited to lower education attainment.

The research shows that cooperative has empowered women as follows:

Cooperatives in Economic Empowerment role:

- Enhances the women's contribution to the household's income as a result of credit access,
- Helps in employment generation,
- Helps in understanding bank transactions,
- Improves women's access and control over the resources, helps very poor households meet basic needs and protect against risks
- Use of financial services by low-income households is associated with improvements in household economic welfare and enterprise stability or growth.

As per the above-mentioned role one respondent says,

"I believe my present status is all because of Cooperatives-A. The cooperatives has enlightened me on business issues as we discussed the relevance of investment, savings and deposits, loans and repayments, and the importance of meeting attendance. Colleagues' success stories motivate me to be more focused. Now, I own a tailoring shop and train other women to provide them with alternative sources of income."

Cooperatives in social empowerment roles:

- It helps women to gain confidence,
- Helps to gain respect in the family,
- Increases the role of women in household decision-making,
- Improves the ability of women to freely interact with members of the group and outsiders,
- Increase mobility of women within and outside their locality,

- It helps to empower women, thus promoting gender equity and improving household well-being.

About the above role, an informant of the cooperatives says that

"Micro-credit has made me feel respected at home and in the community domain. After joining the credit scheme, I have been able to contribute to my family's welfare. Now, my husband considers my views before taking any important decisions about the household or the business. I can buy household necessities independently and free to travel independently with or without any friends and family members."

Cooperative in education, skill, and training empowerment roles:

- It improves the literacy level of the family members,
- Creates awareness about children's education,
- Imparts training on income generating activities, and skill development
- Helps in gaining knowledge on maintaining records of financial transactions
- Exchange of ideas, market information through cooperatives.

During the research one of the cooperative members said that

"Microfinance was a boon for my life, I was illiterate and had no source of income except daily wages, which is very hard to get regularly, so there were so many nights that I had to sleep with empty stomach, but now after joining the cooperative, I got a chance for informal education which has made me read and write, after that, as per my wish I attended a training on business plan conducted by the cooperative, took loan and owned a small grocery shop that has changed my life now".

Cooperative in political empowerment roles

- Cooperatives increases the participation of women in local bodies,
- Increases the number of women in the decision-making power of local government,
- Increases the number of women in local protests and political campaigns and advocacy
- Creates political cadre which has been one of the major empowerment of the cooperative because, during the local level election of 2074 BS, the majority of the members belongs from the cooperatives.

During the interviews, one informant who is also a local activist shared her experience

Fetching water was the main problem for housewives in this village because there was only one tube well. We formed a pressure group in the initiation by a cooperative. After repeated delegations to the local political leaders, local government bodies, and other stakeholders our village gets a budget for more tube wells. Housewives are being able to send their children to school on time. More and more women, now, are engaging in income-generating activities, as they have more spare time

Likewise, a member of a cooperative shares her experiences;

Before joining the cooperatives domestic violence was part of my daily life, as my parents offered little dowry. But, now our cooperative is more active to prevent unwanted situations against women. Domestic violence what I considered a private affair is no more private. The cooperatives has established strong social norms that those who violate are liable to social punishment, fine and sometimes public humiliation.

In a male-dominated society, women have always been underestimated and discriminated against in all spheres of life be it their family and social life or their economic and political life. Moreover, the traditional duties of managing households create hindrances in their social and economic empowerment. Over the years various efforts have been made by many Governments and Non-Government organizations to promote women's empowerment in general and especially in rural areas. One such effort is the cooperative intervention. Cooperatives are offering schemes exclusively designed for women to set up their ventures. Even the unorganized sector has been heading into the cooperative movement.

Possible Ways to Make Cooperative More Accessible

Though there are several cooperatives in and around our community but still only a few people still have access to such institutions. Whilst such institutions are operated to provide equal access to all there are large volumes of people who were deprived by the facility of cooperatives. So, here this research found some possible ways to increase access. They are

- Financial literacy/cooperative education in cluster: the community member or the target groups should be provided cooperative education so that they would know the benefit of taking share or membership and its process. Similarly, the financial literacy classes of avoid unnecessary expenses orientation would help them to understand the income and expenditure and their proper use for their family. So that they can adopt saving behavior and or lending for income-generating activities.
- Low-interest rates in lending and high-interest rates in saving: there should be lower interest rates in the cooperatives than of banks along with an easy

process of lending so that an individual would get an easy loan facility. On the other hand, the savings interest rate also should be paid higher than banks so that the savings of an individual increase.

- Flexible policy to engage the poor: there should be flexible policies and procedures to involve the poor people as their members. Because the poor have less participation in cooperatives because of low income. Due to their low income poor people are unable to deposit the required amount to be a member of cooperatives. So, the minimum deposit should be determined to approach poor people.
- Increment in the income of the target group: the daily income of an individual is also an important factor of participation. If a person is unable to feed their family s/he cannot take participation. So to uplift the income of an individual few income generation activities should be conducted in the community in coordination with local government, I/NGOs or like-minded organizations. As they earn substantial amounts they would have the practice of saving in cooperatives.
- Downsize the number of participants in cooperatives: generally, in the cooperatives, there should be at least 30 people but it is hard to unite 30 people of the same interest. So if the number of such cooperatives is downsized to 15, the chance of uniting people in cooperatives increases and to whom we can engage them in cooperatives as a member.

The above data shows that there is no relation or association between education and cooperative participation. It was assumed that the level of education would affect the participation because as the educational attainment of households increases the participation would also be increased. But, the data (table 2) depicts that, even the illiterate women who can't read and write were the largest populations participating in the cooperatives as its member.

Area of Women Empowerment by cooperatives

The main aim of women cooperative is to empower women. Women make up a large proportion of cooperative beneficiaries. Traditionally, women (especially those in underdeveloped countries) have been unable to readily participate in economic activity. A cooperative provides women with the financial backing they need to start business ventures and actively participate in the economy. It gives them confidence, improves their status, and makes them more active in decision-making, thus encouraging gender equality.

Conclusion

Thus it can be concluded from the above study that cooperative is playing a vital role in the social, psychological as well as economic empowerment of women in Nepal. Cooperative loan advisement and its productive utilization were found to

have a profound role and impact on women's empowerment. The empirical findings of the study suggest that cooperative has a profound influence on the economic status, decision-making power, knowledge, and self-worthiness of women participants of cooperatives. Though different studies conducted at various levels show different conclusions, it can be acknowledged from the present study that despite bottlenecks, cooperatives is capable of helping the poor to upscale themselves to a better living and playing a significantly positive role in upgrading women's empowerment.

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