

# Poverty, Women and Empowerment: Significance of the Rural Non Farm Enterprise

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## **Abstract**

*In our society, where economic power rests with men, convention decreed that women's place be in the home and that her husband's words are law. Such socio-economic condition and custom have transformed the women section in to unproductive resources. In fact, Women contribute to the economy and to combating poverty through both remunerative and unremunerated work at home, in the community and in the work place. The number of women living in the poverty has increased disproportionately to the number of men, particularly in the developing countries. The feminization of poverty has also recently become a significant problem in the countries. Women's poverty is directly related to the absence of economic opportunities and autonomy, lack of access to economic resources, including land ownership and inheritance, lack of access to education and support services and their low position in the decision making process in the society. Poverty can also force women in to situations in which they are vulnerable to sexual exploitation. This unproductive labour force can be transformed in to productive labour force through the economic empowerment. In order to empower the women section we may use the non farm activities. This paper discusses the concept of vicious circle of poverty, women empowerment and the significance of rural non farm activity.*

## **Introduction:**

Status of any individual very much depends on the role or roles one performs in the society. In our society, where socio-economic power rests with men, convention decreed that woman's place be in the home and that her husband's words are the law. In other words, in a traditional society where patriarchal family system prevails, the women are confined to the four walls of the house. This limits their mental horizon and they are considered incompetent to make major decisions. The status of women is controlled by cultural values of the society. In case of Indian society, women are differentiated in real life according to caste, class, religion, and region and so on. The cultural barriers are causing hindrance in raising status of women, particularly of rural women.

More than 1 billion people in the world today, the great majority of whom are women, live in unacceptable conditions of poverty, mostly in the developing countries.(UNDP,2010). Poverty is a multidimensional problem and in order to eradicate poverty and achieve sustainable development, women and men must participate fully and equally in the policies for eradication of poverty. Poverty can not be eradicated through anti-poverty programmes alone but it requires democratic participation of all people. The concept of poverty is closely associated with the issues like hunger and malnutrition, ill health, inadequate housing, illiteracy, living in unsafe environment, social discrimination and exclusion. Similarly it is featured by lack of participation in the decision making in civil, social and cultural life.

### **Women and Poverty:**

The number of women living in the poverty has increased disproportionately to the number of men, particularly in the developing countries. The feminization of poverty has also recently become a significant problem in the countries. United Nations Development Funds for Women describes the feminization of poverty as the burden of poverty borne by women, especially in the developing countries. This concept is not only a consequence of lack of income, but is also the result of the deprivation of capacities and gender biases present in both societies and governments. Women's poverty is directly related to the absence of economic opportunities and autonomy, lack of access to economic resources, including land ownership and inheritance, lack of access to education and support services and their low position in the decision making process in the society. Poverty can also force women in to situations in which they are vulnerable to sexual exploitation. Women contribute to the economy and to combating poverty through both remunerative and unremunerated work at home, in the community and in the work place. The empowerment of the women is a critical factor in the eradication of poverty.

The major features of feminization of poverty concept are:

- i. Female headed households are disproportionately represented amongst the poor households.
- ii. Women and girls have less access to food, education and health care than men. Hence, they may face poverty more severely than men.
- iii. Basic infrastructure and environmental degradation have a more adverse impact on women's work than men's , given the former's responsibility to fetch fuel and water, leading to reduced health status.

- iv. Gender-specific process. For example, given unequal inheritance rights, earning opportunities and returns to labour, women's economic position is highly dependent on men. They slip into poverty while their husbands remain non-poor.
- v. Lesser means-assets, skills, employment options, education, legal resources, financial resources-to over come poverty than men, and are more economically insecure and vulnerable in times of crisis.

The proponents of feminization of poverty theory seem not only to be arguing that the incidence of poverty is increasing severe among women than men, but also that some of the dimensions of women's poverty are different from that of poor men. So are the causes of poverty. Their ability to overcome poverty is much lower.

#### **Women and Vicious Circle of Poverty:**

Poor social status of the women directly linked with the poverty problem. Let us explain it with help of the following chart no (1). The majority of the women in backward society like India generally possess low level of income because of their low productivity. The low productivity directly linked with low level of education, health condition etc. Low productivity is the major cause of the low income and in its turn, the low income results in mass poverty among the women. In this way, the circle of poverty is complete. Until the developing economies are out of this vicious circle of poverty they can not move forward on the path of economic development.

#### **Meaning of Empowerment:**

Studies show that when women are supported and empowered, all of society benefits. Their families are healthier, more children go to school, agricultural productivity improves and incomes increase. In short, communities become more resilient.

Women's empowerment refers to the ability of women to transform economic and social development when empowerment to fully participate in the decisions that affect their lives through leadership training, coaching, consulting and the provision of enabling tools for women to lead within their communities, regions and countries.(Nayar, 2008).

The World Bank defines empowerment as "the process of increasing the capacity of individuals or groups to make choice and to transform those choices in to desired actions and outcomes. Central to this process is actions which both build individual and collective assets

and improve the efficiency and fairness of the organizational and institutional context which govern the use of these assets.”

The empowerment is a multidimensional concept and refers to the expansion of freedom of choice and action in all spheres (social, economic and political) to shape one’s life. It also implies control over resources and decisions. (*Chattopadhyay, 2005*).

Empowerment of Indian women is intrinsically linked to their status in the society. It should be noted that social empowerment of women is a long and difficult process, as it requires a change in the mindset of the people. In Indian society there is a strong preference for male child, as sons are perceived to be future bread earners and also the old age security for parents. For this reason the girl child faces discrimination from birth till death. As the social empowerment process is very difficult process therefore we should provide much importance on the economic empowerment process.

#### **Non farm Sector and empowerment though it:**

According to Kumar Monoj (2004), Rural Non Farm Sector takes in to account the activities carried on by the rural people. The term ‘non farm’ encompasses all the non-crop agricultural activities; it includes manufacturing activities, mining and quarrying, transport, trade and services in rural areas or we can say that ‘non farm’ refers to those activities that are not primary agriculture or forestry or fisheries. However, ‘non farm’ does include trade or processing of agricultural products (even if, in the case of micro-processing activities, they take place on the farm). A formal definition of rural non farm sector has been put forwarded by Mahajan and Fisher (1997) as “Rural non farm sector comprises all non agricultural activities, mining and quarrying, household and non household manufacturing, processing, repairs, construction, trade, transport and other services undertaking in village and rural towns up to 50000 population undertaken by enterprises varying in size from household own account enterprise all the way to factories.”

Rural Non Farm employment plays its role in reducing poverty depends on the type of non farm occupations and wages in these occupations. The rural non farm employment has positive association with agricultural wage and degree of urbanization (*Srivastav, 2001*).

The rural non farm sector is increasingly playing an important role in the development of rural areas in Asia and Pacific region. The non farm sectors will need to become more and more a major provider of employment and income to many rural folks in these regions. The promotion of rural non farm employment also should be undertaken within the broader context of rural development. Many strategies and programs to promote rural non farm employment have been formulated in these countries (Onchan, *ed*,2004). In Indian economy non farm sector also plays a significant role. It has potential and promise for generating employment and increased income in rural areas. Hence, NABARD has identified financing, development and promotion of non farm sector as one of its thrust areas.

In the rural areas the non farm enterprises are playing a significant role in providing employment opportunity to the poor person. The Table (1) shows the percentage of rural persons have registered a significant increase from 20.70 per cent in 1983 to 25.7 per cent in 2004-05. On the other hand, in all India level it has registered a growth rate from 18.70 per cent in 1983 to 27.30 per cent in 2004-05. In urban areas, these growth rates are typically very high. In Assam it has registered a growth rate from 92.60 percent in 1983 to 95.2 per cent in 2004-05. In Indian urban persons, it has recorded a growth rate from 85.5 per cent in 1983 to 91.2 per cent in 2004-05. The NSSO 66<sup>th</sup> Round (2009-10) estimated 29.5 per cent increase in rural non farm employment and 97.6 percent increase in urban non farm employment in Assam. But in case of all India level the figures were 32.1 percent in rural non farm sector and 95.4 per cent in urban non farm sector.

Table (1) Rising Trend in the Shares of Non Farm Sector Employment: 1983-2009-10 (In per cent)

	Rural Area					Urban Area				
	1983	1993	1999	04-05	2009-10	1983	1993	1999	04-05	2009-10
Assam	20.70	21.1	22.4	25.7	29.5	92.6	97	94.1	95.2	97.6
India	18.7	21.6	23.7	27.3	32.1	85.5	87.7	91.2	91.2	95.4

Source: *Employment and Unemployment Situation in India, 2004-05*. NSSO rounds No.38<sup>th</sup>, 50<sup>th</sup>, 61<sup>st</sup> and 66<sup>th</sup>. Govt. of India

### Women Participation in Non Farm Enterprises:

From the various research studies it has been proved that the women participation rate in the non farm enterprises is comparatively lower than the men. The comparative picture has been

shown in the table (2). From the table it is clear to us that in the year 1972-73 the women participation rate were only 10.3 percent and it became 16.7 per cent in 2004-05. The additional growth rate was 6.4 per cent. On the contrary during the same period of time the men workforce participation rate has increased by 16.8 per cent. Thus one can easily imagine the tragic situation. One point must be noted here that although the women participation rate is very low but it is increasing steadily.

Table (2): Workforce Participation Rate in the Non Farm Sector (In Percent)

Year	Person	Male	Female
1972-73	NA	16.7	10.3
1977-78	16.6	19.3	11.8
1983	18.5	22.2	12.5
1987-88	21.7	25.4	15.3
1993-94	21.6	26.0	13.8
1999-2000	23.7	28.6	14.6
2004-2005	27.6	33.5	16.7

*Source: Various Rounds of NSSO*

An analysis of the industrial division of the workforce could help us to assess the significance of the different productive activities in the rural areas. The Table (3) shows the industrial distribution of the workforce in the rural areas of Assam as well as all India during 2009-10. The Table shows that agricultural activities continue to be the main working place for rural workers. It provided employment to 39.9 per cent male and 60.1 per cent female in the rural areas of Assam. Thus we may comment that agricultural sector has been providing larger employment opportunity to the rural female. On the other hand, agriculture provided employment opportunity to 49.7per cent rural male and 67.5 per cent rural female in all India.

In non farm sector, trade, hotel and restaurant, and other services are the largest source of non farm employment in rural male section. In 2009-10, the male workforce participation rate in the other services and construction sectors were 15.8 per cent and 10.8 per cent respectively. But in case of India, largest rural male employment to the other sector and construction sector were 17.9 and 15.1 per cent respectively in 2009-10. Thus manufacturing sector did not play any significant role in job creation in rural areas in Assam

as well as in India. In the year 2009-10, 60.1 per cent male workers were engaged in non farm sector in Assam against 50.3 per cent in all India level.

In the rural area of Assam, in non farm sector the female workforce participation rate was 39.9 per cent in 2009-10 against national rate 32.5 per cent. In non farm sector, other services sector and trade-hotel were the largest source of employment and their share were 18.4 per cent and 9.5 per cent respectively. The Table (3) clearly shows that there exists gender discrimination in non farm sector workforce participation rate.

The Table (3) also gives a total picture of rural working persons of Assam among various non farm categories during the period 2009-10 (Report on employment and unemployment Survey, 2009-10, Govt. of India). In the non farm sector, other service and construction were the largest source of non farm employment in rural area of Assam (32.3 and 10.1 per cent respectively). The second largest non farm employment sources were manufacturing, transport and mining – quarrying respectively.

Table (3): Sectoral Distribution of Workers in Rural Areas 2009-10 (in per cent)

Sl. No.	Sectors	Rural Male		Rural Female		Rural Persons	
		Assam	India	Assam	India	Assam	India
1	Agriculture	39.9	49.7	60.1	67.5	41.8	54.0
2	Mining & Quarrying	1.4	1.4	5.4	3.0	1.8	3.0
3	Manufacturing	4.8	6.0	2.3	6.4	4.6	6.1
4	Utilities	0.4	1.9	1.4	0.7	0.5	1.6
5	Construction	10.8	15.1	2.9	7.6	10.1	13.3
6	Trade & Hotel	3.1	3.3	9.5	1.8	2.8	3.0
7	Transport	6.8	3.1	0	0.5	6.1	2.5
8	Other Services	15.8	17.9	18.4	12.5	32.3	16.5
	All	100	100	100	100	100	100
	Secondary	17.4	26	12	17.7	17	24
	Tertiary	42.7	24.3	27.9	14.8	41.2	22
	Non Farm Workers	60.1	50.3	39.9	32.5	58.2	46

**Source: Report on employment and unemployment Survey, 2009-10, Govt. of India, Ministry of Labour & Employment, Labour Bureau**

### **The Importance of the Non Farm Micro Enterprises in the Empowerment process:**

- 1) They provide regular employment opportunities to the poor women in the rural areas. Especially, to the agricultural women labours and marginal women workers.
- 2) They help to utilize the local resources efficiently and purposefully.
- 3) In the rural areas some traditional non farm enterprises such as, weaving, pottery, bamboo works etc. empower the poor women easily as because these activities are very much known activities among the rural women. They require less capital and technical skill.
- 4) On the other hand, modern non farm activities such as DTP and printing press, beauty parlor, hotel, PCO and easy recharge counter, ready made garment factory, processed food making factories, candle factory etc can be developed with large amount of capital and modern skill. Such skill may be formed through the NGO support and capital may be arranged through the nationalized banks and govt. schemes.
- 5) The development of these non farm based enterprises in the rural areas gives the economic freedom to the women entrepreneurs which in turn improve their decision making position in the family as well as in the community.

**The constraints for the Women Entrance in the Non Farm Enterprises:** Several factors act as the serious constraints for the entrance of the women labours in the non farm enterprises.

- a) Low educational profile of the rural women hinders the common entry of the rural poor women in the non farm enterprises.
- b) Social orthodoxy of the rural families hinders the entry of women in to the non farm enterprises.
- c) Low asset base of the women community in the rural areas hinders the common entry of them in to the productive work places. In the rural areas most of the assets are occupied by the male head of the family and he uses them according to his will. Even in some families the male head directs his woman how to use her assets.
- d) The social confidence level of the women is much lower than the men section. For this reason they, even the educated women, do not come forward to capture the opportunity.

### **Suggestive Measures:**

Depending upon the present study, the following remedial measures are suggested to be taken up on priority basis for the welfare and empowerment of the women in the rural areas:

- a) Education is considered as the most vital instrument of development. It should be compulsory for all parents to educate their female children. In this regards some hard core policy should be undertaken. Such as, the poor parents who do not send their female children to school must be with drawn from all government benefits, like ration and free healthcare etc.
- b) Many protective measures have been taken for the welfare and empowerment of women and those have been amended at different points of time depending upon the emerging issues and requirements. Such measures include, (i) constitutional rights and privileges, and (ii) legislative measures.
- c) The working condition for women workers must be displayed in all work places where at least one woman works.
- d) Special entrepreneurship development programmes should be adopted in the rural areas with the aid of government and semi-government initiatives.

### **Conclusion:**

In conclusion, it can be said that the spread of poverty among the women can be solved through the development of the non farm based activities in the rural areas. The success of these enterprises makes them independent economically and provides an identity.

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