

PROMISING APPROACHES TO

Engendering Development

COLLECTIVE ENTERPRISE AND ACTION AS A PATH TO EMPOWERING POOR RURAL WOMEN: THE ANDHRA PRADESH EXPERIENCE

Why this is a promising approach:

- It emphasizes collective enterprises and action as the path to empowering very poor women—individuals who otherwise lack economic resources and political influence.
- It simultaneously promotes economic, social and political empowerment, which tend to reinforce each other.
- The project is flexibly and creatively implemented, responding to changing needs and opportunities and learning from experience.
- The project has adopted a highly client-oriented philosophy that is reinforced through the rigorous selection and training of project staff.
- The likelihood of sustaining the project's benefits has been enhanced both by empowering groups of poor women, who own their enterprises and activities, and by developing ways to provide technical support to the self-help groups after the project ends.

The Velugu program in rural Andhra Pradesh (AP), India, shows how women's self-help groups can use collective action to empower themselves economically and socially, and thereby fight poverty in all its dimensions. The AP District Poverty Initiatives Project and the AP Rural Poverty Reduction Program support the Government of Andhra Pradesh's long-term rural poverty reduction program entitled "Velugu" or "Light" in Telugu.

What makes Velugu different

The program promotes the establishment of self-help groups (SHGs) of very poor women and helps them create collective economic enterprises and social action committees that empower the group's members. A key principle of the program is that sustainable poverty eradication requires the poor to be active partners in social change. For this reason, all Velugu's interventions are demand based and respond to proposals conceived and planned by the poor. Program evaluations suggest that the approach has been highly effective, and the Andhra Pradesh state government has extended Velugu to all districts in the state.

Through the SHGs, Velugu supports the empowerment of poor women and men, and creates social capital. In this enabling environment, many SHGs have set up collective economic enterprises, which Velugu has assisted with initial loans. Economic collectives often involve village women who are engaged in similar economic activities, such as agricultural labor or basket making. The program provides technical support to help these groups develop collective economic activities that provide higher earnings when compared to their members' traditional source of livelihood. Examples include helping basket makers reduce production costs by purchasing inputs collec-

tively and increase profits by marketing baskets collectively; and organizing landless laborers into farming cooperatives that rent land from absentee landlords and produce and market their own crops.

Forming federations to lower costs and increase incomes

Velugu has assisted the federation of SHGs to function as producer and consumer cooperatives, thus helping them to make purchases at lower prices. Examples include forming cooperatives to purchase cooking oil in bulk, and to buy surplus rice held by the Government of Andhra Pradesh. The rice purchasing scheme is estimated to have benefited 2,500 families and to have led to household budget savings of up to 30%. Many federations of SHGs have undertaken collective marketing and trading of agricultural inputs and commodities and non-timber forest products, including soybean, red gram, and vegetables. These federations have enabled women farmers to enjoy significantly higher prices than they would have received selling their produce alone. For example, thanks to the federation of SHGs, prices received by women farmers for the sale of red gram are 20% higher than they would have had the women made individual sales.

Pressing for social change

In addition to self-help and economic production groups, Velugu has encouraged the formation of multi-community social action committees that press for changes to improve the lives of all women and men. These groups press for the end of such harmful practices as child marriages, rape, wife beating, and the abandonment of families by fathers, using a variety of collective approaches, including street theater, mass visits to the police or to politicians, and legal suits. Velugu also collaborates with

specialized NGOs to work on social or economic issues on which these NGOs have particular expertise. For example, in collaboration with an NGO that fights child labor, Velugu has supported creation of a network of “bridge” schools that former child laborers attend in preparation for entry into regular schools.

The daily on-the-ground work of Velugu is managed by Community Coordinators who live and work in project villages and provide technical support and ideas to the self-help groups and social action committees. Community Coordinators, generally young graduates, undergo a rigorous selection and training process that includes spending one month in a village before being hired, to ensure their commitment and ability to operate effectively in the village. The program is run by the Society for the Elimination of Rural Poverty, an autonomous state institute staffed by professionals from both public and private sector organizations. These staff have the high-level skills and job security that allow them to administer the program in the best interests of their clients.

Ensuring sustainability

From the start, Velugu has been concerned with sustainability. One strategy being used is to identify villagers with particular capabilities and train them as experts in technical services currently provided by project staff, for example, in livestock, or as health activists. As the project withdraws support to the SHGs, it is hoped that the SHGs will be willing and able to pay for the services of the local experts, who in turn can provide

the technical expertise needed by the SHGs as they build their collective enterprises.

Since 2000, Velugu has helped to empower rural women and has improved the well being of their families. As Velugu has developed, the involvement of poor men and young people has gradually increased, although women still form the majority of SHG members. Group members express greatly increased self-confidence and a sense of empowerment through their collective actions. Evaluations show that project activities have led to increases in poor people’s capital and freedom of choice; better access to markets and business services; improved and more accessible basic services; and easier access to the justice system.

The Velugu approach to empowering poor women is particularly promising in contexts where strong and consistent political leadership can support it. Strong leadership from the AP government and the effectiveness of the autonomous institute that implements the project were both important to the success of this approach.

Further reading

- Velugu’s website: www.velugu.org
- Dev, S.M., and Rao, P.P. (2002). Poverty Alleviation Programmes in Andhra Pradesh—An Assessment. Centre for Economic and Social Studies, Hyderabad.
- World Bank (2000). Andhra Pradesh District Poverty Initiatives Project—Project Appraisal Document. Washington, DC.
- World Bank (2003). Andhra Pradesh Rural Poverty Reduction Project—Project Appraisal Document. Washington, DC.

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