

Empowering Women: The Success Story of Odisha's Mission Shakti

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Abstract

Mission Shakti, a pioneering initiative in women's empowerment by the Government of Odisha, has revolutionized economic independence for women through Women's Self-Help Groups (WSHGs). With a focus on financial inclusion and sustainable livelihoods, Mission Shakti has organized thousands of women, providing support, market access, and empowerment opportunities. Key programs such as the SHG-Bank Linkage and Interest Subvention Scheme have catalyzed financial inclusion and entrepreneurial success, leading to improved economic conditions and social empowerment among women. The program's remarkable achievements underscore its impactful contribution to gender equality and community development, setting a benchmark for women's empowerment initiatives nationwide.

Introduction

In India, ensuring everyone benefits from economic growth has been a big goal for the past ten years. But to achieve this, we need financial inclusion. Financial inclusion means ensuring everyone can access banking and other financial services at fair prices. With it, many people, especially those with lower incomes, are included in the economy's progress. On the other hand, financial exclusion occurs when certain groups don't have access to these services, which keeps them from fully participating in the economy.

Financial inclusion can be transformative for people and micro and small enterprises (MSEs). Historically, people with low incomes, women, and other socioeconomically marginalized groups have been underserved by financial institutions. Without access to formal services and products and the freedom and skills to use them, they often rely on informal, unregulated financial tools. Research has shown that by harnessing economic opportunities and building resilience. Financial services can help people recover from shocks, such as unexpected health expenses or climate change-related weather events.

As per the UN Women's Gender Snapshot 2022 report, women's exclusion from the digital world has shaved \$1 trillion from the gross domestic product of low- and middle-income countries in the last decade—a loss that will grow to \$1.5 trillion by 2025 without action. Reversing this trend will require tackling the problem of online violence, which a study of 51 countries revealed 38 % of women had personally experienced.

The concept of financial inclusion grew out of the microcredit movement of the 1970s and became widely used in the early 2000s. Today, it is an integral part of the global development agenda, with many actors recognizing it as an enabler of many of the United Nations Sustainable Development Goals (SDGs). It is a mainstream goal of many international standard-setting bodies and national governments and is increasingly seen as a tool for achieving policy goals beyond the financial sector.

Need for Financial Inclusion

Today, about 1.4 billion people worldwide need a financial account at a bank, mobile money provider, or other formal institution. Even when they have accounts, many people find them useless and are left unused. The result is that roughly one in three of the world's adult population lacks the financial services they could use to improve their lives significantly. For example, they have no savings for a child's education, they cannot access loans to buy seeds and fertilizers, and they have no insurance to protect them from medical or natural disasters.

In a groundbreaking initiative that aimed to set a benchmark for women's empowerment, the Government of Odisha championed the cause of economic independence for women through its flagship program, Mission Shakti. This program was Launched on International Women's Day in 2001. Mission Shakti hopes to uplift women by organizing them into Women's Self-Help Groups (WSHGs) and providing them with the tools, resources, and support necessary for economic and social empowerment.

A Visionary Beginning

Mission Shakti was conceptualized with the clear objective of empowering women through gainful socio-economic activities. By providing credit and market linkage, the program helps women in Odisha to become financially independent and socially empowered. Since its inception, nearly 70 lakh women have been organized into 6 lakh groups across all blocks and urban local bodies of the state. This extensive network of WSHGs is a robust platform for women to engage in various economic activities.

Structured Support and Financial Inclusion

To ensure the sustainable growth and success of these WSHGs, the Odisha government has established a dedicated Directorate of Mission Shakti under the Department of Women & Child Development. This directorate provides constant hand-holding and monitoring, ensuring that new and existing WSHGs receive the necessary support to thrive. A major thrust of Mission Shakti is the WSHG-Bank Linkage Programme, a significant financial inclusion initiative to secure institutional credit for WSHGs. This program not only facilitates access to credit but also builds financial capabilities and self-confidence among women. By leveraging their internal savings and lending mechanisms, these groups can undertake various livelihood activities and become economically self-sufficient.

Strategic Partnerships and Financial Support

Strategic partnerships with the banking sector play a crucial role in the success of Mission Shakti. These partnerships ensure that SHG members can access hassle-free banking services essential for their economic activities. The government provides financial support through Seed Money, Mission Shakti Loans, and Revolving Funds to further accelerate this process. These financial tools help WSHGs start and expand their ventures, making them creditworthy and enabling them to avail themselves of further support from financial institutions. One of the standout features of Mission Shakti is the Interest Subvention Scheme, introduced in April 2019. Under this scheme, WSHG can avail loans at no annual interest for Rs. 3 lakhs. This has significantly boosted the WSHG bank linkage program, fostering entrepreneurship and livelihood promotion among women.

Remarkable Achievements

The impact of Mission Shakti is evident in its impressive achievements. In the financial year 2021-22, the state set a target to reach 2,80,150 SHGs and provide financial assistance worth Rs. 6,000 crore through bank linkages. Not only was this goal met, but it was also surpassed, with a total of Rs. 6,836.48 crore disbursed to 3,10,819 WSHGs. This remarkable success underscores the effectiveness of Mission Shakti in fostering economic empowerment among women. By ensuring access to financial resources and creating an enabling environment for entrepreneurship, the program has transformed the lives of countless women in Odisha. Economic empowerment is a crucial stepping stone to social empowerment.

India's patriarchal society is a complex and deeply ingrained system that perpetuates gender inequality. Despite significant progress in many areas, women continue to face systemic challenges and discrimination. In rural India, women often face severe restrictions on their mobility and autonomy. They are typically not allowed to go out alone or undertake any activities without the permission of the men in their families. Additionally, women are frequently excluded from participating in public meetings or decision-making processes, even those that directly affect their local communities. As women gain financial independence and contribute to their families and communities, their social status and self-esteem improve. They become role models and change agents, inspiring other women to join the movement and break free from traditional constraints. Mission Shakti is a testament to economic initiatives' transformative power in achieving women's empowerment. Through its innovative approach and unwavering commitment, the Government of Odisha has set a shining example for other states. The success of Mission Shakti is not just a milestone for Odisha but a beacon of hope for women's empowerment across India.

Conclusion

Mission Shakti has emerged as a pioneering initiative in women's empowerment, showcasing the profound impact of economic independence on social transformation by organizing nearly 70 lakh women into 6 lakh Women's Self-Help Groups. The Government of Odisha has created a

robust framework that provides financial support, market linkage, and entrepreneurial opportunities. The SHG-Bank Linkage Programme and the Interest Subvention Scheme have played pivotal roles in facilitating financial inclusion and fostering sustainable livelihoods. The remarkable achievements of Mission Shakti, including surpassing financial assistance targets and significantly improving women's economic conditions, highlight the program's success. This initiative empowers women economically and enhances their social standing, self-confidence, and community role.

Mission Shakti's holistic approach is exemplary for other regions, demonstrating that women's empowerment can be a reality with strategic support and dedicated resources. The Government of Odisha's commitment to this cause has not only transformed the lives of countless women, but it has also set a new standard for development programs to achieve gender equality and economic empowerment. As Mission Shakti continues to grow, it will undoubtedly inspire further progress in women's empowerment across India and beyond.

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