



## Mains Practice Question

**Q.** Can the vicious cycle of gender inequality, poverty and malnutrition be broken through microfinancing of women SHGs? Explain with examples. (250 Words)

14 Jun, 2022    GS Paper 2 Social Justice

### Approach

- First give a brief introduction about gender equality, poverty, malnutrition.
- Discuss the importance of the SHGs and its efforts to combat the problems like inequality, poverty and malnutrition.
- Discuss how microfinancing will facilitate and empower the SHGs to tackle the above mentioned problems.
- Give a way forward or conclusion.

### Introduction

The Global Gender Gap Report 2021 ranks India at 140 among 156 countries. This gender inequality is the outcome of unequal opportunity, education, health economic participation and empowerment, which results in pushing women into a vicious cycle of poverty and malnutrition.

Self-Help Groups (SHGs) are informal associations of people who choose to come together to find ways to improve their living conditions. Microfinance is a type of banking service provided to unemployed or low-income individuals or groups who otherwise would have no other access to financial services.

### Body

Microfinancing of women SHGs can help uplift even the most vulnerable and marginalised section of women in the following ways:

- By mobilising poor rural women and building community institutions of the poor, SHGs are aimed at reducing poverty. To this, microfinancing acts as a catalyst because it can help channel the savings and funding of the SGH members.
- Credit flow will make women work and interact with the outside world. This will help in reducing gender inequality and promote community involvement.
- Microfinancing of women SHGs improves the decision-making ability of its members. With greater say in the matters of resource utilization, family planning etc., it results in better nutritional values among their families.

### Conclusion

Though microfinancing of women SHGs can help overcome challenges like malnutrition, poverty and gender equality, it is not alone enough to change the grim situation. Additionally, there needs to be a change of patriarchal mindset, spread of awareness about SHGs and penetration of rural banking facilities.

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