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## **Chapter 7: Self Employed Women's Association (SEWA), India**

## Executive Summary

The Self Employed Women's Association (SEWA) is a membership-based organization created in 1972 from a combination of the labour, women, and cooperative movements, to organize self-employed women in the informal economy and assist their collective struggle for social justice, equality, and fair treatment. This first union for self-employed women in India has expanded to include 130 cooperatives, 181 rural producer groups, and numerous social security organizations within its structure. Given the large network of institutions created and managed by its members, SEWA is now considered not just an organization, but a “movement” active in 50 districts of 12 states in India, with a membership of over 1.75 million.

Though SEWA began in urban areas, since the late 1980s it has been successfully spreading into rural India using innovative structures, such as crafts and producers' groups, self-help groups (SHGs), SEWA Village Resource Centres, and the Rural Distribution Network (RUDI) that processes, packages and markets the agricultural goods produced by SEWA's rural members. It has also created a number of technical and management schools in rural India, to upgrade the skills of its members, many of whom have never received formal education or training. Presently, 66 per cent of SEWA's membership is based in rural areas.

SEWA has overcome significant challenges to achieve its goals, starting from the idea to create a union for “self-employed” women that countered both patriarchal and traditional trade union norms, to convincing poor and disempowered women in the remotest areas of India that organizing, and cooperative structures and processes could improve their working and living conditions. Tackling these challenges and focusing on the specific needs of its members allowed SEWA to find its own niche and expand its activities and membership. SEWA has gone beyond trade union work, namely setting up cooperatives, and other social-protection types of organizations for banking, housing, insurance, education and childcare. Its pioneering projects, such as the SEWA Cooperative Bank granting poor women access to credit, or the SEWA Academy allowing members to acquire education and skills, have broadened and deepened its impact.

SEWA's development over the last 4 decades provides important lessons on the relevance and feasibility of organizing self-employed workers, including in rural areas, and on the importance of maintaining a flexible structure, as well as solid, consistent values, and effective leadership. Its pioneering efforts to ensure work and income security, food security, social security, self-reliance for self-employed women, and its mobilization and empowerment of nearly 900,000 self-employed rural women in India, make it a major agent of change in rural areas.

## Section 1: Introduction and Context

### 1.1 Introduction

Established in 1972, the Self-Employed Women's Association (SEWA) is a “movement” of self-employed women in rural and urban India, and is the largest trade union of the country. It has pioneered the empowerment of self-employed women and of women employed in informal economy enterprises (i.e., small, unregistered enterprises) and informal economy jobs (i.e. jobs without secure contracts, worker benefits and social protection) where 93 per cent of India's female labour force is employed<sup>1</sup>. SEWA not only provides a voice to the numerous yet unprotected women workers, but also seeks to ensure work and income security, food security and social security for all its members and to promote women's leadership at the micro, meso and macro levels.

Founded as a registered trade union in Gujarat, SEWA initially worked in urban areas. Since the 1980s it has been successfully spreading to rural areas and outside the state of Gujarat. Its membership has been rapidly growing since 2000, from 318,000 members to 1.75 million in 2012. Currently, a large majority of its members (66 per cent) originate from rural areas. SEWA now works in 12 states, 50 districts and 700 villages in the country. Members are organized into diverse structures, including a trade union (with rural and urban branches), 130 cooperatives, 181 producers groups, numerous service organizations, networks, alliances, federations and self-help groups (SHGs).

SEWA's key activities consist of organizing self-employed women to promote their collective strength, cooperation and leadership at the grassroots level through unions, cooperatives, producer groups and networks; facilitating their access to social security and social protection through social service organizations; advocating better social protection and labour standards for them at the macro-level; and building their capacity through formal education and professional training.

For 40 years, SEWA has been at the helm of several innovative institutions and initiatives, such as the SEWA Cooperative Bank, the first bank for poor self-employed women, founded in 1974. Its influential presence at the grassroots level has made it an important partner in developing and implementing India's macro-level rural development policies. It has also been a lead advocate for government policies such as the 2004 “National Policy for Urban Street Vendors”, and the “Unorganized Workers Social Security Act” adopted in 2008. SEWA has also founded StreetNet and HomeNet, 2 international networks for street-based workers' and home-based workers' organizations. Its sizable achievements and expansion across India illustrate the feasibility of organizing rural workers, even in the most marginalized communities, and the strength of collective action, cooperation and advocacy in changing their lives.

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<sup>1</sup> National Commission for Enterprises in the Unorganised Sector: *The challenge of employment in India*, New Delhi, 2009.

## 1.2 Context

The number of persons below the poverty line in India according to government's statistics amounted to over 300 million in the years 2004-2005, representing 27 per cent of the country's population of 1.3 billion.<sup>2</sup> Despite an average annual GDP growth of 6 per cent since the 1990s, India still ranks 134th out of 187 countries in the Human Development Index.<sup>3</sup> The country continues to struggle on key developmental issues such as literacy, health, and food security. India houses the world's largest number of illiterate people in the world, amounting to 304 million people,<sup>4</sup> and has a gender gap in literacy of 16.6 per cent, with 82.1 per cent of literate men and 65.5 per cent of literate women in 2011.<sup>5</sup> It also displays a high maternal mortality rate of 35 per cent in 2009<sup>6</sup> and an infant mortality rate of 4.6 per cent in 2011<sup>7</sup>, which is higher than in most other Asian countries.

India's 487 million labour force is the second largest after China. Despite the above mentioned high GDP growth in the past decade, unemployment has increased in the country<sup>8</sup> and continues to be higher among certain social groups, particularly Scheduled Castes (also known as *dalits*) and Scheduled Tribes, which had an unemployment rate of 10-12 per cent in 2011.<sup>9</sup> These numbers are significantly higher than the average 6 per cent unemployment rate for the country. Similarly, on the issue of gender, the female work force participation rate (WFPR) remains low. The WFPR for females (age group 15 years and above) in rural India was 48.5 per cent, compared to 84.6 per cent for urban males; the WFPR for women was 22.7 per cent, compared to 76.3 per cent for men.<sup>10</sup>

India's labour market has grown to include more self-employed workers, mostly in the informal economy,<sup>11</sup> where wages are lower than the minimum wages in the formal economy. Some 85 per cent of casual workers in rural areas and 57 per cent in urban areas are paid wages below the minimum rates of Rs. 279 (USD 5), and women's wages are consistently lower than men's in both rural and urban India.

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- 2 Planning Commission of India: *Eleventh Five Year Plan 2007-2012, Volume I: Inclusive Growth*, New Delhi, Oxford University Press, 2007, [http://planningcommission.nic.in/plans/planrel/fiveyr/11th/11\\_v1/11th\\_vol1.pdf](http://planningcommission.nic.in/plans/planrel/fiveyr/11th/11_v1/11th_vol1.pdf) (accessed 19 December 2012). NB: Poverty line estimates are subject to debate since it has been argued that the estimates of the government of India are based on a lower national poverty line. The World Bank's estimates, based on a revised benchmark of US \$1.25 per day, finds India's poverty rate to be 42 per cent in 2005, equivalent to 456 million people. See: World Bank: *New global poverty estimates: What it means for India*, 2008, <http://www.worldbank.org.in> (accessed 19 December 2012).
  - 3 UNDP: *Human Development Report: Explanatory note on 2011 HDR composite indices: India*, 2011, <http://hdrstats.undp.org/images/explanations/IND.pdf> (accessed 19 December 2012).
  - 4 Op. cit., Planning Commission of India, 2007.
  - 5 UNDP: *India Fact Sheet: Gender and Social Exclusion Indicators*, 2012, [http://www.undp.org/content/dam/india/docs/india\\_factsheet\\_gender\\_n\\_social\\_exclusion\\_indicators.pdf](http://www.undp.org/content/dam/india/docs/india_factsheet_gender_n_social_exclusion_indicators.pdf) (accessed 19 December 2012).
  - 6 Government of India (Office of Registrar General): *Maternal & Child Mortality and Total Fertility Rates Sample Registration System (SRS)*, 2011, [http://censusindia.gov.in/vital\\_statistics/SRS\\_Bulletins/MMR\\_release\\_070711.pdf](http://censusindia.gov.in/vital_statistics/SRS_Bulletins/MMR_release_070711.pdf) (accessed 19 December 2012).
  - 7 *The World Factbook - India*, CIA, 2012, <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>, (accessed 19 December 2012).
  - 8 ILO: "Labour Market Performance and the Challenges of Creating Employment in India", Paper presented at the Expert Group Meeting on *The Challenges of Building Employment for a Sustainable Recovery*, Geneva, July 2011, [http://www.ilo.org/wcmsp5/groups/public/@ed\\_emp/@emp\\_policy/documents/meetingdocument/wcms\\_162963.pdf](http://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_policy/documents/meetingdocument/wcms_162963.pdf) (accessed 19 December 2012).
  - 9 Ibid.
  - 10 Ibid.
  - 11 Ibid.





### Conditions of rural areas in India

A large majority of India's population (68.8 per cent in 2011)<sup>12</sup> resides in rural areas, where agriculture is the primary occupation. Poverty and underdevelopment are distinctly more severe in these areas. In 2004-2005, some 42 per cent of rural people and 26 per cent of urban people lived below the poverty line.<sup>13</sup>

Rural India lacks public infrastructure for health, education and employment, which in turn causes low literacy, unemployment and aggravated rural to urban migration, estimated to be 19-20 million persons in 2007-2012.<sup>14</sup> In 2011, the literacy rate for rural women was 58 per cent; while it was 77.15 per cent for rural men and 79.11 per cent for urban women.<sup>15</sup> Access to basic facilities, such as health care, finance and insurance in rural areas is also severely limited. In 2007, 62 per cent of India's rural population did not have bank accounts and 98 per cent had no health insurance.<sup>16</sup>

Unemployment is particularly serious in rural areas and seems to be increasing. Among agricultural households, for example, it has risen from 9.5 per cent in 1993-1994 to 15.3 per cent in 2004-2005. The overall unemployment rate in rural areas in 2009-2010 stood at 10 per cent, and displays a major gender gap, being above 14 per cent for women and 8 per cent for men.<sup>17</sup>

12 Government of India (Office of the Registrar General and Census Commissioner): *Census of India*, New Delhi, 2011.

13 IFAD: *Enabling poor rural people to overcome poverty in India*, Rome, 2011, <http://www.ifad.org/operations/projects/regions/Pi/factsheets/in.pdf> (accessed 15 December 2012).

14 Planning Commission of India: *Report of the Working Group on Labour Force & Employment Projections constituted for the Eleventh Five Year Plan (2007-2012)*, 2008, [http://planningcommission.nic.in/aboutus/committee/wrkgrp11/wg11\\_lproj.pdf](http://planningcommission.nic.in/aboutus/committee/wrkgrp11/wg11_lproj.pdf) (accessed 19 December 2012).

15 Op. cit., Government of India: *Census of India*, 2011.

16 IIMS Data works and IIEF: *Invest India Incomes and Savings survey*, 2007; See also R. Jhabvala, D. Sapna and J. Dave: *Empowering Women in an Insecure World: Joining SEWA makes a difference*, Ahmedabad, SEWA Academy, 2010, p. 54.

17 Ministry of Labour and Employment: *Report on Employment and Unemployment Survey - Volume I*, Chandigarh, 2011, [http://labourbureau.nic.in/Final\\_Report\\_Emp\\_Unemp\\_2009\\_10.pdf](http://labourbureau.nic.in/Final_Report_Emp_Unemp_2009_10.pdf) (accessed 19 December 2012).

## Section 2: Analysis of the Catalyst

### 2.1 Why was it created?

#### Purpose

The SEWA movement is a confluence of 3 movements: the labour movement, the women's movement, and the cooperative movement. Its vision is therefore influenced by the 3 of them which seek to improve the lives of marginalized social groups. Its principles are also inspired by Gandhian ethics of truth and non-violence, collective strength and unity of workers of all communities, leadership by women workers, and work/employment for all.<sup>18</sup>

SEWA defines its 2 main goals as being ensuring “full employment” and “self-reliance” of its members. “Full employment” refers to employment through which women can gain work security, income security, food and social security (at least health care, child care and shelter), while “self-reliance” implies individual and collective autonomy in decision-making.<sup>19</sup>

These goals translate into a set of practical aims used for the day-to-day work of the organization, namely: organizing, asset building, and empowering self-employed women.<sup>20</sup> These aims are closely tied to the real needs and demands of its self-employed women members.

To evaluate the organization's performance in achieving its goals, SEWA members, group leaders, Executive Committee members and full-time organizers are guided by its “11 Questions”:

1. Employment: Have more members obtained more employment?
2. Income: Has their income increased?
3. Food Security and Nutrition: Have they obtained food and nutrition?
4. Health: Has their health been safeguarded?
5. Childcare: Have they obtained childcare?
6. Housing: Have they obtained or improved their housing?
7. Assets: Have their assets increased?
8. Organized strength: Have workers' organizational strength increased?
9. Leadership: Has workers' leadership increased?
10. Self-reliance: Have they become self-reliant, both collectively and individually?
11. Literacy: Have members become literate?<sup>21</sup>

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18 SEWA: *Annual Report 2008*, 2008, [http://www.sewa.org/Annual\\_Report\\_2008-English.pdf](http://www.sewa.org/Annual_Report_2008-English.pdf) (accessed 11 September 2012).

19 *About Us-Goals*, SEWA, 2009, [http://www.sewa.org/About\\_Us\\_Goals.asp](http://www.sewa.org/About_Us_Goals.asp) (accessed 21 November 2012).

20 D. W. Crowell: *The SEWA Movement and Rural Development - The Banaskantha and Kutch Experience*, New Delhi, Sage Publications, 2003, p. 10.

21 Op. cit., *About Us-Goals*, SEWA, 2009.

Each year SEWA's members and organizers evaluate SEWA's progress in achieving each of these goals using data drawn from impact evaluation studies and membership feedback.<sup>22</sup>

## Relevance

A union for self-employed women workers was considered highly unusual, when SEWA was first launched in 1972. As unionization was considerable for workers in the formal economy, a majority of whom are men, in its early years SEWA struggled to demonstrate the relevance of its goals to other unions and counterparts. It made 2 important arguments:

First, informal economy workers represent 86 per cent of India's labour force and are from the most vulnerable section of the society due to their lack of access to income, work, food, and social security.<sup>23</sup> Self-employment represents nearly half of informal economy workers (48.6 per cent),<sup>24</sup> and by addressing the needs of the self-employed, SEWA addresses the needs of a large majority of India's labour force. Second, self-employed workers are also more prone to exploitation. SEWA's founder, Ela Bhatt, realized that self-employed women were in particularly precarious social and economic conditions because they were largely illiterate, unaware of their rights, and were often harassed and exploited by authorities and contractors.<sup>25</sup> Ms. Bhatt felt that self-employed women from diverse backgrounds needed to be organized “not *against* anyone”, but “*for themselves*”; and to use their collective strength to attain social justice and improve their conditions of work and life.<sup>26</sup>

After 15 years of working in Ahmedabad city, SEWA began expanding its work into rural areas. In those areas, 82 per cent agricultural and non-agricultural sector workers are employed in the informal economy;<sup>27</sup> and 49.7 per cent of the workers are self-employed, the majority of whom are women.<sup>28</sup> Women represent 63 per cent of all self-employed workers in rural areas. This led SEWA to recognize that rural women were at the core of self-employed and informal labour in India.<sup>29</sup> SEWA's first main project in rural India began in the drought-prone Banaskantha district of Gujarat, 200 kilometres from Ahmedabad, where SEWA was invited by the Indian government to assess the impact of a water-pipeline project jointly administered by the government of Gujarat and the Netherlands.

This experience was crucial for the development of new approaches and strategies as the problems of self-employed women in villages are significantly different from those of their urban counterparts, namely lack of productive income and rural to urban migration. SEWA's activities in rural areas have therefore placed equal weight on creating alternative

22 Op. cit., SEWA: *Annual Report 2008*, 2008.

23 K. Sankaran and R Mahadev: *Gender Equality and Social Dialogue in India*, Geneva, ILO, 2012, [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms\\_150428.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_150428.pdf), (accessed 21 November 2012).

24 Op.cit., Ministry of Labour and Employment, *Report on Employment and Unemployment Survey - Volume I*, 2011.

25 Op. cit., *About Us-Goals*, SEWA, 2009.

26 E. Bhatt: *We are poor but so many: the story of self-employed women in India*, Oxford, Oxford University Press, 2006, p. 9.

27 S. Chakrabarti: *Gender Dimensions of the Informal Sector and Informal Employment in India*, UN Stats, 2009, [http://unstats.un.org/unsd/gender/Ghana\\_Jan2009/Doc41.pdf](http://unstats.un.org/unsd/gender/Ghana_Jan2009/Doc41.pdf) (accessed 22 November 2012).

28 N. Srivastva and R. Srivastava: “Women, work, and employment outcomes in rural India”, Paper presented at the FAO-IFAD-ILO Workshop on *Gaps, trends and current research in gender dimensions of agricultural and rural employment: differentiated pathways out of poverty*, Rome, 31 March–2 April 2009, [http://www.fao-ilo.org/fileadmin/user\\_upload/fao\\_ilo/pdf/Papers/17\\_March/Srivastava\\_Final.pdf](http://www.fao-ilo.org/fileadmin/user_upload/fao_ilo/pdf/Papers/17_March/Srivastava_Final.pdf) (accessed 22 November 2012).

29 Op. cit., N. Srivastva and R. Srivastava: *Women, work, and employment outcomes in rural India*, 2009.



employment and sustainable livelihoods, and on organizing workers to struggle for their rights. By organizing into cooperatives and district-level federations, members develop collective bargaining power and create alternative sources of employment for themselves, and livelihood security for their families. Also, SEWA's approach in rural India is area-specific and demand-driven; communities design and implement all community-based activities, under its leadership.



### 2.2. How was it created?

SEWA originated in the Textile Labour Association (TLA), India's oldest and largest union of textile workers, founded in 1920. Ela Bhatt was heading the Women's Wing of the TLA in 1971 when she was approached by a group of migrant cart-pullers and head-loaders from the cloth market in Ahmedabad, who sought her help to find housing in the city. She met with the women and was told of the meagre wages and unfair conditions under which they were employed by labour contractors. Her efforts to help these women earn a fair income and housing led to the idea of forming an association for self-employed women. With the support of the TLA's president, Arvind Buch, SEWA was launched in 1972 as an association within the TLA.

#### The founder

Ela Bhatt's educational and early professional life played a decisive role. As previously mentioned, SEWA aligns itself with the tenets of the labour union movement, the cooperative movement and the women's movement, and is deeply inspired by Gandhian philosophy. These features are intimately connected to the education and experiences of



Ela Bhatt, who was influenced by these social movements in her career and education prior to creating SEWA.

After completing her Law studies in Ahmedabad, Gujarat, in 1955, she worked in the TLA's legal division, on small court cases involving lack of leave compensation for mill workers and under-employment in mill canteens. She also acquired experience in macro-level advocacy, in the preparation of the Gratuity Bill, presented to the Indian parliament in the early 1970s. As a student and a young lawyer, Bhatt was deeply inspired by the vision of Mahatma Gandhi, particularly his emphasis on simplicity, dignity of labour, humanity and non-violence, which later became central components of SEWA.<sup>30</sup> Having grown up in a family that had participated in the Gandhi's non-violent struggles against British colonialism, she considered SEWA's work an extension of Gandhi's struggle for freedom: "Our movement is a movement for the second freedom, in line with Gandhi's philosophy. He spoke of political freedom, but with individual freedom, upliftment, and self-reliance."<sup>31</sup>

Ms. Bhatt states that her early professional experience at the TLA made her aware of 2 important gaps in the existing trade union practices. Firstly, her experience allowed her to evaluate the differences in work, income and social security between formal and informal workers in India. "Ironically, I became aware of the informal sector while working in the formal sector. One was protected and the other unprotected, although both contributed to the national economy."<sup>32</sup> Second, her work with mill workers in the late 1960s also made her aware of their wives and other women who often stepped in to support their families when their husbands' wages were insufficient. In a majority of cases, the wives of mill workers found jobs in the informal economy as cart-pullers, head-loaders, vegetable vendors, *biddi* (tobacco leaves) -rollers, and construction labourers. They had no contracts, no regular wages, no job security or recognition. The TLA itself did not regard these women as workers, but as "enterprising housewives" and provided them with little support or assistance. Ms. Bhatt realized that these women worked as hard in the informal economy as their husbands in formal jobs, but were much more vulnerable to manipulation, fatigue, disease, and exploitation. In 1968, her interest in women workers led her to be appointed the first convenor of the Women's Wing of the Indian National Trade Union Congress (INTUC), and she also began working on the issues facing women workers within the TLA.

The following year, she participated in a professional training course on "Labour and Cooperatives" at the Afro-Asian Institute of Labour Cooperatives in Tel Aviv, Israel, which left an indelible mark on her vision of organizing workers. Ms. Bhatt's experience of working in a desert kibbutz in Israel helped her learn how cooperatives could be engines of economic development. She mentions that "what interested me the most [in Israel] was the idea that unions and cooperatives could work so well together", an idea which inspired her to launch the SEWA movement, which routinely combines these 2 structures and approaches to improve the lives of self-employed women.

30 Op. cit., E. Bhatt, 2006, p. 8.

31 "Q & A: Ela Bhatt on SEWA, Harvard Award", in *Wall Street Journal India*, 17 May 2011, <http://blogs.wsj.com/indiarealtime/2011/03/17/qa-ela-bhatt-on-sewa-harvard-award/> (accessed 22 November 2012).

32 Op. cit., E. Bhatt, 2006, p. 9.

### Creation – Initial opportunities, support and challenges

In 1971, when approached by a group of self-employed women working as cart-pullers and head-loaders, Ms. Bhatt put her ideas into practice. After observing the low wages, poor housing conditions and exploitation these women were facing, she wrote an article in a local newspaper describing their dire situation and problems, largely due to their unfair treatment by cloth merchants, their employers.<sup>33</sup> The article provoked a response from the cloth merchants, who denied the allegations against them in another article and insisted that they were paying the women fair wages. Ms. Bhatt and the self-employed women labourers used the cloth merchant's article as a bargaining tool. They printed and distributed it to the women in the form of cards where the "fair claims" of their employers were stated in written form, and used these cards to demand the stated wages and job security. Every time the merchants went back on their word on wages or work hours, the women produced these cards to remind them of their public claims. The news of this effective strategy spread to other women employed in other informal economy jobs, who began regularly meeting with Ms. Bhatt to share their woes. In a meeting attended by several women from the urban informal economy, the idea of a union for them was launched and led to the birth of SEWA.<sup>34</sup>

SEWA's first years witnessed many small victories, which lent faith to Ms. Bhatt's belief that collective action and organization could indeed improve the lives of self-employed women. SEWA organized campaigns to protect vegetable vendors from harassment and the bribes demanded by local authorities and police. It also worked on campaigns to negotiate fair wages for cart-pullers and head-loaders.<sup>35</sup> However, its leaders realized that an important problem faced by several SEWA members was their dependence on money-lenders, who charged them exorbitant interest rates (between 10-20 per cent per day). At the same time, the government banks were hostile to lending money to poor, self-employed women, who had no credit rating or capital to provide as guarantee. Overcoming the problem of finance for self-employed women was SEWA's first major challenge in its early years.

### Strategies to overcome challenges: the story of the SEWA Bank

SEWA struggled to help self-employed women acquire loans and financial support from the formal banking system for a few years, then realized they faced some fundamental constraints that prevented them from participating in the conventional system. In particular, most of them were illiterate and incapable of processing the complicated paper work required for opening an account or applying for a loan independently. In addition, some of the self-employed women were hawkers and vendors and needed only small amounts of money, which did not fit the loan sizes offered by conventional banks. Self-employed women also faced the problem of non-ownership of assets due to the traditional system where all family assets are owned and controlled by male family members. SEWA leaders realized that despite their hard work, entrepreneurship and capabilities, self-employed women in India were trapped in a vicious cycle of poverty and low productivity. In 1973,

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33 *About Us-History*, SEWA, 2009, [http://www.sewa.org/About\\_Us\\_Goals.asp](http://www.sewa.org/About_Us_Goals.asp) (accessed 18 December 2012).

34 *Ibid.*

35 *Op. cit.*, Crowell, 2003, p. 9.

they discussed the idea of opening a special bank for self-employed women to assist them to overcome poverty, indebtedness and low income levels.

Opening the bank was not an easy task. First, it required close to Rs. 100,000 (around USD 20,000) share capital, an intimidating amount of money given that SEWA's members were among the poorest of the poor, with negligible incomes and no savings. However, one of SEWA Bank's founders, a self-employed woman at a recycled clothes market in Ahmedabad, Chandabhen, provided the organization its motto for this venture. In what are now historic words, she pointed out that "we may be poor, but we are so many", reminding her SEWA sisters that their collective and organized action could produce powerful results. Indeed, with 6,287 members and an individual share capital of Rs. 10 (roughly USD 0.20), SEWA members were able to raise enough capital, Rs. 71,320 (USD 14,000), to open their own cooperative bank.<sup>36</sup> The second challenge was administrative, namely convincing the Registrar Office that poor, illiterate women were capable of constituting a credible bank. After months of struggle and strategizing, SEWA succeeded in launching the Mahila SEWA Sahakari Bank in 1974, now widely considered as a pioneer institution in women's microfinance.

SEWA members decided on the following objectives for the Bank:

- "to provide facilities for savings and fixed deposits accounts;
- to provide credit to further the productive, economic and income generating activities of the poor and self-employed;
- to extend technical and management assistance in production, storage, processing, designing and sale of goods and services;
- to provide facilities to redeem jewellery from pawn brokers and money lenders;
- to adopt procedures and designs schemes suitable for self-employed women, like collecting daily savings from their place of business or home, or providing savings boxes and giving training in banking procedures."<sup>37</sup>

The features and services of this bank were based on the specific needs of self-employed women. For instance, to overcome the problem of illiteracy, it has a system based on photo identity cards for opening accounts, accessing information, and withdrawals. It also provides a variety of business support services to shareholders by linking them to government subsidies which could benefit their businesses, helping them find better ways to use loan money and to negotiate prices with wholesalers.<sup>38</sup> The SEWA Bank began expanding its activities in rural Gujarat after receiving official permission from the Reserve Bank of India in 1993, and has since expanded to reach 38,691 rural self-employed women and Rs. 2.5 million (USD 464,000) worth of savings.<sup>39</sup> In rural areas, SEWA facilitated the formation of savings and credit self-help groups (SHGs) for women in villages.<sup>40</sup>

36 Op. cit., E. Bhatt, 2006, p. 101.

37 Hari Srinivas: "SEWA: The Self-Employed Women's Association", The Global Development Research Center, <http://www.gdrc.org/icm/sewa-1.html> (accessed 4 December 2012).

38 Op. cit., Crowell, 2003, p. 9.

39 *Our very own bank- SEWA Bank*, SEWA, 2009, [http://www.sewa.org/images/Annual\\_Report/PDF/Our%20Very%20Own%20Bank%20-%20SEWA%20Bank.pdf](http://www.sewa.org/images/Annual_Report/PDF/Our%20Very%20Own%20Bank%20-%20SEWA%20Bank.pdf) (accessed 4 December 2012).

40 *Activities- Rural Activities*, SEWA Bank, 2006, <http://www.sewabank.com/rural-activities.htm> (accessed 4 December 2012).

These village SHGs for savings and credits are entirely managed by rural self-employed women. Each group democratically elects leaders who apply for loans on behalf of the group, proportionate to the group's savings. SEWA also provides training services in accounting, finance management and administration to them. The expansion of the SEWA Bank in rural areas was also important for SEWA to increase membership and organize agricultural labourers.



### Initial opportunities in rural areas

#### First experiences with rural self-employed women

In the 1970s, SEWA leaders became aware of the importance of organizing rural self-employed women through their interactions with agricultural labourers who migrated to cities in search of employment.<sup>41</sup> By 1979, SEWA had started organizing self-employed women in villages in the district of Ahmedabad over the implementation of the minimum wage law for agricultural labourers, applying traditional trade union strategies.<sup>42</sup> However, it was soon discovered that rural self-employed women had less power or capacity to bargain than their urban counterparts. In rural India, where unemployment and under-employment are major problems, these women were not in a position to demand higher wages since there were almost no other opportunities for earning a livelihood. SEWA's

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41 R. Nanavaty, interview, 26 November 2012.

42 SEWA: "Our Rural Union - leading the struggle for Gram Swaraj or self-reliant, holistic village development" in Op. cit., SEWA: *Annual Report 2008*, 2008.



trade union-style strikes in villages in the Ahmedabad district resulted in women losing their jobs and livelihoods since their powerful employers (landowners and rich farmers) easily replaced them with other workers. These disappointing initial experiences led the organization to develop more suitable approaches for organizing and assisting its members in rural areas.

In 1986, SEWA started organizing landless agricultural workers in Gujarat's Mehsana district into a co-operative called the Vanlaxmi Women Tree Grower's Cooperative, after obtaining a 10-acre plot from the local village council on a 30 year lease. It took SEWA village members over 3 years (1986-1989) to clear the land, till it and make it arable. Today, the Vanlaxmi cooperative stands as a model for the entire district of how the landless rural poor can successfully practice collective agriculture. The success of this initiative has led SEWA to maintain a needs-based and demand-driven approach in rural areas, where livelihood activities are structured according to local needs and regional characteristics.

In 1987, SEWA was invited by the government of Gujarat to conduct a study on the conditions of women in the district of Banaskantha<sup>43</sup>, and to organize them so they could benefit from a local water-pipeline project being jointly implemented by the Indian government and the government of the Netherlands.<sup>44</sup> This opportunity was unique for SEWA since it had limited experience in rural areas. Organizing women around water use was also novel for SEWA which had until then only worked on issues such as access to housing, income and employment in urban areas and had no experience with helping women access natural resources.

SEWA's research and action on the Indo-Dutch water-pipeline, in collaboration with the Foundation for Public Interest (FPI), revealed that the project had not improved living conditions for women in Banskantha, as many of them were still unable to access water. The project had not considered the practical problems facing these women, the most significant of which was the lack of opportunities for employment and for maintaining a decent livelihood. As a result, the inhabitants of Banaskantha were constantly migrating in search of jobs in other districts or cities, which has also made it difficult for SEWA to recruit members and encourage collective action to access water.<sup>45</sup> SEWA's approach thus targeted both the creation of productive and decent livelihoods for Banaskantha's women, and their access to water by strengthening grassroots organizations called *pani-panchayats* (village water councils).

In a survey, SEWA found that nearly 80 per cent of the women in Banaskantha district had embroidery skills. All the traditional rural castes and communities (the *Ahirs*, the *Jats*, the *Rabaris*, and the *Mochis*) had their unique style of embroidery, passed down from mothers to daughters. The complex and rich embroidery products were a family's pride, but most women had no idea of the market value of their handicrafts, and had little information on a fair price for their products, since they rarely travelled outside their villages. Lack of information and a desperate need for income often led them to sell their unique work

43 In 1997, some areas of the Banaskantha district were carved out to form a new district named "Patan". For the purpose of clarity, in this paper the district name "Banaskantha" refers to its pre-1997 constitution; i.e., including Radhanpur and Santalpur *tehsils* (towns).

44 R. Nanavaty, interview, 26 November 2012.

45 Op. cit., Crowell, 2003, p. 20.

for a pittance to visiting traders. SEWA began by making these women aware of the real value of their products, and by finding a market for them. Then it directly bought those products from the women and sold them in Ahmedabad, in order to establish credibility and explain to them that this was not an act of charity but reflected the real value of their handicrafts. The women were astonished to learn that they could earn Rs. 150 (USD 3), the equivalent of a male breadwinner's monthly income in the district, for each finished *kurta* (tunic). SEWA's organizers thus gained women's trust and organized them into small embroidery groups. Ela Bhatt writes that, when SEWA ventured into the embroidery business, it pledged 3 principles: no woman seeking embroidery work would be turned away; all payments for work would be made in cash within 10 days; and at least 60 per cent of the price of the product would go to the embroiderer.<sup>46</sup>

Following this experience, SEWA decided to link its activities to a government scheme called the Development of Women and Children in Rural Areas (DWCRA), launched by the Ministry of Rural Development in 1982. Under the scheme, groups of 15-20 women are offered loans and subsidies to start income-generating activities to supplement their income, and to help them access health care, childcare, and nutrition. The DWCRA scheme originated from the Second Labour Commission of which Ela Bhatt was a member. Linking with the macro-level and using existing government schemes and projects in a particular region has since become a key feature of SEWA's work. Instead of launching new, overlapping projects in a given region, the organization attempts to strengthen and improve the quality of existing government programmes in this region.

The embroidery groups set up by SEWA were linked to the DWCRA project. This collective effort towards earning a sustainable livelihood and leadership was a major experience for the women, many of whom earned a new-found respect from their families and communities due to their entrepreneurial ventures. Other DWCRA groups were started in the Banaskantha district, for women salt farmers, gum collectors, forestry and agricultural workers, and marginal farmers. SEWA also formed savings and credit groups for women in Banaskantha to help them build capital for their business. Producers' groups significantly transformed the lives of these women and their communities, as they enabled women to use their traditional skills productively for themselves and their families. Today, 80 per cent of the families in the district that once migrated in search of work and income no longer do so.<sup>47</sup>

In 1992, SEWA formed the Banaskantha DWCRA Mahila SEWA Association (BDMSA), a district-level association linking together all the producers' groups created under the DWCRA plan and honed with SEWA's efforts. At the time, there were 91 rural producer groups, totalling 40,000 women. SEWA managed the BDMSA till 1996, when it became a self-managed affiliate federation with a separate finance and governance structure.<sup>48</sup> As an independent federation, each DWCRA rural producer group elects leaders to the Executive Committee of the BDMSA, while SEWA provides training and capacity building in managerial skills, including accounting, finance, administrative management, marketing services, and liaisons between these groups and government departments whenever necessary.

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46 Op. cit., E. Bhatt, 2006, p. 151.

47 *Movement- Federations: Gujarat*, SEWA, 2009, [http://www.sewa.org/Movements\\_Federations\\_DWCRA.asp](http://www.sewa.org/Movements_Federations_DWCRA.asp), (accessed 9 December 2012).

48 Ibid.

## Initial challenges in rural areas

As mentioned earlier, SEWA realized that working with self-employed women in a rural context posed new challenges compared to working in urban settings. In Banaskantha for instance, communities targeted by SEWA faced:

- Lower levels of literacy and awareness – Banaskantha is among the 250 least developed districts in India,<sup>49</sup> including a large gender gaps in literacy and education. In 2001, men's literacy rate was 66.47 per cent, while women's was 34.5 per cent. With a low sex ratio of 931 females per 1000 males, the district of Banaskantha also displays severely discriminatory conditions for women and girls with regard to health and employment.<sup>50</sup> Given these conditions, SEWA's efforts to organize women in the district and promote their economic independence were not always supported by the community. For instance, team leaders of the embroidery groups created by SEWA needed to travel to nearby villages and towns for trainings or meetings to bargain for their group members, but were not always allowed by their family to travel and often had to face its wrath and that of the community to do so.<sup>51</sup> Teaching illiterate women to manage the accounts and business of their producer's group required SEWA to provide them basic literacy and financial trainings at first;
- Lack of employment opportunities – When SEWA began its work in the rural district of Banaskantha, women's very first demand was sustainable jobs to support their families. Indeed, 90 per cent of its population relies on agriculture to earn a livelihood, while 52 per cent is below the poverty line.<sup>52</sup> Arid conditions and lack of infrastructure made agriculture less productive, and only 41.9 per cent of land is under irrigation. SEWA's strategies to empower its self-employed women members have thus included seeking alternative livelihoods;
- Migration – In this district, unemployment and poverty cause significant out-migration. In a survey conducted in 2006 in 2 villages in Banaskantha districts, 86 per cent of respondents indicated that the primary reason for migration was lack of work opportunities in their villages, and 90 per cent mentioned their preference for working in the village rather than migrating.<sup>53</sup> Among these migrant communities, most households (56.3 per cent) move to other rural areas to work as farm labourers. SEWA had to adjust its strategy to these patterns of “distress migration”, especially since creating institutions and structures such as producers' groups and cooperatives is not an easy task when entire households leave the village. Creating productive and sustainable livelihoods in villages thus became imperative for SEWA's activities in Banaskantha;
- Higher vulnerability to natural disasters – The region of Banaskantha was struck by droughts and a severe earthquake in 2001, which destroyed a number of water-pipelines.<sup>54</sup> These precarious physical conditions have compounded the low levels of development which persist in this region;

49 Ministry of Panchayati Raj: “A Note on the Backward Regions Grant Fund Programme”, National Institute of Rural Development, 8 September 2009.

50 Government of Gujarat (Industries Commissionerate): “Banaskantha”, 2008, <http://www.vibrantgujarat.com/images/pdf/banas-kantha-district-profile.pdf> (accessed 12 December 2012).

51 Op. cit., E. Bhatt, 2006, pp. 151–153.

52 Op. cit., Government of India: *Census of India*, 2011.

53 I. Hirway: *Concurrent Monitoring of National Rural Employment Guarantee Act. Feed Back from the Field*, Centre for Development Alternative, Ahmedabad, 2006.

54 P.K. Mishra: *Kutch Earthquake 2001: Recollections, Lessons and Insights*, New Delhi, National Institute of Disaster Management, 2004, <http://nidm.gov.in/PDF/KUTCH%202001.pdf> (accessed 20 December 2012).

- Suspicion of outsiders – SEWA also had to adapt to rural societies, which are less open to and suspicious of “outsiders”. In the early years of their work in Banaskantha, SEWA organizers were recruited in urban areas and commuted from SEWA's headquarters in Ahmedabad city; they faced difficulties in gaining the trust of rural self-employed women and engaging them in collective action.<sup>55</sup> To avoid being treated as outsiders, some of them settled in Banaskantha villages for long periods of time to organize meetings and recruit local leaders among the rural women. Subsequently, SEWA hired “volunteer village leaders” to help organize SEWA's local activities and meetings. Soon after, SEWA set up an office in Radhanpur town to manage its activities in Banaskantha.

### Growth – Main steps since creation

In the early 1980s, tensions developed between SEWA and its umbrella union, the TLA. Ms. Bhatt indicates she had realized that the TLA intended to remain a traditional trade union, “with very little room for new ideas and a dwindling capacity to face new challenges.”<sup>56</sup> These tensions in ideology and practice came to the fore in 1981, when violence broke out in Gujarat over the policy of caste-based reservation, which was supported by the Indian Constitution. When the state government increased the number of reservations for lower caste students at the state level, violent incidents occurred between upper castes and *dalits* in Gujarat. SEWA's leadership sided with the *dalits* whose homes were attacked, especially since a large proportion of SEWA's membership come from this community, while the TLA maintained a “neutral” stance over the issue. Following these incidents and differences in opinion, in May 1981 the TLA asked SEWA to shut down its operations within TLA's offices and withdraw its membership from the National Labour Organization (NLO) as well. Ms. Bhatt writes that she did not expect this radical decision and feared the future of SEWA, which at the time had just “4,900 members, a small cooperative bank, a rural centre, one vehicle and a few typewriters”.<sup>57</sup>

SEWA used this opportunity to make a new beginning and move further away from traditional trade union norms, and included different organizational structures such as cooperatives, SHGs and membership-based organizations within its fold.

A number of central trade unions invited SEWA to join their organization, but it decided to remain independent. Its membership grew steadily in Gujarat, and within 5 years of its split from the TLA, SEWA had tripled in size.<sup>58</sup> Between 1981 and 1985, 11 new SEWA organizations were created in various states of India, based on SEWA's work in Gujarat. Each of these were locally rooted and based on the demands of self-employed women in each of the states. By the mid-1990s, 5 of the 11 new SEWAs were in a sufficiently strong, independent position to be registered as independent state-level unions.<sup>59</sup> To co-ordinate all its programmes and activities across the country, the SEWA movement set up the SEWA Bharat federation in 1984.

In 2012, the membership of SEWA was 1.75 million women, spread across 12 states in India. Its average annual rate of growth was 25 per cent in 1988-1992, 35 per cent in 1993-

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55 Op. cit., Crowell, 2003, p. 10.

56 Op. cit., E. Bhatt, 2006, p. 14.

57 Ibid. p. 15.

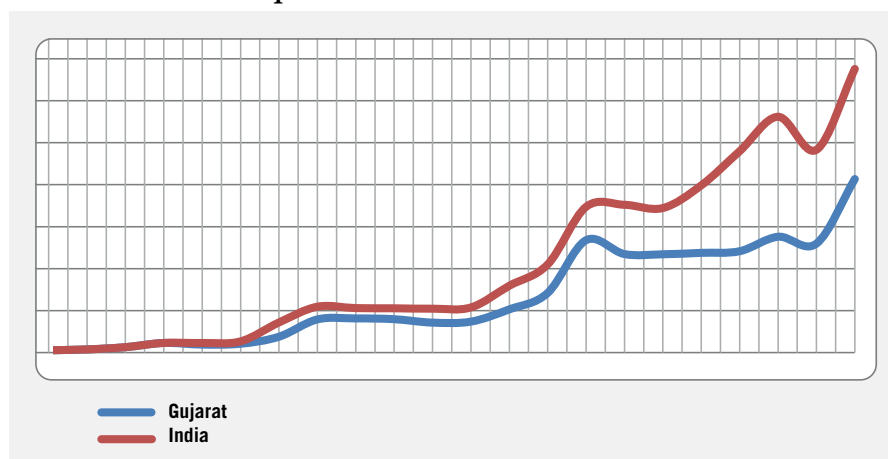
58 See Figure 1 on the next page.

59 SEWA Bharat: *Annual Report 2009*, 2009, <http://www.sewabharat.org/annualreport.pdf> (accessed 18 December 2012).



1997, 27 per cent in 1998-2003<sup>60</sup>, and as much as 40 per cent in 2003-2012 (see Figure 1). Its spread into rural areas has been particularly successful, with rural self-employed women now forming 66 per cent of SEWA's membership. In 2005, SEWA's petition to become a Central Trade Union was accepted.<sup>61</sup> SEWA is currently the largest primary union in India and its success has encouraged the creation of self-employed women's unions and organizations in other countries such as South Africa, Yemen, Turkey, Afghanistan, Pakistan, and Nepal, affiliated to SEWA as sister unions.

**Figure 1: SEWA Membership 1972–2011**



SEWA has also vastly expanded its activities and currently includes numerous autonomous structures, such as cooperatives, producers' groups, societies, service organizations and federations. Its multitude of institutions and activities has made SEWA's structure "akin to a banyan tree".<sup>62</sup> Deeply rooted in the needs and experiences of self-employed women all over India, SEWA's branches have grown in different directions (covering a range of activities), to become a sprawling forest within the same tree. Each new organization (or branch) is independent both financially and administratively but continues to draw strength from its roots within the SEWA movement.<sup>63</sup>

Ela Bhatt retired from her post as General Secretary in 1996. Her work in SEWA earned her several prestigious awards both within and outside India, including the Ramon Magsaysay Award for Community Leadership (1977), the Right Livelihood Award (1984), the Padma Shri (1985), and the Padma Bhushan (1986). Alongside SEWA, she also served as the Chair Woman for the Women's World Banking, the first women's micro-finance organization, which she co-founded in 1979.

60 J. Blaxall: "India's Self-Employed Women's Association (SEWA) Empowerment through Mobilization of Poor Women on a Large Scale" in World Bank: *Reducing Poverty, Sustaining Growth What Works, What Doesn't, and Why A Global Exchange for Scaling Up Success*, Washington D.C, 2004.

61 Central Trade Unions are those with at least 500,000 members from 5 states. Source: SEWA Newsletter, 2005, <http://www.sewa.org/Newsletter2.asp> (accessed 17 December 2012).

62 Op. cit., E. Bhatt, 2006, p. 19.

63 Some of the key organizations created by SEWA are: SEWA Cooperative Bank (1974), First Milk Cooperative (1979), Anasuya Trust (Newsletter) (1982), SEWA National Association (1982), First Artisans Cooperative (1982), Video SEWA (1984), First Child Care Cooperative (1986), First Tree Growers Cooperative (1986), First Vegetable and Fruit Vendors Cooperative (1989), SEWA Academy (1990), First Health Care Cooperative (1990), First Salt Farmers Cooperative (1991), Vimo SEWA (Insurance) (1992), BDMSA- Banaskantha DWCRA Mahila SEWA Association (1992), SEWA Cooperative Federation (1993), Gujarat Mahila Housing Trust (1994), First Midwives Cooperative (1994), Kutch Craft Association (1995), SEWA Gram Mahila Haat (Rural marketing) (1999), SEWA Trade Facilitation Center (Not for profit crafts company) (2003), SEWA Managers School (2005), and SEWA RUDI (For-profit multi-brand company) (2006).

## 2.3 How does it currently work?

### Structure

The SEWA movement has been spreading to various states in India.<sup>64</sup> Its state-level unions are affiliates of the national union SEWA, and are represented through the National Council.<sup>65</sup> At the national level, SEWA's membership is tied together in a federation of all SEWA organizations, called SEWA Bharat.

The governance of all SEWA organizations is based on democratic principles that seek to promote leadership and decision-making among its self-employed women members as a means to empower them.

SEWA union's membership, open to self-employed women all over India for a fee of Rs. 5 (USD 0.09) per year, is largely composed of 4 main categories:<sup>66</sup>

- Manual labourers and service providers (69 per cent), like agricultural labourers, construction workers, contract labourers, handcart pullers, head-loaders, domestic workers and laundry workers;
- Home-based workers (14 per cent), like weavers, potters, *bidi* (tobacco) and *agarbatti* (incense) workers, ready-made garment workers, women who process agricultural products and artisans;
- Hawkers, vendors and small businesswomen (11 per cent), like vegetable, fruit, fish, egg and other vendors of food items, household goods and clothes;
- Rural producers and service providers (5 per cent), who invest their labour and capital to carry out their businesses, including agriculture, cattle rearers, salt workers, gum collectors, cooking and vending.

Within these broad categories, there are 125 specific trade groups (such as construction workers, gum processors, hawkers, salt workers, and weavers) and each SEWA member is assigned to a single group.<sup>67</sup> These trade groups form the foundation of SEWA's governance arrangement. Each is managed by a cadre of *aagewans*, or grassroots leaders, who are nominated by its group members (1 *aagewans* for every 20-30 members). These leaders meet multiple times a week to discuss members' issues and serve as a link between the trade group members and the upper levels of SEWA's corporate management.

SEWA's corporate management is handled by a small team of dedicated women. As only 20 per cent of its employees possess a professional background (and 80 per cent come from the working classes), SEWA invests heavily in education and training for its employees lacking professional or university degrees, to equip them with the necessary management skills.

As mentioned earlier, the organization is deeply rooted in Gandhian values and the

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64 SEWA's state unions include Madhya Pradesh, Bihar, Kerala, Uttar Pradesh, Delhi, West Bengal, Rajasthan, Uttarakhand, Jammu & Kashmir, Assam, Meghalaya and Maharashtra.

65 Op. cit., SEWA: *Annual Report 2008*, 2008.

66 Ibid., p. 9.

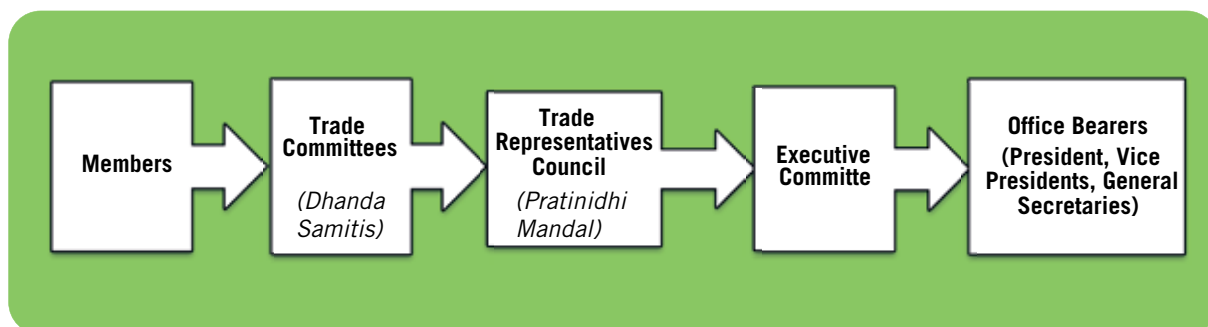
67 Ibid.

principle of communal harmony and tolerance. One third of its members come from Muslim communities, and large sections of SEWA members also belong to Scheduled Castes and Scheduled Tribes.

SEWA has a two-tier system of representation (see Figure 2). The first level is the *Dhandha Samitis* or Trade Committees, for each trade. Each Committee represents between 15 and 50 members and meets every month to discuss members' issues in their respective trades and seek possible solutions. The second level is in the *Pratinidhi Mandal*, or Trade Representatives Council, to which the members of each trade elect their representatives (1 representative per 100 members). Its members are also members of their respective Trade Committees. Every 3 years, SEWA members elect members into their Trade Committee and Trade Representatives Council together. In 2012, there were approximately 4,000 elected representatives, or *pratinidhis*, in this Council.

Following their election, Trade Representative Council members elect an Executive Committee of 25 members, who broadly represent the main trade categories of SEWA members. This Committee also includes 5 senior members from SEWA's management staff and a few invited Chairwomen who have played a key role in SEWA's past. It elects 7 of its members to the posts of President, Vice-Presidents (2), Secretaries (2) and General Secretary. Executive Committee members elected to these posts serve for a 3-year, non-renewable term. The President and Vice-Presidents are elected representatives of the largest trades, while the positions of Secretary and General Secretary are reserved for administrative and management officers, wherein at least 1 of the Secretaries must be a working class member.

**Figure 2: Election Process of SEWA**



## Activities

SEWA's activities are divided in several components that reflect the needs and demands of its members, alongside the organization's goal to achieve "full employment" and "self-reliance". Its approach is largely to "involve rather than intervene", which helps foster a participatory, flexible and demand-driven model of development.

Most programmes use SEWA's own funds, constituted by its members' annual fees. SEWA's social security organizations for childcare, healthcare and insurance require additional fees from members using these services. SEWA has also created a number of enterprises and companies able to sustain themselves on their annual turnover. In 2012, the SEWA Bank's annual turnover was Rs. 167 million (USD 3.1 million); SEWA's agri-

business brand RUDI had a turnover of Rs. 25 million (USD 46,400); the SEWA Trade Facilitation Company (STFC)'s turnover was Rs. 6 million (USD 111,000), and SEWA's construction workers company Nirman's turnover was Rs. 250,000 (USD 40,000).<sup>68</sup>

SEWA also partners with the state and national governments in implementing programmes such as DWCRA, and receives state government funding to start ventures such as the SEWA Gram Mahila Haat (SGMH), SEWA's marketing organization launched in 1999. At the international level, SEWA has partnered with some of the main global developmental agencies and organizations such as the ILO, UNDP, World Bank, Ford Foundation, German Technical Cooperation (GTZ), and FAO.<sup>69</sup> SEWA also has a number of private sector partners, like the Indian Tobacco Company (ITC), and corporate trusts such as the Tech Mahindra Foundation and the Sir Dorabji Tata Trust.<sup>70</sup>

### SEWA's main activities are summarized below

#### ■ Organizing women for collective action and cooperative solutions

The principal activity carried out by SEWA leaders, managers and members all over India is to organize women to achieve collective strength, bargaining power and greater productivity. SEWA's strategy is that of "struggle and development", carried out through the joint action of its trade union and cooperatives. Over the past 40 years, SEWA has developed a number of successful enterprises and organizations at the village, district, state and national levels, alongside becoming the largest primary union in India. Its activities are carried out through the following main structures:

- a. Trade union – The SEWA union has members from 12 states across India and affiliated state-level unions in Madhya Pradesh, Bihar, Kerala, Uttar Pradesh, and Delhi. SEWA's main activities with its urban branches are the promotion of workers' rights and improvement of work conditions for self-employed women members. This includes campaigns such as the Street Vendors Campaign, the Waste Paper-Pickers Campaign for Livelihood, and the Manual Labourers' Livelihood Campaign.<sup>71</sup> SEWA also provides legal support and training to its members on labour laws, worker's rights, and employers' duties. In 2008, 5200 urban self-employed women workers participated in 130 legal trainings organized by SEWA.<sup>72</sup> In rural areas, the SEWA union organizes its members to achieve collective and individual economic empowerment and self-reliance, and has launched a number of significant worker-led campaigns such as the Water Campaign, the Agriculture Campaign and the "Feminise our Forests" Campaign.
- b. Cooperatives – Since its initiation, SEWA has worked to develop alternative economic systems through the creation of cooperatives. Today, its members are organized into more than 130 cooperatives, particularly artisans, land-based, livestock, trading, and service and credit cooperatives<sup>73</sup>, the largest of which is the SEWA Bank, with

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68 P. Balan and R. Vora: "Forty years of SEWA" in *Business Standard*, 3 July 2012, <http://business-standard.com/taketwo/news/forty-yearssewa/479197/> (accessed 20 December 2012).

69 R. Nanavaty, interview, 26 November 2012.

70 Op. cit., SEWA Bharat: *Annual Report 2009*, 2009.

71 Op. cit., SEWA: *Annual Report 2008*, 2008, pp. 21–26.

72 Ibid., p. 28.

73 Op. cit., SEWA: *Annual Report 2008*, 2008.



371,000 members. SEWA members are allowed to join more than one SEWA cooperative, and they provide share capital to each cooperative joined.

SEWA's cooperative creation includes 3 phases: upgrading skills through training; organizing an economic unit to earn incomes from skills; and forming the organizational structure of a cooperative to sustain productive activities.<sup>74</sup> While each cooperative is a self-managed, economically independent unit, SEWA lends support through federations such as the Gujarat State Women's SEWA Cooperative Federation (launched in 1993), which provides comprehensive training in cooperative education, marketing, management, leadership development and technical education.<sup>75</sup>



c. Rural Producers' Groups and Associations – In its effort to organize rural areas, SEWA has linked a number

of trade-based groups in the rural region of Banaskantha to the governmental scheme called DWCRA. Under this scheme, 15 to 20 women form producers' groups and receive seed capital of Rs. 25, 000 (USD 500) to develop their own local collective businesses. Since 1989, SEWA has helped create 181 rural producer groups linked to this scheme. In Banaskantha, each individual DWCRA group is linked to the BDMSA, a state-level association created in 1993. Similarly in the Kutch region of Gujarat, in 1995, 101 DWCRA producer groups trained by SEWA created a state-level association called the Kutchcraft Association. The main aim of these state-level associations is to link individual producer groups at the village level to markets throughout the state and the rest of the country, as well as to provide a number of capacity-building trainings and social security benefits to members at the village level. This also helps mainstream the work of self-employed women into larger economic structures and markets.

SEWA has created nearly 13,000 other producer groups all over India, including for artisans, forestry, dairy, land, and nursery.<sup>76</sup>

d. Social Security Organizations – SEWA's definition of its organizational goal of “self-reliance” includes healthcare, childcare, housing, and insurance for all its members, accessible for a nominal fee. There are 7 different social service organizations included within the structure of SEWA:<sup>77</sup> the Lok Swasthya SEWA health cooperative (with 155

74 S. Saha: “Problems while organizing: drawn from the meetings with cooperative members”, Ahmedabad, SEWA Academy, 2003.

75 Ibid.

76 R. Nanavaty, interview, 26 November 2012.

77 Op. cit., *Movement- Federations: Gujarat*, SEWA, 2009.

members, reaching 74,695 self-employed members and their families); Shramshakti cooperative (with 50 members reaching 5,000 women and their families); Shramlakmi cooperative; Krishna Dayan cooperative (with 85 members, reaching 26,285 members and their families); Sangini childcare cooperative (with 825 members, reaching 3,639 members' children); Shaishav childcare cooperative (with 92 members, reaching 1,500 members' children) and VimoSEWA Insurance collective (with 32,000 members).

### ■ Capacity Building and Asset Building

A major focus of SEWA's work to empower its members is building their capacity and economic assets. SEWA has launched a number of research, capacity-building and educational organizations, including the SEWA Academy, SEWA Trade Facilitation Centre, and SEWA ICT.

SEWA has 2 main types of capacity-building institutions. The first type involves adult education initiatives to assist SEWA members in their particular trades. For instance, artisans will be trained to design and market their products. In rural areas, SEWA initiated a network of 40 Community Learning Centres (CLCs) to provide computer education to its members and their families, in partnership with Microsoft Corporation. The second type, the SEWA Academy and the SEWA Managers' School, are set up to equip SEWA members with managerial and leadership skills. The SEWA Academy was launched in 1991 as a school to train self-employed women in leadership skills in addition to literacy, communication, research and documentation.<sup>78</sup> In 2005, the SEWA Managers' School (SMS) was launched for "facilitating economic self-sustainability through building a cadre of grassroots managers." The SMS is the only institution in India providing management training for grassroots women.

These capacity-building centres and educational initiatives are closely linked to the governance of the alternative economic structures created by SEWA at the grassroots level, such as cooperatives and producers' groups. Since most of SEWA's members have limited formal education, training in key technical and managerial duties is vital. SEWA also firmly believes that increasing organizational capacity is directly linked to improved revenues, quality of products, and betterment of livelihoods. Its capacity building and training activities thus go hand-in-hand with its organizing activities.

Regarding asset-building, the most significant aspect of SEWA's work is women's access to micro-finance. The launch of the SEWA Bank in 1974 is widely believed to be a pioneering achievement. The Bank has now achieved a status equal to that of other national banks in India and has a loan recovery rate of 96 per cent.<sup>79</sup> Most of the loans taken by SEWA Bank members are taken to build their business assets and generate larger incomes.<sup>80</sup> The SEWA Bank provides loans at an interest rate of 2 per cent, thus much lower than those charged by money-lenders, often as high as 10 per cent. The Bank is SEWA's most popular facility and has grown by 11 per cent in 2012.<sup>81</sup>

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78 *About Us*, SEWA Academy, 2012, <http://www.sewaacademy.org/history.html> (accessed 18 December 2012).

79 Op. cit., P. Balan and R. Vora, 2012.

80 R. Nanavaty: "Supporting poor rural women to improve livelihoods", Paper presented at the FAO-IFAD-ILO Workshops on *Gaps, trends and current research in gender dimensions of agricultural and rural employment: differentiated pathways out of poverty*, Rome 31 March–2 April 2009.

81 Op. cit., P. Balan and R. Vora, 2012.

## ■ Advocacy and alliances

SEWA has used its unique role as a trade union and representative of 1.75 million self-employed women in India to promote policies and advocate reforms in Indian labour laws related to the informal economy. Experiences such as the SEWA Bank, where the organization had to struggle considerably to be allowed to open a cooperative bank for illiterate women, demonstrated that a number of discriminatory laws and practices aggravate the poverty and hardships faced by these workers. SEWA's founder thus championed the cause of self-employed women and informal economy workers at the national and international levels. For her, workers are workers, "whether they are working in a factory, or at home or on the footpath."<sup>82</sup>

During her term as General Secretary of SEWA, Ms. Bhatt was the first woman member of the Second Labour Commission of India. As the Assistant Commissioner of the Second Labour Commission, DC Baxi noted "The Second Commission on Labour was set up with 2 objectives. One was to rationalise existing labour laws and the other to provide social security to unorganized labour through umbrella legislation. SEWA was one of the driving forces behind the Commission."<sup>83</sup> One of the important results of the Commission was the Social Security Act, passed in 2009.

Led by Ms. Bhatt, SEWA also had significant policy influence internationally, particularly in shaping international conventions, such as the 1996 ILO Convention on Home Work, No.177. According to Ms. Bhatt, before that Convention, the ILO's definition of work was narrowly viewed as "employer-employee transactions" and did not adequately address the issues of informal, self-employed and home-based workers. From the 1980s onwards, SEWA allied with a number of international informal workers movements, and in the 1990s became one of the founders of HomeNet, the first international network of home-based workers. HomeNet mobilized unions and NGOs working with home-based workers from countries all over the world and displayed a sizable lobby, which led to the adoption of Convention No. 177. It then campaigned for its ratification in countries worldwide. Similarly, SEWA founded StreetNet, an international movement for street vendors based in Durban at the Self-Employed Women's Union (SEWU), SEWA's sister union in South Africa, as well as the "National Alliance of Street Vendors of India".

SEWA continues to advocate for self-employed women's rights and lobby for social security reforms for informal economy workers, both domestically and internationally, through its national level federation, SEWA Bharat. These efforts tie into its broader aim to counter the distinctions and discriminations that make self-employed women among the poorest workers in India. At present, SEWA Bharat represents the interests of home-based workers in national-level policy committees,<sup>84</sup> and continually campaigns for the rights of small farmers, street vendors, construction workers, waste-pickers and other self-employed workers at the national level.

82 S. Sengupta: "An Empire for Poor Working Women, Guided by a Gandhian Approach", in *New York Times*, 9 March, 2009, [http://www.nytimes.com/2009/03/07/world/asia/07bhatt.html?pagewanted=all&\\_r=0](http://www.nytimes.com/2009/03/07/world/asia/07bhatt.html?pagewanted=all&_r=0) (accessed 19 December 2012).

83 OECD/ILO: *SEWA Joins Forces with the ILO to Help Informal Sector Workers Move Out of Poverty*, <http://www.oecd.org/dac/povertyreduction/48869455.pdf> (accessed 19 December 2012).

84 Op. cit., SEWA: *Annual Report 2008*, 2008.





### Activities in rural areas

As mentioned earlier, since the late 1980s SEWA has been steadily expanding in rural areas, which now host a majority of its membership. Local demands, and local ownership and knowledge are central. Rural women are trained in the skills necessary to competently administer their own organizations and cooperatives in their villages or districts. “Spearhead teams”, comprised of local organizers, are formed to lead each cooperative and lead SEWA’s activities in each village.

Below are some of its activities:

- **Creating grassroots organizations** – As explained earlier, SEWA’s rural members are affiliated to its rural unions, cooperatives and DWCRA producers’ groups, and are linked to state-level associations that support their activities. Associations like the BDMSA, the Kutchcraft Association and Sabarkantha Women Farmer’s Association, play an important economic and political role in providing information and raising awareness in rural India. For instance, in the rural Water Campaign, the Sabarkantha Women Farmer’s Association conducted door-to-door visits and meetings with the *panchayats* (local governments) to organize collective action for water conservation.

SEWA has also created a network of Village Resource Centres to assist village-level producers’ groups to access market information and technical inputs. For instance, every Saturday, leaders of grassroots producers’ groups receive an SMS communicating the current prices of commodities in town markets, which puts producers’ groups



in a better bargaining position when buying inputs such as seeds or marketing their products.<sup>85</sup>

SEWA has also pioneered grassroots self-employed women's groups, such as the SHGs, which are the foundation of SEWA's operations in districts and villages. SHGs meet monthly to share the problems faced by members in their work and domestic lives, and are governed by the women themselves.<sup>86</sup> They also actively link rural women members to SEWA's social security organizations and capacity-building/training facilities. SHGs leaders are trained by the SEWA Manager's School for grassroots leaders.

- **Fostering livelihood security** – SEWA's key focus in rural areas has been the creation and fostering of sustainable livelihoods for rural self-employed women. It has undertaken 4 major rural livelihood initiatives:<sup>87</sup>

a. Artisans Support Programme – SEWA has played a major role in transforming the traditional skills of rural self-employed women into enterprises providing a sustainable incomes and livelihoods. Through its Artisans Support Programme, particularly active in Gujarat's Banaskantha, Patan and Kutch districts, it has successfully organized 250,000 artisans;

b. Weavers Support Programme – In Gujarat's districts of Anand and Kutch, SEWA has organized 3,000 weavers who now earn a sustainable income from their traditional weaving skills;

c. Salt Farming – SEWA first organized childcare and education facilities for the children of *agriya* women, self-employed salt farmers from the Surendranagar district,<sup>88</sup> who work under very harsh conditions in the arid salt pans for months at a time, incurring illness and disease, to earn meagre wages paid to them by local traders.<sup>89</sup> SEWA has organized 8,000 of them into grassroots groups and a district organization called the Surendranagar Women and Child Development Mandal, to improve their bargaining power over salt traders;<sup>90</sup>

d. Agriculture – As the majority of SEWA's rural members are small farmers, SEWA has organized almost 3,100 farmers in Gujarat alone, and has been involved in an Agriculture Campaign since 1995 to provide seasonal and technical trainings to self-employed women farmers at the village level.<sup>91</sup> This campaign assists small and marginalized farmers to access existing government developmental schemes, such as the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA).

- **Market Linkages** – SEWA plays an important function in rural areas by linking its rural members to the mainstream economy. It has built a network of meso-level

85 FAO: "Sewa's Model of Institution Building: Empowering Small-Scale Women Farmers" in *Good Practices in Building Innovative Rural Institutions to Increase Food Security*, FAO, 2010, <http://www.fao.org/docrep/016/ap209e/ap209e.pdf> (accessed 18 December 2012).

86 Ibid.

87 R. Nanavaty: "Economic Empowerment and Rural Organizing" (unpublished, 2011).

88 Op. cit., E. Bhatt, 2006, p. 170.

89 Ibid. p. 174.

90 Op. cit., SEWA: *Annual Report 2008*, 2008.

91 *SEWA's agricultural campaigns*, SEWA E-Newsletter, No. 44, October 2012, <http://www.ifwea.org/?x103997=365866> (accessed 20 December 2012).

associations, enterprises and networks that link grassroots-level producers and farmers to larger markets. This is particularly useful for rural self-employed women who do not have equal access to mainstream markets due to their rural isolation, and so are forced to depend on traders or other third parties. Below are 2 such initiatives:

a. Market linkage for artisans – The numerous artisans' groups created by SEWA at the grassroots level are linked to state-level associations and SEWA-owned retail outlets in bigger cities, like BDMSA, Banascraft and Kutchcraft. In May 2003, *Unnat Bazaar*, a SEWA company also known as SEWA Trade Facilitation Centre (STFC), was created by 150,000 self-employed women artisans in the textile sector. The STFC has an integrated supply chain that connects self-employed women artisans to its quality control, packaging and distribution centre in Ahmedabad.<sup>92</sup> SEWA also has partnerships with other companies promoting Indian crafts, in India and abroad such as the Delhi-based crafts company, Dastakar;<sup>93</sup>

b. Market-linkage for small farmers – In 1999, SEWA and the State Department of Rural Development in Gujarat founded the SEWA Gram Mahila Haat (SGMH), a state-level marketing organization aimed at reducing dependence on traders by providing direct technical, financial and marketing facilities to rural producers (from agriculture, to salt, forestry and handicrafts),<sup>94</sup> so that they can reach large corporate bulk buyers. In 2004, the SGMH initiated the Rural Urban Distribution Initiative (RUDI), which led to the birth of a multi-trading company and brand named “RUDI” in 2006. The initiative created farmers' organizations called District Associations (DAs), which bought the produce of small farmers and sent them to packaging and processing centres which then sold them under the brand RUDI. This initiative is presently active in 14 districts of Gujarat and has been an important source of employment for rural women.<sup>95</sup>

### Challenges

Despite its phenomenal growth and expansion over the past 40 years, SEWA continues to face some important challenges.

The first type of challenge is SEWA's relation with political actors. Since 2005, SEWA's work has been affected by a dispute with the Gujarat government resulting from charges that SEWA misappropriated funds from a project for earthquake rehabilitation; a case which SEWA won. However, this effectively ended SEWA's partnership in over 20 development projects in the state.<sup>96</sup> At the same time, the growth of SEWA's membership to 1.75 million women has made it an important political target for parties keen on using the organization as a “vote bank” for elections. While the organization has always been clear about its intention to avoid electoral politics, it needs to continuously ward off attempts by political actors to manipulate its members.

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92 Facilities, SEWA Trade Facilitation Centre, 2011, <http://www.sewatfc.org/pages/facilities.html> (accessed 20 December 2012).

93 Op. cit., E. Bhatt, 2006, p. 156.

94 One World Foundation India: *RUDI-SEWA: Rural Distribution Network. Documentation of Best Practice*, 2010, [http://indiagovernance.gov.in/files/Sewa\\_rudi\\_final.pdf](http://indiagovernance.gov.in/files/Sewa_rudi_final.pdf) (accessed 20 December 2012).

95 Op. cit., R. Nanavaty: “Supporting poor rural women to improve livelihoods”, 2009.

96 “SEWA slams the Modi government over funds”, in *Times of India*, 8 October 2005, [http://articles.timesofindia.indiatimes.com/2005-10-08/india/27832339\\_1\\_sewa-modi-govt-narendra-modi-government](http://articles.timesofindia.indiatimes.com/2005-10-08/india/27832339_1_sewa-modi-govt-narendra-modi-government) (accessed 18 December 2012).

Another recurrent problem is changing the mind-sets of policy-makers and officials. As Ela Bhatt writes, “Some of our biggest battles have been over contesting pre-set ideas of officials, bureaucrats, experts, and academics.”<sup>97</sup> In particular, SEWA needs to defend the rights of the invisible informal economy and self-employed workers despite the “web of terminology”, which leads policy-makers to treat the concerns of these workers as the same as those in the formal economy.

Lastly, SEWA’s efforts to expand into new parts of India still face suspicion and resistance, especially from male members of the communities. SEWA needs to gain their trust and cooperation, and give self-employed women confidence to become leaders and decision-makers.



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97 Op. cit., E. Bhatt, 2006, p. 17.

## Section 3: Assessment of the Catalyst

### 3.1. Main Achievements

#### General Achievements

- Spreading of the SEWA movement – The clearest measure of SEWA's success is its impressive spread from Ahmedabad city in Gujarat to 50 districts and 12 states in India, and to 6 other countries, over a period of 40 years. From its modest beginnings in 1972 as an organization that struggled to be recognized by government officials and other unions, SEWA is now the largest primary union in India, with a membership of 1.75 million self-employed women. This growth has led to the creation of 5 state-level registered unions, affiliated to SEWA at the national level through the SEWA Bharat federation.
- Growth of organizations – SEWA has been considerably successful in achieving its primary goal of organizing self-employed women into numerous innovative structures and organizations, from the grassroots to the national level. Its movement has gone beyond the traditional tasks of trade unions, to comprehensively address the needs of its members, who often do not fall under conventional definitions of “workers”. It has combined its initial trade union functions with setting up economic structures, such as cooperatives and enterprises, to ensure “full-employment” and “self-reliance” to its members.

SEWA's members are organized into a union (with rural and urban branches), 130 cooperatives, 181 rural producer groups, 15 state-level federations/associations, 7 social service organizations (including health, housing, credit and childcare), 5 capacity development and research centres, and one national federation. As part of its rural livelihood security programmes, SEWA has organized 250,000 artisans; 3,000 weavers; 150,000 salt farmers; and 9,000 farmers into alternative economic structures. Its social security organization has 155 members, reaching 74,695 self-employed members and their families in its Health cooperative *Lok Swasthya*; SEWA Insurance collective, VIMO, has 32,000 members; and *Sangini* childcare cooperative has 825 members, reaching 3,639 members' children.<sup>98</sup>

- Success of the SEWA Bank – The SEWA Bank was the first bank catering to the financial needs of illiterate, marginalized self-employed women in India. It is considered a pioneering model of women's micro-finance and banking and is being replicated in other countries. In 1996, it attained a status equal to that of other national banks in India.<sup>99</sup> Since its foundation, it has incurred loan recovery rates as high as 96 per cent. In 2012, its deposits were worth Rs. 111,000,000 (approximately USD 2 million USD) from 371,000 customers;<sup>100</sup> and its net profit was Rs. 944,400 (USD 20,000)

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98 Op. cit., *Movement- Federations: Gujarat*, SEWA, 2009.

99 Op. cit., *Our very own bank- SEWA Bank*, SEWA, 2009.

100 Op. cit., P. Balan and R. Vora, 2012.



with an 11 per cent growth from the previous year.<sup>101</sup> In addition, the SEWA Bank has introduced innovative services for its members, such as mobile-banking and training courses in financial planning.<sup>102</sup>

- **Successful Policy Advocacy** – Under the leadership of Ela Bhatt, SEWA has been at the helm of policy advocacy and alliance building at the national and international level since the early 1980s. Ms. Bhatt’s achievement in the launching the SEWA movement earned her the Ramon Magsaysay Award for Community Leadership in 1977, which brought international attention to SEWA’s activities. Ms. Bhatt became the first woman member of the Second Labour Commission of the Government of India, which gave her a strategic opportunity to advocate for policies and schemes on behalf of self-employed women in India. One important result was the Unorganised Workers Social Security Act of 2009, where SEWA played an important role in designing programmes incorporated in the Act such as the *Rashtriya Swasthya Bima Yojna* (National Health Insurance Scheme).<sup>103</sup>

SEWA has also been a key policy advocate for home-based workers and street vendors at the national and international levels, which led it to found international alliances and networks such as HomeNet and StreetNet and has campaigned for policies like the “National Policy for Urban Street Vendors” adopted in 2004.<sup>104</sup>

## Achievements in rural areas

- **Growth of rural membership** – SEWA’s activities in rural areas have met an enormous success, as the manifold increase of its rural membership testifies. Demand-driven programmes, successful campaigns and relentless efforts are behind this success. Today, SEWA works with rural self-employed women in a variety of industries ranging from agro-forestry, animal husbandry, and dairy, to embroidery, weaving and salt processing.
- **Successful grassroots organizing** – The aim of SEWA’s work in rural India has been to help rural self-employed women earn a decent income and access basic social security services, such as healthcare, childcare, savings and credit, housing, insurance, literacy and leadership training.<sup>105</sup> The foundations for these activities have been the creation of a “dense network” of successful member-owned organizations with a comprehensive approach,<sup>106</sup> and linking grassroots organizations to meso-level and macro-level structures such as associations, federations or government schemes. Since the 1990s SEWA has assisted in the creation of 181 DWCRA rural producer groups and nearly 13,000 Self-Help Groups at the village level.

Grassroots level organizations have substantially improved the livelihoods of SEWA’s rural members and their working and living conditions. For instance, in a recent survey conducted among 1,407 rural women in the Ahmedabad and Surendranagar district of

101 Op. cit., P. Balan and R. Vora, 2012.

102 Op. cit., J. Blaxall, 2004.

103 R. Jhabvala, D. Sapna and J. Dave: *Empowering Women in an Insecure World: Joining SEWA makes a difference*, Ahmedabad, SEWA Academy, 2010.

104 Op. cit., SEWA Bharat: *Annual Report 2009*, 2009.

105 Op. cit., SEWA: *Annual Report 2008*, 2008.

106 Op. cit., FAO: “Sewa’s Model of Institution Building: Empowering Small-Scale Women Farmers”, 2010.

Gujarat, it was found that 60 per cent of SEWA members used financial institutions; while only 38.6 per cent of non-SEWA members did the same.<sup>107</sup>

- Creation of sustainable incomes and livelihoods – SEWA has helped create sustainable livelihoods in rural India by supporting women-managed economic structures, such as cooperatives and enterprises, mainly by linking them to state-level associations like BDMSA and Kutchcraft Association, and providing important inputs in management training and technical capacity building.

A major support mechanism is the SEWA Trade Facilitation Centre (STFC), which markets the products of SEWA enterprises and producers' groups at the village level. In 2008, 1,000 women embroiderers from Kutch earned Rs. 8.1 million (USD 150,000) from their embroidery work, marketed by the STFC.<sup>108</sup> Similarly in 2006, 10,215 women from the Patan district (from regions formerly part of Banaskantha) earned Rs. 32.65 million (USD 600,000) from their various livelihood activities like embroidery, gum collection, agriculture and watershed management.<sup>109</sup>

- Successful Market Linkages – The RUDI Company, one of SEWA's most innovative endeavours, had a turnover of Rs. 25 million (USD 464,000) in 2012.<sup>110</sup> The SEWA *Gram Mahila Haat* (Village Women Market), which also serves to improve the rural distribution network, works with more than 6,000 rural producers' groups and approximately 132,000 women.<sup>111</sup>

### 3.2 Future

In the coming years, SEWA intends to strengthen its numerous programmes and organizations and increase its influence across the country. It has set the following 4 specific priorities:<sup>112</sup>

- Expanding membership to conflict affected areas – Though the SEWA movement has successfully spread to 12 states in India, it has been less successful in conflict-affected zones such as the northern state of Kashmir and the north-eastern states of India, due to higher levels of violence.<sup>113</sup> SEWA intends to integrate self-employed women in conflict-affected zones into its movement. It is also working in post-conflict rehabilitation programmes in northern Sri Lanka, to improve the conditions of conflict-affected women;<sup>114</sup>
- Strengthening rural banking – SEWA seeks to expand its operations in rural areas by increasing the presence of the SEWA Bank since rural micro-finance and capital formation are key components to improve the lives of rural workers;
- Promoting “green” jobs and livelihoods – SEWA's focus is to be environmentally

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107 Op. cit., R. Jhabvala, D. Sapna and J. Dave, 2010, p. 57.

108 Op. cit., SEWA: *Annual Report 2008*, 2008.

109 Ibid.

110 Op. cit., P. Balan and R. Vora, 2012.

111 Op. cit., R. Nanavaty: “Economic Empowerment and Rural Organizing”, 2011.

112 R. Nanavaty, interview, 26 November 2012.

113 Op. cit., SEWA Bharat: *Annual Report 2009*, 2009.

114 Op. cit., SEWA: *Annual Report 2008*, 2008.

sustainable or “green livelihoods-based” in rural areas. SEWA has taken a loan from the Indian ICICI Bank to launch its green livelihoods initiative called *Haryali*, which will equip 200,000 rural households with solar energy-powered lighting and cook stoves. Its aim is to ensure financial and energy inclusion as part of securing livelihoods and income to self-employed rural women and their families;



- Attaining a membership of 2.5 million self-employed women – India’s accelerated economic growth over the past decade has not led to a decline in self-employment and informal economy jobs.<sup>115</sup> Both continue to be dominant in India and highly feminized. Therefore, the number of potential beneficiaries and members of SEWA continues to be very large, and the organization seeks to reach the target number of 2.5 million.

### Foreseen challenges

The SEWA movement foresees 2 significant obstacles to its success. The first is SEWA’s transition to a new period of leadership and membership. According to Reema Nanavaty, Director of Economic and Rural Development at SEWA, adjusting to the needs of a more literate, educated, aware and ambitious generation of self-employed women members is the main challenge currently faced by the organization.<sup>116</sup> For this younger generation, SEWA needs to “redesign and evolve its strategies according to their aspirations and needs”.<sup>117</sup> SEWA’s leadership and management will need to innovate and plan differently

<sup>115</sup> Op. cit., ILO: “Labour Market Performance and the Challenges of Creating Employment in India”, July 2011.

<sup>116</sup> R. Nanavaty, interview, 26 November 2012.

<sup>117</sup> Ibid.

from the past and seek new solutions, partnerships and opportunities to remain relevant. Second, the financial viability of SEWA's business ventures and cooperatives is a recurrent challenge. SEWA's goal of attaining "self-reliance" for its members is crucially linked to creating economically sustainable solutions for women and their communities. However, ensuring the financial sustainability of these ventures, particularly in a changing political and economic environment in India where privatization and liberalization have been increasing since the 1990s, is not guaranteed. For instance, recent laws on the introduction of FDI (Foreign Direct Investments) in sectors such as multi-brand retail are expected to have considerable impact on small farmers, vendors, and small business women who form an important component of SEWA's membership. Relying on donor funds for projects and programmes is not a long-term solution. Financial viability calls for strategic financial and economic plans adapted to the rapidly changing policy environment to ensure livelihood, income, and social security for SEWA members.

### 3.3 Lessons learned

SEWA's experience in mobilizing and empowering poor self-employed women delivers important lessons:

- **Empower through organizing** – SEWA's most striking aspect is its capacity to organize disadvantaged women to achieve economic, political and social empowerment, and to help them realize the importance of collective action and bargaining in improving their individual and collective well-being. This has been a particularly useful strategy in rural areas, where self-employed women are isolated and unaware of their rights and economic potentials. Innovative structures such as federations and networks have fostered women's leadership and self-reliance at various levels;
- **Encourage a demand-driven and need-based approach** – SEWA's impressive geographic spread and structural expansion is closely linked to its demand-driven approach, rooted in the realities of the lives of self-employed women. Its democratic structure of governance, from the grassroots to the national level, ensures that the needs of self-employed women are at the centre of its activities;
- **Aim for comprehensive goals** – SEWA does not believe that a single intervention (such as micro-finance or job creation) is sufficient to pull women out of poverty.<sup>118</sup> Its goals include a broad definition of "full employment" whereby women obtain work and income security, food security and social security (healthcare, childcare, and shelter), through which multiple aspects of self-employed women's lives can be improved. These comprehensive goals guide all SEWA organizations and create the basis of holistic development;
- **Promote ownership** – SEWA's creation of organizations at the local, state and national levels also serves the important purpose of promoting women's leadership and decision-making. SEWA actively trains, educates and supports women leaders through innumerable capacity-building and management programmes and institutions;

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<sup>118</sup> Op. cit., R. Nanavaty: "Supporting poor rural women to improve livelihoods", 2009.



- **Ensure self-reliance and sustainability** – SEWA encourages the creation of economic structures providing sustainable livelihood security to self-employed women. Its cooperatives and producers' associations have stood the test of time and continue to expand productively to improve the living and working conditions of its members;
- **Maintain strong organizational values** – At the core of a large organization are strong values that help attract and retain highly motivated staff and members. As an organization based on Gandhian precepts, SEWA has emphasized equality, tolerance, non-violence, social inclusion and democracy throughout its work for 40 years. Even in difficult situations, its work was guided by these strong values, making it one of the most respected organizations in India and abroad;
- **Learn from experiences** – An important aspect of SEWA's success has been its ability to transform mistakes and new challenges into opportunities for innovation and development of new approaches. For instance, instead of continuing ineffective trade union style campaigns in villages, it focussed on improving the lives of its rural membership through livelihood creation, which became one of the driving forces of its success in rural areas;
- **Develop a flexible structure** – The decentralized structure of SEWA has allowed it to innovate, take risks, grow and experiment with different areas of work. Also, while SEWA has a specific Gandhian approach, its activities and ideology are not rigid and dogmatic.<sup>119</sup>

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<sup>119</sup> Op. cit., J. Blaxall, 2004.