Struggle and Development Among Self Employed Women

A Report on the Self Employed Women's Association, Ahmedabad, India

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by

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While the report was by no means a solitary endeavor, I assume full responsibility for its contents.

INTRODUCTION

The Self Employed Women's Association (SEWA) is a trade union of over 5,000 poor women workers in Ahmedabad, India. The Union was established in 1972 when a group of women headloaders, used garment dealers, junksmiths, and vegetable vendors came together to form a worker's association. At the time, they faced a great deal of scepticism from the outside community. How could illiterate women participate effectively in such an organization? How could their husbands and families permit it? When would they have the time? What could they possibly organize for or against without specific employer-employee relationships? How can unorganized workers in various occupations and scattered throughout the city be reached by one organization? In sum, what role could a union play for the self employed? At the time, neither the members or the leaders had a clear idea of what it meant to form a union.

Today most of these questions have been laid to rest. During the past decade thousands of poor women workers in Ahmedabad have been involved in the activities of SEWA. The union organizes struggles for higher wages and improved working conditions and defends members against harassment by police and exploitation by middlemen. It provides further supports through a women's bank, skills training programs, social security schemes, production and marketing cooperatives, and other programs for developing their trades. As it meets the continuing challenge of organizing the "unorganized" sector, SEWA provides a modern history of struggle and development among self employed workers.

SEWA was registered as a trade union in 1971. Its members include women in a wide range of self employed trades, including vegetable vendors, hand cart pullers, carpenters, wastepickers, agricultural laborers and women in other small-scale, independent occupations. The Union's activities have centered in the industrial city of Ahmedabad, located in the western Indian State of Gujarat. The Association grew out of the activities of the Women's Wing of the Textile Labor Association (TLA), one of the oldest and largest unions of textile workers in India founded by Mahatma Gandhi in 1917. SEWA was started largely at the initiative of the head of the TLA Women's Wing, Ela Bhatt, and the president of the TLA, A. N. Buch. It remained a part of the TLA until April of 1981 when under pressure from the TLA leadership it separated to become an independent organization.

The textile industry is the base of Ahmedabad's economy and directly employs over 150,000 workers. Almost 90% of these workers are members of the TLA which has struggled over the years to secure fair wages and decent working conditions for millworkers. However, a large and increasing portion of Ahmedabad's labor force (at least 45%) 1/ is comprised of unorganized workers who depend on the informal sector for employment. 2/ This is

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1/ According to 1970 census figures for Ahmedabad.

2/ The latest employment figures used by the Planning Commission for India as a whole show 11% of the work force in the organized sector and 89% in the unorganized sector (Bhatt, 1981). This suggests that more than 45% of Ahmedabad's labor force may be in the unorganized sector.

particularly true for women workers who have limited opportunities for wage employment in the organized sector. The severe decline in the proportion of women millworkers in recent years illustrates this. While in the 1950's they comprised over 25% of the workers in the city's mills, by 1980 they had dropped to less than 5% (Bhatt, 1980). Although there is limited data on the sectoral distribution of the female labor force, existing information indicates that most women workers in Ahmedabad depend on self employment in the informal sector where they are relegated to the lowest level, lowest paying occupations.

SEWA was established to represent the interests of self employed women. Building on a Gandhian approach to social change -- which focuses on both the work and family life of the community -- SEWA's two-fold objectives are economic regeneration and social uplift. Economic regeneration means improving the quantity and regularity of women's income in current occupations, strengthening their production base, and maximizing their returns. Social uplift recognizes that many problems associated with poverty and being a woman call for action on non-economic fronts as well. As the problems and needs of its members have become clearer, SEWA has focused its goals on bringing recognition and visibility to women's work, raising their incomes, and increasing women's control over income and property.

SEWA members typically fall into one of three occupational groups: small-scale sellers, home-based producers, and casual laborers and service workers. These categories encompass women working in a broad range of occupations, from selling old clothes, to rolling incense sticks, to tending cattle, to pulling cart loads of grain. Members live and work throughout Ahmedabad and in a cluster of villages about 50 kilometers from the city. Within SEWA they are represented by local trade group leaders as well as full-time Union organizers.

Despite the wide range of occupations within the membership, the problems of these women workers converge in many areas. While no doubt there are unique problems and needs within each trade, many are shared among the trades. Small-scale sellers frequently are forced to borrow working capital from private moneylenders at exhorbitant interest rates; and as street vendors they are continually faced with police harassment and difficulties in establishing their right to a fixed selling spot. Home-based producers similarly have limited access to credit in addition to problems in securing stocks of raw materials, markets for their goods, and space for production. Exploitation by wholesale merchants and middlemen is high. Home-based producers who are paid on a piece rate basis receive extremely meager wages from those who hire them. Self employed laborers also face exploitative wages, but suffer from irregular and insecure work opportunities and substandard working conditions as well.

As a group, the self employed are outside the scope of protective labor laws and policies which establish minimum wages, hours of work, social security benefits, and insurance schemes. Unlike some women working in the wage sector, the self employed do not qualify for maternity benefits, nor do they have access to child care facilities for their children. Their young infants are often exposed to unhealthy and hazardous conditions in market places or at construction sites or are left in the care of immature siblings.

Self employed women are at a disadvantage vis-a-vis the institutional environment in which they operate in several other ways. Their limited

access to educational opportunities and banking facilities denies them the support so necessary for increasing their earnings. Moreover, labor, employment, and economic policies generally fail to recognize and address their needs. The few supportive policies which do exist in India for the most part are ineffectively implemented. Adding to these problems is the fact that trade unions tend to be both male-oriented and male-dominated, and commonly neglect the needs of the self employed, particularly self employed women.

The challenges of organizing this heretofore ignored and invisible group of workers are mammoth. However, of all groups of workers their problems are perhaps the greatest and thus SEWA, with no prior model to copy or even learn from,emerged to meet the challenge. An underlying principle of the organization is that only through collective action can self employed women gain more control over their economic and social environment. Organizing on an occupational basis provides the members a chance to see themselves in relation to the outside economic environment -- rather than only to their domestic environment -- and to recognize the importance of their work. With this new view they begin to change their self perceptions. It also provides a means for women from various castes and communities to interact and for a time to forget their differences.

Since 1972, the activities of the SEWA Union have been broad and cut across many trade groups and issues. Together, the leaders, organizers, and members have struggled for such things as fixed wages for headloaders, secure selling spaces for used garment dealers, and defense against police harassment for vegetable vendors. Quilt sewers and papad makers have organized strikes for higher piece rates and bamboo workers have collectively resisted attempts by the police to prevent them from working on the footpaths outside their huts. The Union has established a complaints section where any self employed woman can register a problem related to her work or family life. These complaints are taken up by SEWA's organizers and group leaders.

While these types of actions-- or what SEWA calls "struggle" -- are very important in mobilizing the membership, the organizers have learned that they have had a relatively limited impact on changing the work lives of the self employed. Many of their problems are related directly to structural constraints within their trades: limited access to supplies of raw materials, markets, credit, and skills; lack of laws and policies protecting poor self employed workers; and other social and economic problems associated with poverty. It has become clear that for the self employed, struggle alone is not enough. Thus, SEWA also promotes what the organizers call "developmental activities".

SEWA's first developmental activity was a credit program for members. As mentioned earlier, one of the most persistent problems among the members is indebtedness to private moneylenders. Thus, during its first year SEWA took up a large program to link its members with low interest loans from India's nationalized banking system. This soon led to the formation of the SEWA Bank which today provides savings and credit services to thousands of poor working women in the city.

SEWA also has been instrumental in creating social security programs for self employed workers. A government sponsored life insurance program offered through the SEWA Bank is one of the first to reach self employed workers in

India. SEWA also has designed and implemented a maternity benefit scheme for members in response to an alarmingly high rate of maternal and infant mortality. A small self financed experimental program was initiated in 1975 and provided prenatal health care, training in nutrition and infant care, nutritional supplements, and a cash stipend to compensate members for their loss of income immediately following delivery. Since then, many kinks have been worked out of the program and today a similar scheme financed by the State Labor Ministry covers hundreds of members each year in both the urban and rural areas. The National Labor Ministry is also using it as a model for providing benefits to self employed women and has initiated pilot programs in several states. SEWA also supports several creches for the children of members and has a small trust fund to provide its poorest members with widowhood benefits, eye glasses, and legal services.

Since the mid 1970's SEWA has expanded its developmental activities by offering several training courses to members. Literacy training was initially the focus but it received a cool response. However, subsequent classes related to upgrading income generating skills were quite successful and the demand for skills training grew. Since then, work in this area has expanded. Training has been provided to vegetable vendors, garment sewers, bamboo workers, junksmiths, carpenters and hand-block printers, all of whom have benefited by learning to produce higher quality goods and/or to market more effectively, thereby realizing a broader market demand and wider profit margins.

In connection with their assistance to members working as sellers and producers, the organizers have become increasingly aware of problems they face in access to raw materials and markets. In 1978 SEWA established an Economic Wing to assist women in dealing with these problems. Since then several supply and marketing projects have been initiated which address the needs of women in specific trade groups. Junksmiths and carpenters, for example, collectively purchase bulk scrap metal and wood from local mills, and wastepickers have been organized to collect waste from local mills, banks, and government offices. Broom maker members regularly sell their products to local governmental institutions through a SEWA marketing project, and vegetable vendors have formed a cooperative which fills orders from local jails, hostels, and hospitals. All of these projects are organized on a cooperative basis. SEWA has further set up several non-profit marketing centers which offer members a chance to sell their goods directly to buyers, thus avoiding middlemen.

Cooperative production units also have been organized by women in several occupations. Most were previously employed by merchants as piece rate workers producing such goods as <u>papads</u> (a food), quilts, or block-printed textiles. In fact, the <u>papad</u> and quilt makers organized their own production units after strikes against the merchants failed to bring about wage increases. In both cases, following strikes the merchants cut off supplies of raw materials to many of those who had participated thus forcing them to seek an alternative means of livelihood. With SEWA's support, production units were started. Similarly, bamboo workers and block-printers organized their own cooperative production units following their participation in SEWA's skills training classes. Through these coops, the women purchase raw materials in bulk and are linked directly to markets, thus avoiding middlemen. A cooperative service unit which offers cleaning services to local institutions

has also been organized and gives regular employment to women traditionally working as wastepickers.

In addition to these urban based income generation projects, SEWA has also organized women workers in the rural areas outside of Ahmedabad. The Rural Wing has been very active in promoting non-farm employment activities for women agricultural laborers, including spinning and weaving of khadi (hand spun, hand woven cloth), carpentry, sewing, and women's milk cooperatives. Through these projects hundreds of women and their families have been provided a source of income for the long off-season agricultural months when they are unemployed. The Rural Wing also sponsors several programs in health, education, leadership training, and skills upgrading. The members of the milk cooperatives are linked to loans from the nationalized banks through SEWA and day care centers have been set up in several villages. The activities of the Economic and Rural Wings have expanded rapidly in the past several years and are the fastest growing area of the organization's work.

The Union's struggles have continued concurrently with these developmental activities and, as in most unions, SEWA's leaders have been active at the policy level. SEWA is unique, however, in that it is one of the first unions of self employed workers in a policy environment that has largely neglected its members. The leaders meet regularly with local, state, national, and even international officials of trade unions, governments, and development agencies, and lobby for the institution of labor laws, policies, and programs which support the self employed. They lobby for wage guidelines to give leverage to workers' demands for minimum wages, protective labor legislation, and policies which facilitate self employed workers' access to raw materials, credit, training, and markets. These efforts have served to broaden SEWA's impact beyond its own membership. Ela Bhatt, as SEWA's general secretary, has been particularly effective in pressuring for action at this level. Several breakthroughs have been made at SEWA's initiative. For instance, the latest Five Year Plan of India includes a sub-chapter on policies for the self employed; and the Labor Ministry of the State of Gujarat has recently set up a Board for Unorganized Labor which will regulate and oversee the wages and working conditions of headloaders and hand cart pullers in Ahmedabad's cloth market. These are only a few of many such examples. Despite these gains, however, SEWA feels that struggles on this front have only just begun. Moreover, the fight with policy makers is just the first step. Ultimately the final and perhaps most difficult battles are with traders, manufacturers, and labor contractors.

Organizationally SEWA members are represented by group leaders from each trade and full-time SEWA organizers. The Union is governed by an Executive Committee composed of representatives from various trades within the membership and several of the Union's leaders and organizers. The activities of the Bank are overseen by a Board of Directors which is made up largely of members. Organizers have assumed many of the managerial responsibilities required to run the activities of the Rural Wing, Economic Wing, and the Bank. While Ela Bhatt and the leaders of the TLA have played a central role in decision making through the years, the decision processes are becoming increasingly decentralized with organizers and group leaders assuming a greater role.

Research plays an important role in SEWA's work. The organizers have conducted socio-economic surveys of most of the trade groups among the mem-

bership to identify their problems and needs. Research is a two way process in organizing. The organizers usually contact hundreds of families while conducting surveys, develop face-to-face contact and learn about their problems and concerns. Those who conduct the survey typically become the organizers for that trade group. It is a means of establishing a foothold within the community, becoming a familiar face, and thus providing a strong basis for future organizing. Study prior to action is a regular step for SEWA in organizing new trade groups.

There is a very human dimension to SEWA and those involved. The organizers, members, and leaders have faced the challenge of working together with their share of mistakes, tears, conflicts, and humor. At one point, the organization had to come to the defense of a member accused of murder. Another member gave birth to a child in the TLA hall while waiting in line for a loan from the SEWA Bank. Pride in having the confidence to stand up and address a crowded meeting is evident in many of the members. And self employed workers have a new status in reading their own words in the national plan. The organization was catapulted into the national limelight in 1977 when Ela Bhatt, the general secretary, received the prestigious Magsaysay Award for her work with SEWA.

Women from various backgrounds have joined with SEWA as organizers. Teams consisting of both highly educated and uneducated, working class and middle class women are running the activities of the Union, Bank, Economic Wing and Rural Wing. This past year a woman with a Ph.D. in management gave up her other work to donate her services full time to SEWA. It is this type of extraordinary commitment which accounts for a great deal of SEWA's achievements. Songs and poetry about SEWA and its members have been composed and the women regularly join together to sing, pray, argue, and laugh. Neeruben Jadav, one of the original organizers, has named her granddaughter Sewa.

The Study

SEWA is widely recognized as one of the few and most successful organizations of poor women workers in the world. The purpose of the present study is two-fold: first, to provide a case study of SEWA's experience which can be useful to groups in other places interested in organizing the self employed; and second, to provide a documentation of SEWA's history which by reflecting on its strengths, weaknesses, and lessons of the past can be helpful to the organization itself in planning for the future. Although SEWA is only ten years old, the organizers realize there already is a rich history which might be lost if not systematically documented at this time.

The present report describes the problems and needs of SEWA's members and how the association works to address their needs. It documents how SEWA started and the evolution of its programs over time. The learning processes of the organization are emphasized to provide a view of what things were successful, what things were not, and some of the reasons why. The report further analyzes the effects of SEWA's programs on the members, their families, and their enterprises, on the development of leadership, and on policy. Finally, it discusses SEWA's experience in terms of its usefulness as a model for organizing self employed workers in other places. The study was conceived and has been supported by the Office of Urban Development of the U.S. Agency for International Development, Washington, D.C.

Methods

Early on it was decided that the person carrying out the documentation should come to SEWA, stay for a period of at least six months, live and work with the organizers on a daily basis, and participate in both the formal and informal activities of the Union. This was seen as crucial to developing an understanding of the organization and the women involved. It was felt that this process would prepare someone to write more knowingly and sensitively about SEWA. It was also decided that an outsider should take up the task to provide a "fresh" view of the organization, and to save the already overworked organizers from a time consuming task.

As a consultant to AID, I arrived in Ahmedabad in late November 1980, and after spending the first few weeks getting oriented with the patient support of Ela Bhatt, I was teamed up with Ranjanben Desai, an organizer who has worked with SEWA from its beginning. Much of my learning has been through Ranjanben, who served as an interpreter, guide and mentor. Mira Tanna also provided invaluable assistance as an interpreter and counsel in the field.

During the first two months we attempted to meet members in as many occupational groups as possible, visiting them in their workplaces and homes. While we sat together in the markets and talked with them informally, I tried to get a sense of their work and household environments and their links to SEWA. I also spent time in SEWA's Headquarters, at that time in the TLA Offices, in the midst of a constant stream of activity. The offices of Ela Bhatt and the other organizers are almost always filled with women from all over the city who have come with complaints, problems, and to discuss and plan SEWA's work. After nearly a year in Ahmedabad I am still in awe of how so many people and problems are dealt with all at once! I also spent time in the SEWA Reception Center, a nearby building housing many of the activities of the Economic Wing (and today SEWA's Headquarters). I had the opportunity to participate in many formal and informal meetings of the organizers, the members, and the leadership, including the Union's Executive Committee, the Bank Board of Directors, and the governing Board of the SEWA Trust. Over this period I came to know the leaders and organizers and many of the group leaders and members. After months of observing them in action, I developed a deep respect for their knowledge, skills, and commitment.

I concurrently made an attempt to review the existing documentation on SEWA, poking through whatever files and bookshelves were within reach. Much of the information in the present report is drawn from the many papers, letters, and other documents in SEWA's files. In January, I descended on SEWA Bank and spent several weeks reviewing loan records. During these weeks, I had a chance to observe members coming to make deposits in their savings accounts, pay installments on their loans, open accounts, or apply for loans. After reviewing the loan records, I chose a small sample of borrowers in various occupations to interview in depth. The intent was to learn more systematically about the operation of their trades, their employment and household characteristics, and how they used the loans from SEWA. One of the goals was to see how self employed women use credit and whether investments in their small trades have led to increased incomes and improvements in their enterprise and household environment.

Upon completion of the study of Bank members, the next phase or organized study involved oral history interviews with the organizers and group leaders and long discussions with other major actors within the organization. The goal of these sessions was to uncover the history of SEWA's involvement with various trade groups, the internal politics of the organization, its links to outside institutions, and the experiences of those participating in SEWA's many activities and programs. The women discussed the various trade groups they have been involved in organizing, the "how to" of organizing, and the ways they had been involved in struggle and development within the organization. They shared their perceptions of the problems of the members and the effectiveness of SEWA in addressing these problems. Many talked of their relationships with others in the organization, their role in decision making, and changes they have seen in SEWA over the years among the members, within the organization itself, and within themselves. They recounted their worst and best experiences and talked about their hopes for the future of SEWA.

SEWA's first and longest standing effort to organize a cooperative production unit has been with chindi 3/ workers. The next phase of work focused on studying the chindi trade in Ahmedabad and surveying SEWA members to assess the economic impacts of their participation in the cooperative.

To summarize briefly, my ten months in Ahmedabad revealed many of the complexities and constraints involved in organizing self employed women. However, it also became obvious that the organizers and members strongly believe that positive change is possible and are committed to acting on this belief. Through a process of experimentation and learning, SEWA's programs have evolved to become increasingly responsive to the needs of the members.

The study found that SEWA impacts the members in many ways:

- incomes have stabilized and increased for many women (e.g. Bank clients and those in training courses and cooperatives);
- incomes have been supplemented by social security programs (e.g. for women participating in the maternity benefit scheme);
- women now have a place to turn to with their problems. SEWA's complaints section deals effectively with both home and work related problems of the members;
- poor women have an opportunity to come together, interact with women from different trades and neighborhoods, and see their problems in relation to the wider community;
- women leaders have emerged and developed skills to speak and act on behalf of self employed workers;

3/ Chindi is waste cloth from Ahmedabad's textile mills. The women in the chindi project sew scraps of this cloth together into patchwork quilts or khols.

- policy makers have begun to recognize the needs of poor, self employed workers through SEWA's lobbying efforts.

The study also shows there are many lessons that can be drawn from SEWA's experience. One, for example, is that conventional trade union strategies are not wholly responsive to the needs of the self employed. Strikes organized by SEWA against merchants have been an ineffective tactic in several cases. This indicates a need for developmental activities (e.g. enhancing access to raw materials, markets, credit, training, and other productive resources) and for policies which are more supportive of this sector of the labor force. SEWA also has learned that expanding work into these areas requires the evolution of more democratic decision making patterns than are typical of many other trade unions.

Another lesson is the central role that banking can play in organizing the self employed. The SEWA Bank provides a means for SEWA to mobilize the members and organize women around a common need. However, SEWA has also learned that banking and credit are most effective when combined with other economic supports such as training activities, projects which improve access to raw materials and markets, and the organization of cooperatives. The Bank helps the organizers learn more about the specific trade related needs of the members. This knowledge has been used to create many of SEWA's more recent economic projects.

Another lesson concerns how to evolve an effective organizational structure. The present study found SEWA in need of some internal re-organization in the near future. The rapid growth of the developmental activities (e.g. cooperatives, training programs, economic projects) over the past three years has brought about a concurrent need to separate these activities from the Union activities (e.g. the complaints section, and other advocacy work). SEWA has found that the time, skills, tactics, and resources needed to work in these two areas are quite different and at present tend to interfere with one another when carried out under one roof by the same organizers. Several organizers are currently working on plans to revamp the internal structure.

A final example of a lesson concerns the limitation of working through an established, male-dominated organization. While the present study was in process, the world around and inside SEWA was in turmoil, and the organization found itself at a crucial turning point in its relationship with the TLA. In early February, 1981, a violent caste agitation broke out in Gujarat. The issue centered on the reservation of seats in medical colleges for Harijans, the lowest and poorest group within the caste system. Medical students and supporters from higher castes launched a campaign to abolish the reservation system which led to a serious outbreak of violent clashes between the two groups. Ahmedabad was consumed by stone throwing, bus burning, and mob violence for over two months. Several years of increasing tensions between SEWA and TLA came to a head during this period when Ela Bhatt made a public statement in support of the lower castes in violation of the TLA's policy of silence. Soon after this, Mrs. Bhatt was summarily dismissed as an employee of the TLA and SEWA was ordered to move its offices and Bank out of the TLA Headquarters and to remove the TLA's name from the sign outside the Reception Center. The TLA leaders resigned their executive positions in the SEWA Union, the Bank, and the Mahila SEWA Trust. In August, SEWA was

disaffiliated from its central union, the National Labor Organization, which is controlled by the TLA's leaders. These moves all came very quickly and harshly with little opportunity given for SEWA to protest.

In May, SEWA re-established itself physically in the SEWA Reception Center. Since then, it has had to assess its losses and gains from the split and institutionally establish itself vis-a-vis Gandhian institutions, women's organizations, and trade unions in the country. Although the split initially was disruptive, after a few months, it became clear that SEWA is now in a better position than ever to wholeheartedly pursue its goals.

The present report details these and many other lessons which can perhaps be useful to other groups interested in organizing. With the lessons of the past to build upon, SEWA moves into its second decade with a clearer view of the task ahead and a new freedom to move forward. The coming years promise to be an exciting if crucial time of struggle and development for SEWA and its members.

PART I: SETTING THE SCENE

CHAPTER 1: SEWA'S ROOTS: GANDHI AND THE TEXTILE LABOR ASSOCIATION

SEWA was born as part of the Women's Wing of the Textile Labor Association (TLA) of Ahmedabad. The TLA is India's oldest and largest union of textile workers and was founded in 1917 by Mahatma Gandhi. The union has been involved in social, educational, and trade union activities among textile workers and their families for over six decades and today has a membership of over 130,000. To help understand the unique organizational context from which SEWA has emerged, it is perhaps useful to review briefly the history of the TLA. 1/

A. The Early Years of Organizing Textile Workers

The roots of the TLA can be traced back 75 years to the work of Ansuyaben Sarabhai, the daughter of a multimillionaire family of millowners. After completing her studies in England in 1914, Ansuyaben returned to India and dedicated herself to serving the poor. She took up social work among Ahmedabad's millworkers, many of whom were recent migrants to the city. She regularly visited their families in the crowded, squalid neighborhoods where they lived, organized literacy and hygiene classes, and worked in many ways to improve their living conditions. At this time, her work with urban laborers had perhaps no parallel anywhere in India. Through her activities she became a familiar figure in the city's labor areas and grew increasingly aware of the workers' problems both at home and in the mills. In 1916, Mahatma Gandhi learned of her work and visited the schools she had organized. He was very impressed with her work, and from that point on backed Ansuyaben in her lifelong commitment to supporting the struggles of millworkers. One significant fact that influenced the future work of the TLA was that she entered the lives of the workers primarily through their homes and family. The equal importance given to both the occupational and family lives of its members has been reflected in the TLA's work ever since its inception.

In 1917 there was a serious outbreak of plague in Ahmedabad. Many of the millworkers continued to work despite the obvious hazards to their health. A group of About 500 workers felt they deserved compensation for risking their lives and began agitating for a wage increase in return for keeping the mills open. However, they were inexperienced in organizing and turned to Ansuyaben to lead them in a strike against the millowners. Ansuyaben also was inexperienced in organizing and was unprepared to become such a visible public figure. However, she was committed to the cause of the workers and therefore accepted their

1/ Much of this chapter borrows from the Textile Labor Association's pamphlet, "Six Decades of Textile Labor Association Ahmedabad," published in 1977.

request. Nothing like this had happened in Ahmedabad before. After giving the millowners (one of whom was her own brother) 48 hours advance notice, she led the workers in a strike which ultimately resulted in a 75% increase in wages as a Plague Bonus.

Within a year the plague subsided and the millowners planned to stop the bonus. At this time, 10,000 workers joined together to protest this action. The cost of living at the close of World War I was rising sharply and they demanded that in place of the Plague Bonus they should be paid at least a 50% increase in Dearness Allowance. The millowners were adamant in refusing to grant any increase and the atmosphere between the workers and owners became tense. In February 1918, Ansuyaben's brother, one of the wealthiest millowners in India, met Gandhi in Bombay and requested his intervention. Gandhi immediately came to Ahmedabad to discuss the situation with both sides. After his initial meetings he suggested that a committee of arbitrators be formed representing employers and employees. The committee was established, but soon after, because workers in some of the mills had gone on strike, the millowners withdrew their representatives and declared a lock-out.

At this time, Ansuyaben, as a representative of the workers, sought the help of Gandhi. He was committed to securing the rights of the workers and establishing the principle of arbitration and thus willingly offered his services. His first step was to carefully study the wages and cost of living then prevailing in Ahmedabad. On the basis of this he recommended to the workers that they reduce their demand to a 35% increase. After much persuasion, the workers agreed. However, the owners refused even to consider it. So Gandhi led the workers in a strike using his concepts of "truth" and "non-violence" as the basis for action. Ansuyaben and Shankarlal Banker joined with Gandhi in leading this first large-scale strike of textile workers. After 22 days of hard negotiating and a fast by Gandhi, an arbitration board reached a compromise decision granting a 27.5% increase in wages to the strikers. The most significant outcome of the struggle was the acceptance on both sides of the principle of arbitration, thereby laying the groundwork for solving future disputes between employers and employees peacefully. The present day trade union movement in India owes much to these early efforts of Ansuyaben Sarabhai, Mahatma Gandhi, and Shankarlal Banker, the founders of the TLA.

B. Gandhian Ideology as a Basis for Organizing Labor

Involvement in this struggle led Gandhi to evolve his ideology of a trade union movement. He believed that any public philosophy in order to be meaningful and to grow from existing ideas and values would have to draw upon the existing social relations. Gandhi called the TLA a laboratory for testing his trade union techniques and methods of truth and non-violence in industrial relations. Based on the experience of the Ahmedabad strike, Gandhi formulated the principles of a labor movement grounded in the Indian context. These ideas

subsequently spread to industrial centers throughout the nation. They provided the foundation for the future work of the TLA in organizing textile workers and SEWA in organizing self employed workers.

The principle of truth is central to Gandhian thinking. It is a convergence of many ideas including those of trusteeship, non-possesion, purity of means, the good of all, and faith in human nature. These basic principles are fundamentally important to Gandhi's approach to economic and social action. It is perhaps useful to preface a discussion of these ideas by pointing out that while Gandhi did not deny the existence of class conflict, he did not see the necessity of fomenting it. He believed that by organizing, labor would eventually gain the same weight as capital and thereby the same status and dignity. While other labor organizers see the interests of capitalists and workers to be in direct conflict, Gandhi saw them as co-partners in production.

Trusteeship was seen as one means to achieve this co-partnership and to promote equality and serve the interests of the poor. By economic equality he meant not that everyone literally has the same amount, but simply that everyone should have enough for his or her needs. Possessing anything beyond one's needs was considered by Gandhi to be stealing. He believed that those owning property and wealth beyond their needs should retain their riches but consider themselves as "trustees" of it and use it for the benefit of society as a whole. Gandhi asked the wealthy to hold their riches in trust for the poor. He did not advocate dispossessing the rich through violence. Rather through non-violent means the rich should be pursuaded to use their wealth for the good of the state. 2/

Purity of means is also a basic principle of Gandhism. According to Gandhi, it is not sufficient that the end to be achieved is desirable and good. The means to achieve that end must also be pure. He believed the two were inseparable and the realization of a goal was in direct proportion to its means. Gandhi once said, "means are after all everything," and equated means to a seed and ends to a tree (Textile Labor Association, 1977).

Gandhi did not believe in the greatest good for the greatest number but rather in Sarvodaya and Antyodaya, or good for all in an absolute sense. Faith in human nature and the inherent goodness of human beings was also central to his thought.

These principles all converge in the Gandhian concept of truth. Truth, another name for God, is considered by Gandhi to be both the ideal and the means to the ideal. All of his principles and means spring from this concept. But he also believed that truth was not the same for everyone, which means that mutual tolerance and avoidance of dogmatic assertion are necessary. Most importantly, truth could only be

2/ See Kannappan (1962) for a critcal discussion of Gandhi's theory of trusteeship as practiced by the TLA.

realized through non-violence. By this Gandhi meant both non-killing and avoidance of injury to anything on earth in thought, word, or deed. Exploitation was seen as the essence of violence. Arbitration was seen as the natural corollary to non-violence (while violence coerces, arbitration converts).

Gandhi was also a supporter of women's entry into the mainstream of public life. He once stated: "Woman is the embodiment of sacrifice and suffering, and her advent to public life should, therefore, result in purifying it, in restraining unbridled ambition and accumulation of property." 3/ He had a strong belief in the strength and courage of women.

> "To call woman the weaker sex is a libel: it is man's injustice to woman. If by strength is meant brute strength, then indeed is woman less brute than man. If by strength is meant moral power, then woman is immeasurably man's superior. Has she not greater intuition, is she not more self sacrificing, has she not greater courage? Without her man could not be. If non-violence is the law of our being, the future is with woman." 4/

Gandhi believed in creating positive organized strength by awakening the conciousness latent in workers. By developing the personality a worker should be able to hold his or her own against tyranny from employers or the state. To develop this strength he believed that a union should cover all aspects of workers' lives, not only in the factory but also at home.

The TLA, as an embodiment of Gandhi's ideas, has been a pioneer in expanding the functions of unions. It has acted throughout the years on Gandhian principles and has tried to demonstrate that they can be translated into practice and lead to results. Its work in industrial relations and in providing extensive services in social welfare for its members embodies these ideas.

In industrial relations the TLA has emphasized settling disputes through constitutional and peaceful means. Strike is considered an inherent right of the workers, but the last weapon. Throughout its work, the TLA has stressed strict discipline, restraint, and avoidance of bitterness and violence. Demands are formulated only after thorough economic and social investigations are carried out. Membership involvement in the struggle to achieve the demands is imperative. Voluntary (rather than mandatory) arbitration on the part of workers and owners is stressed. Machinery for regular consultations between management and unions for voluntary arbitration and settling grievances attempts to strengthen the loyalty of members to the union.

3/ As quoted in Bhatt (1976).
4/ Ibid.

In addition to industrial relations, the TLA has participated in the social and economic development of the community by providing library and reading rooms, medical aid, gymnasiums, educational activities, and training in time use and budgeting. It also has been involved in the provision of cooperative credit services, housing, consumer societies, and other social welfare activities.

The TLA can perhaps best speak for itself. Its principles, which are inseparable from Gandhian thought, have been put forth as follows:

1. The workers and their leaders should make reasonable and just demands and insist on the minimum. They should always be ready for alterations in their proposals if the opposite party is able to convince them that they are in the wrong.

2. The weapon of strike should be the last one in the armory of the industrial workers. It should be resorted to only when all peaceful and constitutional methods of negotiations, conciliation, and arbitration are exhausted. Even during the course of a strike, workers should be prepared for just settlement or reference to arbitration.

3. Peaceful and non-violent behavior even under provocation is the *sine qua non* of obtaining justice through any mass struggle of this type. While on strike, workers should be careful not to damage the property or injure the person of anybody. They should not bear ill-will towards the employer or their officers, as the workers have to fight the evil in the employers, and not the employers personally.

4. The workers should maintain their self-respect, and, therefore, they should not rely on the funds raised from the public or by sympathisers for conducting a strike. A worker on strike should try to find an alternative occupation to maintain himself and his family during such period. No work should be considered low and below one's dignity.

5. A strike is a form of *Satyagraha* (literally, insistence on truth, clinging to truth, soul force). A striker, therefore, should not succumb to hardship. Once he resolves to resort to strike, he should stick to his determination.

6. While on strike, the worker should be truthful, non-violent, and courageous. He should be prepared for voluntary sacrifice and keep faith in God.

7. The worker is a co-partner of the industry, and as such his responsibility to the industry and the community is great.

8. Gandhi has enjoined on those who work for labor not to behave as if they are pleasers of workers whether their demands are right or wrong. If the demands are unreasonable, it is the duty and responsibility of those who claim to guide them to point it out to them. They should be prepared even to sever their relations with them if the workers insist on unfair demands or resort to violent methods. 5/

C. The Years of Growth

On February 25, 1920 Gandhi formally inaugurated a union of textile workers in Ahmedabad which grew to form the present day Textile Labor Association. Ansuyaben Sarabhai was the president until she died in 1972, with Mahatma Gandhi and Shankarlal Banker (who is still with the TLA) as advisors.

The struggles of the millworkers continued throughout the 1920's. During its first years the union's activities were characterized by friction and confrontation with the millowners. The TLA called a second strike in the spring of 1923. At this time the millowners cut wages by 20%, then rejected the workers' demands for minimum wages with a sliding scale and refused to approach an arbitration board. The strike lasted 65 days during which time, in accordance with Gandhi's principles, relief work was provided to the mill employees so they had some means of self-support. Through this and subsequent conflicts the spirit of the Gandhian approach developed, and mediation and arbitration between workers and owners became the established means through which disputes were settled. Operating on the principle that keeping the mills open was in the interest of both the workers and the owners, the TLA through the years has used the strike as the last resort in any dispute. The TLA today boasts that it has not organized a strike in over fifty years. This approach apparently has been effective in securing fair wages and improved working conditions in the mills.

In addition to industrial relations, the union became increasingly involved in the lives of the workers and their families in civic affairs and in state and national politics. A basic assumption in its work has been that the labor union movement has a social responsibility. It has been active in the prohibition movement, promoting the sale of hand woven cloth known as khadi, and other social work. In the 1930's the TLA was active in the national civil disobedience movement and proposed an amendment to the national constitution to support the goal of nationalization of the textile industry. In 1942 the textile workers participated in a 105 day strike as a protest against British rule, and several of the TLA leaders were imprisoned during the Quit India Movement. In addition to participating in the independence movement, the TLA continued lobbying state and national political bodies on behalf of the millworkers. They also took up training activities and established a cooperative bank. Soon after independence, the TLA

5/ TLA, 1977. op. cit.

was instrumental in setting up the Indian National Trade Union Congress (INTUC). The membership of the TLA has steadily grown from about 12,000 in 1926, to 50,000 in 1946, 104,000 in 1966, to today's membership of over 130,000.

D. The TLA Establishes a Women's Wing

Against this background of active involvement in industrial relations, social work, and local, state, and national politics, the ideological base provided by Gandhi and the feminist seeds planted by Ansuyaben Sarabhai led to the creation by the TLA of the Women's Wing in 1954. Its original purpose was to assist women belonging to households of millworkers and its work was focussed largely on training and welfare activities. By 1968, classes in sewing, knitting, embroidery, spinning, press composition, typing, and stenography were established in centers throughout the city for the wives and daughters of millworkers. In each year since then over 1,000 women have received training in these activities.

The scope of its activities expanded in the early 1970's when a survey was conducted to probe complaints by women tailors of exploitation by contractors. The survey brought out other instances of exploitation of women workers and revealed the large numbers untouched by unionization, government legislation, and policies. At the same time, women working in various economic activities had their first exposure to the TLA Women's Wing.

In 1971 a small group of migrant women working as cart pullers in Ahmedabad's cloth market came to the TLA with their labor contractor. He had heard of a transport workers' union organized by the TLA and thought they might be able to help the women find some housing. At the time, the women were living in the streets without shelter. They were sent to see Ela Bhatt, the head of the Women's Wing. After talking with the women in her office, she went with them to the areas where they were living and then to the market area where they were working. While there she met another group of women who were working as headloaders, carrying loads of cloth between the wholesale and retail markets. As she sat with them on the steps of the warehouses where they waited for work, they discussed their jobs and their low and erratic wages.

As self employed workers, the headloaders were earning wages on a per trip basis from cloth merchants. However, no formal records were kept on the number of trips they made each day and they were not always paid what they were owed. Another problem was that the amount paid to them was not fixed according to distance traveled or weight carried. The Women's Wing decided to organize a general meeting for the women in the cloth market to discuss their problems. During the meeting, the women agreed to organize themselves into a group and each paid 25 paise as a membership fee.

Following the meeting, Ela Bhatt wrote an article for a local newspaper and detailed the problems of the headloaders. The cloth merchants countered the charges against them with a news article of their own denying the allegations and testifying to their fair treatment of the headloaders. The Women's Wing turned the release of this story to their own advantage by reprinting the merchants' claims on cards and distributing them to use as leverage with the merchants. The women intended to hold them to their asserted claims of generosity.

E. SEWA is Born

Soon word of this effective play spread and a group of used garment dealers approached the Women's Wing with their own grievances. A public meeting of used garment dealers was called and over 100 women attended. During the meeting a woman from the crowd suggested they form an association of their own. Thus, on an appeal from the women -- and at the initiative of the leader of the Women's Wing, Ela Bhatt, and the president of the TLA, A. N. Buch -- the Self Employed Women's Association was born on December 3, 1971.

The women felt that as a workers' association SEWA should establish itself as a trade union. This was a fairly novel idea: first, because the self employed have no real history of organizing unions; and second, because trade unions have no history of organizing the self employed. The first struggle SEWA undertook was obtaining official recognition as a trade union. Indian labor laws regulating the registration of trade unions recognized as legitimate only those unions where a specific employer-employee relationship existed. The Labor Department objected to SEWA as a union on the grounds that its members had no identifiable employer. With the support of the nationally recognized TLA, SEWA challenged this definition of a union. They argued that the self employed, like other groups of workers, have a right to organize for fair wages, decent working conditions, and a supportive economic environment. A union for self employed workers should be recognized as legitimate. After a long series of meetings, on April 12, 1972, the Labor Commission and the State Labor Department agreed to accept a broader interpretation of the law. On that date SEWA became duly registered as a trade union of self employed women workers.

The next step was to conduct a survey of self employed women to learn more about the various trade groups. A small group of organizers set out to learn as much as they could about the many unorganized women workers in Ahmedabad. They found that the self employed were outside the reach of labor laws and lacked protection in terms of wages, health insurance, retirement, pensions, and numerous social security benefits. This contrasted to many workers in the organized sector who, through unions, had pressured the government to provide protection in these areas.

The women fell into three primary groups, including small-scale sellers, home-based producers, and laborers. Within their trades, employer-employee relationships in the traditional sense did not exist, and fixed hours and established wage rates were uncommon. SEWA's organizers found that several groups of the poorest self employed women worked for merchants or traders on a piece work basis. Employment was erratic, and the women often had to wait around the work site until their services were needed. Groups working as street vendors encountered police harassment and often were forced to pay bribes to be allowed to sell in a particular officer's territory. Many of the women had no access to child care and their children accompanied them to the work site. Most were illiterate, lived in slums or on the streets, and had large families to support. A majority did not own their tools of production, the their households had large debts on which they paid high interest rates. The organizers found that other than SEWA, there were no organized bodies to represent workers' interests. Three major problems in the workers' lives were initially identified: lack of capital, harassment by police and municipal authorities, and poverty-induced family problems. It was around these issues that the early organizing work centered.

SEWA organized hundreds of meetings in the labor neighborhoods throughout Ahmedabad. In these meetings the women discussed their problems and the aims of SEWA. The organizers attempted to gain acceptance through women community leaders. Only after long discussions did the women begin to trust the organizers and encourage other women in their trade groups to join SEWA. These community leaders made up a board of over 100 group leaders representing the different sections of the membership. These leaders knew the workings and problems of their trades and knew the members in their work places and their homes. The group leaders provided a crucial link between SEWA and the members who were scattered throughout the city.

The organizers found that the members' primary and immediate interests converged on some means to increase their incomes. Lack of capital seemed to be the most pressing problem within all the trade groups, and thus SEWA's first efforts centered on finding cheaper sources of credit for its members. The events that followed in the next several years led to an organized association of self employed women workers which today contains a woman's bank; a union which leads the workers in struggles against merchants, the police, and municipal authorities; cooperative supply, production, and marketing units; skills training courses; rural income generating activities; creches; social security schemes; marketing centers; and several other programs.

Before detailing the evolution of SEWA, the context for its emergence must be set. We need, therefore, to first review the constraints Indian women confront within the labor market, Ahmedabad's informal sector, and, more specifically, the household and enterprise characteristics of Ahmedabad's self employed women.

CHAPTER 2: WOMEN IN THE INDIAN LABOR MARKET

While employment is a widespread problem in India, for women it is more so. Compared to men, labor force participation rates are lower, unemployment rates are higher (and highest for urban women), and women are consistently over represented in a narrow range of low skill, low wage occupations. It is evident that employment opportunities, occupational structure, work patterns, time use, and earnings differ substantially between men and women and that women's status as workers has declined steadily over the past decade. These problems are related to social, cultural, demographic, and economic constraints which have influenced both the supply of and the demand for women workers. The resulting sex segmentation within the labor market relegates women to low return jobs at the same time families, especially among the poor, increasingly are dependent on women's earnings for their survival. The disadvantages and declining position of women workers, coupled with the growing importance of women's earnings for family well-being, underscore the need for new strategies to promote employment opportunities for women.

A. Sex Segmentation in the Labor Market

A brief overview of studies on the Indian labor market reveals this subordinate status of women workers. The 1978 National Sample Survey shows that the reported number of women in the labor force (57.5 million) is significantly lower than the number of men (201.1 million). These figures seem to indicate that relatively few women work. In fact, they disregard much of women's work in the household and non-market economy, and as a result the figures underrate the actual number of women workers and undervalue their substantial contribution to the economy (Buvinic and Youssef, 1980). This perpetuates the notion that women are "marginal" workers, or "supplemental" earners, despite their important role in the work force and as principal earners for their families.

Despite these common measurement problems in Indian labor force data, existing macro and micro studies provide a rough picture of a highly sex segmented labor market which relegates women to a secondary position.

1. Labor force participation of women

The overall participation rate for women aged 15 to 59 in the Indian labor force as recorded in 1978 was 36.0%, compared to 89.2% for men in the same age group. Participation rates for women were 39% in the rural and 22% in the urban areas (Table 2.1).

The age distribution of the female labor force shows that almost half (48.1%) of all women workers are in the 20 to 39 year age group (Table 2.2). This suggests that marriage and child bearing do not act as a major force in deterring women's labor force participation. In fact, it is likely that the greater economic need of families during these years necessitates women's labor force participation. The phenomenon of women re-entering the labor force after the child bearing years, so common in Western countries, is not prevalent in India (S. Mukhopadhyay, 1981).

Labor force participation is higher among lower caste compared to higher caste women. In some cases this is due to upper caste norms and modes of behavior which restrict women from high caste families (especially in rural areas) from working outside their homes. Most often, however, the sho

pressure of poverty among lower caste groups means work is not a choice but a necessity (S. Mukhopadhyay, 1981).

Table 2.1 Distribution of Persons aged 15-59 by Weekly Activity, 1977-1978.

	Male	Female	Total
TOTAL			
1. Inside Labor Force	89.2	36.0	62.4
2. Outside Labor Force	10.8	64.0	37.6
3. Total	100.0	100.0	100.0
RURAL			
1. Inside Labor Force	90.4	39.3	65.0
2. Outside Labor Force	9.6	60.7	35.0
3. Total	100.0	100.0	100.0
URBAN			
1. Inside Labor Force	84.8	22.2	55.5
2. Outside Labor Force	15.2	77.8	44.5
3. Total	100.0	100.0	100.0

Source: Seal, 1981. Table 3.4. Figures based on the National Sample Survey, 32nd Round, 1977-78.

Table 2.2 Distribution of the Female Labor Force by Age. India, 1971.

Age Group	Percent of Total Female Labor Force
0-14	9.1
15-19	11.0
20-29	25.1
30-39	23.0
40-49	16.9
50-59	9.5
15-59	85.6
60+	5.3
Total:	100.0

Source: S. Mukhopadhyay, Table 5, p. 118.

Another characteristic of female labor force participation is that it fluctuates more than men's over the course of the year, primarily due to the large number of women seasonal workers (Bardhan, 1979).

A report by the Committee for the Status of Women in India (Government of India, 1981) points out the trend of a steady decline in women's employment since 1971. It shows that the population of women workers has decreased both in proportion to the population of women and as a percentage of the total labor force. Moreover, this decline has been in every sector of employment, except for a marginal increase in the percentage of white collar workers. The rate of decline has been greatest in the service and industry sectors. (See Table 2.3 below).

Table 2.3 Trend in Distribution of Women Workers 1911-1971.

	Agri-culture	Industry	Service	Total	Female Workers as % of Total Female Population	% of Total Labor Force
1911	74%	15%	11%	100%	34%	34%
1931	72%	14%	14%	100%	28%	31%
1951	77%	11%	12%	100%	13%	29%
1971	80%	11%	9%	100%	12%	17%

Source: M. Mukhopadhyay, 1980. Appendix 6.

2. Structure of the female labor force

Women comprise a lower proportion of the urban work force (18%) compared to the rural (35%); nonetheless, their participation in the labor force is becoming increasingly urbanized. While in 1961 the ratio of urban to rural women workers was only one to fourteen, by 1971 this had increased to one to eight. Despite this trend, over 90% of the female workers remain in the unorganized sector, and 97% in unskilled jobs (Krishna Raj, 1980).

According to labor force figures from the 1972-73 National Sample Survey, 83% of women workers are in the agricultural work force and 17% in the non-agricultural work force. Among men, a lower proportion (70%) are in the agricultural sector (Seal, 1981). In Gujarat, one study found 95% of rural women workers -- compared to 75% men -- are engaged in agriculture (Hirway, 1980).

Within the agricultural sector, half of all women work as agricultural laborers and, of this half, four out of five women work as helpers in household or non-farm activities or as casual laborers (often seasonal). By comparison, only two out of five men work in these low level occupations (Seal, 1981). Not suprisingly, women are concentrated in those agricultural jobs with lower wage rates. Moreover, they are more apt to be seasonal work-

ers and thus face forced idleness. All of these factors add up to substantially lower annual incomes for women in the agricultural sector (S. Mukhopadhyay, 1981).

The 1971 census indicates a large rise in the number of women agricultural laborers. This has been variously explained by changing production relations, increased skewness of land distribution,and higher propensity among marginal cultivator households for men to remain at home and women to work outside as laborers (S. Mukhopadhyay, 1981). Another reason advanced is that these jobs are the lowest paid agricultural work. At least one study from Maharashtra has shown that when wage rates for hired laborers are low, men stay on family farms and women go to work elsewhere as wage earners (Dandekar and Sathe, 1980).

Turning to the non-agricultural sector, not only is the proportion of women working here less than men, but again they are increasingly concentrated in the lowest stature and lowest paying jobs in the unorganized sector. A very small proportion of women are working in the organized sector, and trends show that even this small proportion is declining. The proportion of women workers in factories declined from over 10 percent in 1963 to 8.7 percent in 1972. Within factories 90 percent of the women workers are found in unskilled or semi-skilled jobs in a few operations (S. Mukhopodhyay, 1981). This is one reason why technological innovations have struck women so hard. Studies from the state of Maharashtra have shown that those industries where employment has been hardest hit by the increasing use of capital intensive technologies -- such as textiles, food products and tobacco -- have traditionally employed women (Krishna Raj, 1980). A study from Ahmedabad also shows that the proportion of women in the organized sector has been decreasing (Papola, 1978).

Similarly, in the unorganized non-agricultural sector women are concentrated in low level occupations such as domestic service, unskilled labor, scavenging, construction work, sanitary services, and bidi making. In many cases the burden of poverty is highest among these women -- many of whom are principal earners for their families, supporting unemployed or casually employed men (or they are widows). There is evidence of a steady increase in the number of women working as unskilled workers in static occupations (S. Mukhopadhyay, 1981). Table 2.4 shows the over-representation of urban women workers in the self employed and casual worker categories and their under-representation among wage earners, further indicating their lower status.

Table 2.4 Distribution of Person Weeks of Work in the Urban Work Force by Current Activity Status and Sex, 1978.

	Male	Female
Self Employed	36.0	44.3
Wage/Salary Earners	52.5	26.0
Casual Workers	11.5	29.7
	100.0	100.0

Source: Krishna Raj, 1980, Table 7.

One author has suggested that those activities in which women are most likely to find some form of secure employment and more or less equal status to men are as professionals in their own right, regular salaried employees, or wage laborers in non-farm enterprises. Female workers in these groups number around 3.4 million, or less than 5% of the entire female work force in India. Further, there are indications that female employment in all of these groups is declining (Seal, 1981).

3. Male/female earning differentials

Not only are women channeled into lower paying occupations, but available data on earnings presents a picture of persistent income differentials between men and women in the same jobs. Micro studies show that although these differentials in part may be due to differences in work performed and productivity, in many cases women are paid less for doing the same work as men.

In agricultural and related activities there is a higher concentration of females in lower paying operations. Operations with higher wages (like ploughing) are dominated by men, but even in those jobs employing both sexes, men often earn more for doing the same work. This also holds true for jobs employing primarily women (P. Bardhan, 1979; K. Bardhan, 1979; Parthasarathy and Rama Rao, 1979; as cited in Mukhopadhyay, 1981). The evidence from Gujarat, however, indicates this is not a universal phenomenon. One study shows that although there is a systematic division of labor on the basis of sex in agricultural work and that male dominated jobs fetch higher wages, the wage rates for common operations are found to be similar for males and females (Hirway, 1972).

Information on earnings differentials in the informal sector is scanty but generally supports the pattern of women working predominantly in the lowest paying jobs and earning less than men for the same work performed.

In small-scale enterprises such as bidi making, shellac manufacturing, cotton ginning, and rice milling, women are generally found in unskilled jobs, and earn only 65% to 75% as much as men for the same work (Gambhir, 1970, as cited in S. Mukhopadhyay, 1981).

In Kerala's cashew processing industry, 90% of the workers are women. Two out of seven operations in processing the cashews are dominated by men -- the two with the highest minimum wages. Moreover, men are paid on a daily and women on a piece rate basis (Kannan, 1978, as cited in S. Mukhopadhyay, 1981). The coir industry is also women dominated and, here too, a sexual division of labor among operations is found (Mathews, 1979, as cited in S. Mukhopadhyay, 1981).

In the organized sector women again are concentrated in low paying jobs. The ratio of female to male workers in the various income groups in both the public and private sector is 2.58 for the lowest income groups and steadily declines to 0.18 in the highest (Patel and Shah, 1978 as cited in S. Mukhopadhyay, 1981).

4. Unemployment

Not only are women workers concentrated in a narrow range of low paying, low level jobs, they also face a problem of increasing unemployment. While the current data must be interpreted with caution due to the definitions of work and worker which inadequately reflect women's labor participation, they point

to a higher degree of both unemployment and under-utilization among women than among men. Table 2.5 shows that unemployment is highest for urban women. As the urban female labor force is growing fast, these figures suggest that there is a pressing need for expanding urban employment opportunities for women.

Table 2.5 Number of Person Weeks of Unemployment as a Percent of the Number of Person Weeks in the Labor Force.

	1972-73	1977-78
RURAL - Male	3.1	3.9
- Female	5.7	4.4
URBAN - Male	6.1	7.6
- Female	9.8	11.9

Source: Seal, 1981, Table 4.2

The problem of unemployment among rural women is also severe. Micro studies show that unemployment is much higher among women in agriculture than among men (S. Mukhopadhyay, 1981). In spite of the recent improvement in rural women's position as indicated in table 2.5, one study suggests that the potential unemployment rate for rural women agricultural workers may be as high as 40 percent in some cases (P. Bardhan, 1979).

B. Some Reasons Underlying Market Segmentation

The picture that emerges from both macro and micro studies is one of a labor market highly segmented on the basis of sex. What are the constraints which relegate women to these low-level, low-skill jobs in the unorganized sector? It appears that institutional and cultural factors restrict both the supply of and demand for women workers.

1. Supply factors

On the supply side, low levels of skills and education, the presence of young children, and lack of time due to their household responsibilities are offered as explanations for the lower participation rates of women. However, these factors tend to be over-emphasized and do not totally explain women's secondary status once they enter the labor market. Furthermore, the rising female unemployment rate indicates that the supply of women workers is increasing at a faster rate than demand. This suggests that constraints in demand may be larger barriers to women's employment than supply factors.

Supply factors, while inadequate in fully explaining women's limited success rate in gaining access to employment, in some sense may condition the demand for women workers. For example, mothers are often perceived as less committed workers and thus may not be considered suitable for certain higher return jobs or worthy of wages equal to men. However, out of economic necessity, especially in poor families, women often have no choice but to work. Under these circumstances, whether or not to "supply" their labor becomes a moot point. Despite low skill levels, children, or household responsibilities, women must work for their families to survive. Supply constraints to some extent may contribute to women's limited access to employment, but taken alone,

they do not fully explain the extent of sex segmentation which women face in all sectors.

2. Demand factors

Institutional and structural constraints which limit the demand for women workers help to explain more fully their secondary status. Certain structural features of the economy in India are squeezing women out of jobs in the organized sector, and channeling the growing female labor force into the already overcrowded unorganized sector. As mentioned earlier, factory employment for women has declined (Table 2.6). Evidence suggests that this is partly due to the rapid adoption of capital intensive technologies, particularly in those industries (such as textiles, food products, and tobacco) where traditionally women have been the primary workers. The decline may also be due to protective labor legislation, which factory employers claim make the women workers more expensive.

Table 2.6 Female Employment in Factories Submitting Returns 1963-72

Year	Percentage of Female to Total Workers
1964	10.17
1966	8.96
1968	8.51
1970	9.25
1972	8.73

Source: S. Mukhopodhyay, 1981, Table 1.

Another factor pushing more women into the unorganized sector in the decline of opportunities for employment in household industries (which are being displaced by large scale manufacturers). Socio-cultural norms of a sexual division of labor also serve to restrict the demand for women in certain higher return occupations. There are indications that when poverty is extreme, particularly among urban women, the sexual division of labor breaks down under its sheer pressure. Several studies of poor women working in the urban informal sector show this, however they do not indicate a trend of upward mobility for women (Singh, 1978).

Several other reasons for sex segmentation in the labor market cannot be classified easily as supply or demand factors. The restricted physical mobility of women makes it difficult for many to travel or work long distances from their homes. Limited access to credit, technology, and training also places constraints on women in the labor market and limits their range of options for work.

Thus, the reasons for women's over-representation in the lowest level jobs in the informal sector relate to a range of institutional and socio-cultural factors: displacement from the organized sector, decline of house-

hold industries, limited access to credit, technology, training, and other productive resources, and socio-cultural adherence to notions of a sexual division of labor.

C. Problems of Urban Women Workers

In the face of mounting employment problems throughout the nation, urban women are facing some of the most pressing problems. The projected rate of growth of the urban female labor force is higher than for any other group (Table 2.7). However, job opportunities for urban women are not keeping up with their increase in supply and, as a result, their unemployment rates are also rising.

Table 2.7 Projected Annual Growth Rate of Indian Labor Force (1980-1985)

		Percentage
Women		2.39
	Urban	3.61
	Rural	2.20
Men		2.45
	Urban	3.39
	Rural	2.18
Total		2.45
	Urban	3.44
	Rural	2.19

Source: Government of India, Sixth Five Year Plan, 1980-85, Annexure 13.1.

Furthermore, the dual burden of work both within and outside the household may place considerable limitations on urban women as the environment does not allow for easy integration of housework, child care and income generation. (In rural areas this may not always be as difficult.) Housing problems, lack of amenities like water and sanitation facilities, the absence of immediate help from other family members, and a greater dependence on cash place extra strains on urban women. Moreover, in many cases, urban jobs imply a need for contact with official agencies and work contractors. Because of convention, this can be a problem for women. Their relative immobility and need for jobs nearby the home or within the household hinders collective action and participation in worker struggles. Sex-segregated jobs add to women's exclusion from political processes, the organized labor movement, and urban social structures (Krishna Raj, 1980).

In sum, women in India operate in a labor market highly segmented on the basis of sex. Over 90 percent of women workers are in the unorganized sector in low level jobs which are untouched by labor laws and where wages are low, hours of work are long, and social security benefits are non-existent. Income generating opportunities simply are not keeping up with the number of women

who need jobs. Unemployment rates are greater for women than for men, and highest for urban women. At the same time, more and more women must take responsibility as primary earners for their families due to divorce, widowhood, or the inability of male family members to work. Women's secondary earnings are also crucial, especially among the poor. As one moves down the income scale, the importance of women's contribution to household income increases (Krishna Raj, 1980). These trends all point to a need for innovative policies, programs, and actions to expand employment opportunities for women and enhance women's earnings in their current occupations.

CHAPTER 3: THE AHMEDABAD CONTEXT

SEWA's organizing efforts center in and around Ahmedabad, the largest city in the western Indian state of Gujarat. The city's population has grown over the past decade from 1.6 million in 1971 to an estimated 2.2 million in 1980, making it the sixth largest city in India. It is predominantly an industrial center with over 60 textile mills providing the economic base of the city. As a center of trade and commerce, it hosts a growing number of small-scale industries operating on an informal basis.

Ahmedabad also is known as an educational and research center. Several national institutes, including the Indian Institute of Management, the National Institute of Design, and the Indian Space and Research Organization are located in the city. These centers, along with a large number of universities, colleges, and professional and technical schools, at times have assisted SEWA with surveys and research on local wage structures, occupational health standards and the design of new tools and equipment for self employed women workers.

The Sabartmati River divides Ahmedabad into two sections. On its west bank lies the middle class area of town, with wide roads, modern shops, buildings designed by Le Corbusier and Louis Kahn, and suburban style bungalows. On the east side one finds the congested old city: a poor, crowded area, laced with narrow streets and enclosed by fortress walls. Here commerce flourishes in the city's major wholesale markets where grains, fruits, and vegetables, cloth, and many other goods are traded. Many of the city's poor live in crowded slums and squatter settlements in this area.

East of the old walled city lies an industrial ring where most of the city's textile mills are located. Those workers who do not live in the old walled city are found in crowded housing settlements interspersed among the mills.

Some of SEWA's members are from millworker's families ; however most are from families depending on the informal sector for jobs. The members live and work predominantly in the eastern part of town.

Despite the substantial wealth generated by industry, trade, and commerce in Ahmedabad (Gujarat is one of the wealthiest states in India), poverty is pervasive. A Census of Slums carried out by the Ahmedabad Municipal Corporation in 1976 shows that half of the city's population lives in slums and squatter settlements. Almost 30 percent of these slum dwellers have incomes less than Rs. 200 per month, and over half earn between Rs. 200 and Rs. 400 per month (Shah, 1977). Most work outside the organized manufacturing sector in jobs where hours of work and wages are unregulated and where workers are outside the scope of protective labor laws and governmental social security programs. Even among the better off mill workers' families, many of whom earn as much as Rs. 500 per month, the high cost of living and large family size create poverty conditions.

A. Structure of the Female Labor Force in Ahmedabad

Evidence suggests that in Ahmedabad most working women are in the lowest paying, least secure jobs. With limited opportunity for employment in

the mills and other occupations in the organized wage sector, 1/ women's options for employment are largely restricted to self employment in the informal sector.

The 1971 Census figures on urban Ahmedabad district show the number of women workers to be about 45,000, or 5 percent of all workers. By all accounts this would seem to underestimate grossly the size of the female labor force. Most likely this is due to definitional and measurement problems which result in an undercount of women workers. 2/

Comparing the distribution of the male and female labor force by main activity, women are more active in agricultural labor, housework and household industry, construction and other services (Table 3.1). Almost half of all women workers are in the "other services" category. The concentration of women in this catch-all category exposes the imprecision of the census labor force categories and definitions in measuring women's work.

Table 3.1 Distribution of the Work Force by Main Activity and Sex, Urban Ahmedabad District, 1971.

Main Activity	Males n = 511,186	Females n = 45,533
Cultivators	1.3	0.9
Agricultural Laborers	1.3	6.7
Livestock, Forestry, Fishing, Hunting, Plantations	0.8	0.7
Mining and Quarying	0.5	0.4
Manufacturing, Processing, Servicing and Repairs		
(a) Household Industry	1.7	4.7
(b) Other than Household Industry	44.1	17.2
Construction	2.9	5.6
Trade and Commerce	20.7	8.6
Transport, Storage and Communications	7.9	4.1
Other Services	18.8	46.5
Total:	100.0	100.0

Source: Census of India 1971. Gujarat Series 5, Part II B(i). General Economic Tables (B-I Part A and B-II).

1/ Between 1950 and 1980, the proportion of women workers in Ahmedabad's mills dropped from over 25% to under 5% according to Ela Bhatt.

2/ See Buvinic and Youssef (1980) for further discussion of problems in measuring women's employment.

B. Ahmedabad's Informal Sector

Systematic information on Ahmedabad's informal sector is limited primarily to a 1978 study by T. S. Papola entitled, Informal Sector in an Urban Economy: A Case of Ahmedabad. The study did not deal specifically with women workers, and in fact it is likely that Papola may have under-represented women in his sample. 3/ However, where the data is broken down by sex, it provides and idea of some of the differences between the men and women workers studied. More importantly it provides an overview of employment and enterprise characteristics and trends in the unorganized sector and an idea of its relationship to the economy as a whole. As such, it provides a point of reference for the more detailed description of Ahmedabad's self employed women which follows in later pages. Most of this section is based on Papola's study.

One qualifying comment before proceeding. It should be noted that SEWA's organizing efforts have not been restricted to urban Ahmedabad. Especially within the past several years the organization has grown in the rural areas in the Ahmedabad district and branches have sprung up in several other cities in India. However, both the following discussion and the report in general have an Ahmedabad bias. Because SEWA has been organizing in Ahmedabad for almost ten years, there is a larger information base. Moreover, a major purpose of the present study is to learn more about organizations facilitating employment among the urban poor.

1. Defining workers in the informal sector

The term "informal sector" is generally used to describe a particular, if imprecise, segment of the urban economy which is variously referred to as the "traditional", "unorganized", "household", or "nonformal" sector. While each of these terms has a slightly different meaning, in general they all characterize a segment of the work force possessing some combination of the following traits: 4/

- low capital intensity;
- low skill requirements;
- absence of unionization and regulation of working conditions;
- use of non-modern technologies and management;
- ease of entry and exit;

3/ Less than 5% of the workers in Papola's sample were women workers. This would appear to be quite low, particularly in light of the fact that 16.5% of women in households of the informal sector workers studied were active in the labor force. The under-representation of women could partially relate to the breakdown of occupational categories studied. In particular, Papola's sample does not include any casual household workers in manufacturing. While this is in keeping with the negligible representation of such workers in the 1971 census figures, it is widely accepted that current measurement techniques consistently under-represent such workers. SEWA's experience with self employed women in Ahmedabad indicates there are many women working as home-based producers (e.g. making papads, brooms, garments, etc.). Omission of such workers from the sample would appear to miss an important category of informal sector workers.

4/ See Shobna, (1977), for further discussion of the definition of the informal sector in Ahmedabad.

- o personalization in business practices and operations;
- o limited information on markets;
- o absence of formal structure (i.e. well defined job hierarchy, well specified division of labor, multistage process in management and technology);
- o small size of operations;
- o lack of clear employer-employee relationships;
- o lack of governmental regulation and scrutiny.

The growth and resilience of this sector have made it the focus of attention in recent years for its potential in providing expanded employment opportunities, especially for the urban poor. As a point of entry for new workers into the labor market (migrants and young people) and as an absorber of labor displaced from the formal sector, the informal sector plays an important role in providing employment for the urban poor. In general, it is comprised of self employed workers, casual laborers, household producers, and workers in small-scale establishments or family businesses. In addition to its important role in providing employment, it also produces a large portion of the goods and services consumed by the poor.

a. Employment characteristics: Neither the workers studied by Papola in Ahmedabad, nor SEWA's members are distinguished by any particular set of the above characteristics. Using census categories, Papola's sample includes first regular workers in establishments employing less than ten workers, and second, unattached workers, working either independently or as casual laborers in small estsblishments or households. Most of SEWA's members are likely to be found among unattached workers; others, like the home-based producers, are not covered by the sample.

Using the above categorization of the informal sector, the Census of India shows that in 1971 it employed 46.5% of Ahmedabad's work force. The activities with the largest proportion of informal workers include agriculture (77%), services -especially personal (49%), trade (67%), construction (50%), and transportation (76%). Although Ahmedabad has a smaller informal sector than Bombay or Calcutta, it has been increasing in relative importance over time. Employment in the sector grew from 40% in 1961 to 46.5% in 1971. During the same period, employment in non-household manufacturing declined from 52% to 45%. This largely had been due to a decline in textile manufacturing which fell from four fifths of industrial employment in 1964 to two thirds in 1971. Certain categories of employment within the informal sector have also declined. For example, household industries, which largely employ women, have declined in importance. Amounting to 3% of total employment in 1961, this category of employment fell to 1.5% in 1971.

Within the informal sector, 45% of the workers are regular employees in small establishments, 30% are independent workers, 10% are casual workers in small establishments, and 15% are casual workers in households.

In Papola's study, workers in small establishments include both regular employees and casual workers. Over a third are single worker establishments (estimated to be over 35,000 in 1976). Further, almost all (90%) buy raw materials locally -- 40% from wholesalers and 50% from retailers. Many of these establishments (44%) produce intermediate products sold to other units for manufacturing, and of those producing consumer goods, one third sell

directly to consumers, one quarter to retailers and the remainder to wholesalers or government. Most sell their products locally, especially the smallest units.

The structure of employment within small establishments shows women to be over-represented among unpaid family workers and casual laborers and under-represented among regular employees. Similarly, women are more likely to be part time workers than full time. The proportion of women working in manufacturing is higher than that of men, but much lower in services (Table 3.2). The average monthly earnings of workers in small establishments is Rs.329 (Table 3.3). 5/

Table 3.2 Structure of Employment by Sex in Small Establishments in Ahmedbad, 1977.

		Percent of Total	
		Men (n = 1464	Women (n = 70)
A.	Unpaid family workers	23	33
	Regular employees	70	50
	Casual workers	7	17
	Total	100	100
B.	Full time	95	80
	Part time	5	20
	Total	100	100
C.	Manufacturing	17	31
	Trade and commerce	45	49
	Hotels and restaurants	11	13
	Services	27	7
	Total	100	100

Source: Based on figures from Papola, 1978.

Unattached workers include independent workers and casual laborers working for households. They are engaged primarily in selling goods and personal services to both establishments and households. These are the simplest and the smallest forms of production units in the informal sector. Classification is somewhat complicated because even though they are not permanently employed on a wage basis, they still can be "wage laborers".

Within this group, independent workers are employed as hawkers, peddlers, and street vendors (42%); laundrymen, washers, and dhobis (clothes washers) (7%); and the remainder as barbers, mechanics, cobblers, car and rickshaw drivers, and similar types of workers. Women work primarily as vendors and dhobis. Women also work more days per month than men (over 25). As a group, independent workers have an average of Rs.600 invested in their trades and produce goods and services worth Rs.900 per month. The average value added

5/ The currency unit in India is the rupee and is equivalent to approximately U.S. $0.11. The rupee is used as the currency throughout the report.

per worker is Rs.489 per month. In general, those engaged in trading activities have more invested and generate a higher value added than those in manufacturing, repair and service activities. The average monthly earning independent workers is Rs.385 (Table 3.3).

About 40% of all casual laborers studied are employed by households. Their average monthly earnings are lowest within the informal sector at Rs.190 (Table 3.3) and range between Rs.114 for service workers to Rs.264 for construction workers. Within this group, women work primarily as domestic servants, wastepickers, and construction workers. Almost all who use some form of raw materials purchase them from wholesale or retail outlets rather than directly from sources. About half purchase these materials on a daily basis and 90% pay in cash. In purchasing other equipment they almost always use their own funds.

Table 3.3 Average Monthly Earnings of Workers in Ahmedabad's Informal Sector.

Workers in small establishments	Rs.329
Independent workers	Rs.385
Casual laborers	Rs.190
Average	Rs.295

Source: Papola, 1978.

b. Household characteristics: Papola further studied the households of the workers and found that labor force participation rates among the family members of informal sector workers (64.5 for men and 16.7 for women) are higher than for the total population of the city (48.0 for men and 5.0 for women), according to the 1971 census. Among women, the highest participation rates are found in the 15 to 25 year age group (27.0). However, a large number of these women are unemployed. In fact, for this age group of women, unemployment rates are higher than for men(14.1 for women versus 12.9 for men) and higher than for other age groups of women. Looking at those women in the labor force who are actually working, participation rates are highest in the 25 to 50 year age group. This is similar to the pattern for India as a whole and suggests that in Ahmedabad, as in other places, child care responsibilities are not necessarily keeping women out of the work force.

Papola's study of family earnings shows that within the informal sector the average monthly household income is Rs.467 and per capita income around Rs.94. Comparing the earnings of men and women, women are consistently found in a disadvantaged position. Among the women earners, 42% earn less than Rs.100 per month and only 2% more than Rs.500. Moreover, the difference in earnings between men and women is greater than the difference between principal and secondary earners.

Indebtedness is common among the families. As many as 40% are indebted, most in amounts over Rs.1000. Indebtedness is even more prevalent (as high as 75%) among families with lower per capita incomes.

2. Overview of the informal sector

Conditions of work in the informal sector are characterized by long hours, lack of space and ventilation, and inadequate hygiene and sanitation facilities. Papola found that at least half the workers are dissatisfied with their jobs due to inadequate earnings, irregularity of income, and insecurity of employment. The overall average monthly earnings are Rs.295 (Table 3.3). Given the cost of living in Ahmedabad this income level theoretically can support 2.5 adults while the average household size is 3.5.

Within the informal sector there is a distinct hierarchy. Casual workers are the most disadvantaged in terms of employment, earnings and living conditions and are on the lowest rung of the socio-economic ladder. Women workers are more concentrated in this category then men. They comprise 10% of the casual workers while only 5.5% and 2.5% of the independent and establishment workers respectively.

Papola found that the informal sector employs 46.5% of the work force but contributes only about 28% of the total domestic product. Within the informal sector, 82% of the contribution was made by establishments, leaving a small role for independent workers and casual laborers working for households. Given their low productivity, Papola finds the potential to increase employment among casual and independent workers to be very limited. He further shows that increased investments in equipment and accessories for this latter group have been unrelated to increases in value added or earnings. He concluded that efforts to promote employment in the informal sector should be focused in the small establishment sector rather than among the independent and casual workers. 6/

Moreover, the study finds limited interaction between the formal and informal labor market. Each draws on independent sources of labor supply with different skills and expertise. Furthermore, there is little mobility between the formal and informal labor markets. If and when workers "graduate", it is generally only after 10 to 15 years in the informal sector. Thus, the notion of the informal sector as a stepping stone for workers into formal sector jobs is not supported by the evidence from Ahmedabad. In fact, a more common phenomenon is that the informal sector absorbs workers displaced from the organized sector.

6/ I do not fully agree with Papola's conclusion that efforts to promote employment in the informal sector should be focused on the small establishment sector. Neglect of independent workers and unattached casual laborers would seem to have adverse implications, particularly for women workers who are largely concentrated here. If, as Papola observed, they are the most exploited workers, this would seem to indicate a need to organize to improve working conditions and increase earnings, rather than to prescribe a policy of neglect. A joint policy to expand employment opportunities for women within small establishments and to organize and improve employment conditions for unattached workers should be promoted. Such a two pronged effort would seem to have the best chance of reaching women workers and the greatest impact on women's employment. In fact, this is similar to what SEWA is attempting.

Not only is there a lack of upward mobility between the formal and informal sectors, but also within the informal sector. In fact, downward mobility was more common than upward mobility for the fairly high proportion of workers who have changed jobs (47%).

Papola concludes that in Ahmedabad the advantages of the informal sector in terms of ease of operation and low capital requirements are fast disappearing. The relatively slow growth of the organized sector is placing a check on growth in the informal sector. He recommends that a least three things be kept in mind in policies to expand the informal sector. First, regulation of wages and hours of work are necessary if workers are to get a fair share of the returnes on their labor and enjoy a level of living comparable to formal sector workers. Although there is a possibility that such regulations may lead small enterprises to minimize the use of labor and maximize the use of capital, thus defeating the employment potential, such regulations are essential. Second, it is possible that without such regulations earnings and working conditions could be further depressed by growth of the sector. Exploitation is already high in terms of hours of work, wages, and working conditions and growth without regulation could mean even worse conditions. Third, informal activities with the best performance and potential in terms of markets and technology, according to Papola, are connected to the formal sector. Given this relationship between the two sectors, a policy of independent growth of the informal sector would be self defeating, as it merely would continue absorbing displaced formal sector workers. A dual approach seems necessary for increases in income and overall growth in employment.

The need for promoting employment and improving working conditions in the informal sector is apparent. The question becomes how. SEWA's experiments in organizing women is one approach being tried in Ahmedabad.

CHAPTER 4: SELF EMPLOYED WOMEN IN AHMEDABAD

The previous chapters discussed women in the Indian labor force and the informal sector of Ahmedabad. The present chapter focuses on a particular subset of both groups, self employed women workers. SEWA's definition of the self employed includes poor workers in the unorganized sector who work on their own account and do not have a specific employer. In general they are one person worker-owners, their enterprises are small-scale, and they often create jobs for themselves. SEWA members fall into three broad groups:

- small-scale sellers, vendors, petty traders, and hawkers selling goods such as vegetables, fruits, fish, eggs, other eatables, household goods, used garments and similar products;

- home-based producers, working as artisans and piece rate workers, making such products as bidis, incense sticks, papads, garments, handicrafts, small furniture, brooms, and block printed fabrics;

- laborers selling various services such as cleaning, cooking, and laundering, or providing manual labor for construction, agriculture, transportation, or other activities.

A few points should be made related to SEWA's definition of the self employed. First, although it does not coincide exactly with conventional labor force definitions, from the outset the term "self employed" was consciously chosen by SEWA to provide an alternative to the negative terms commonly used to describe poor women workers -- such as "marginal", "traditional", "unorganized", "unregulated", even "informal". Coining a more positive name for those workers is part of the overall effort to provide them status, dignity, and positive recognition.

If one looks for these women in the census, many of SEWA's members fall into the conventional "independent" or "unattached" worker categories. Others are considered "casual laborers" in households or small enterprises. It is probable that many are left out of labor force statistics altogether, especially home-based producers.

Second, the members have been categorized into these groups by the organizers. Their years of experience in organizing has provided them a deeper understanding of the similarities and differences between the various trade groups in Ahmedabad. On the basis of this understanding they have developed the above definitions of the self employed which provide a framework for systematically looking at the problems, needs, and possible avenues of action for women in various occupations.

Small-scale sellers include women working as vegetable vendors, fruit sellers, used garment dealers, datan (sticks used as tooth brushes) vendors, wood sellers, and other small-scale sellers. Home-based producers, perhaps the most consistently exploited women workers, include chindi (rag) sewers, garment makers, hand-block printers, cane and bamboo workers, bidi (cigarette)

makers, incense stick rollers, papad (wafer) makers, junksmiths, carpenters, spinners, and weavers. Laborers and service workers include headloaders, hand cart pullers, sweepers, wastepickers, agricultural laborers and construction workers. This gives an idea of the variety of jobs self employed women in Ahmedbad are doing and an indication of the wide range of trade related problems dealt with by SEWA.

Reliable figures on the total size and structure of the self employed work force in Ahmedabad are not available. However, SEWA estimates the number of self employed women to be roughly between 30,000 and 50,000. At least 12,000 of these women have been involved in SEWA over the past decade. Although exact membership figures by year are not complete, from the available information and the recollection of the organizers, it is apparent that the membership has fluctuated throughout the years. The number of members and occupational groups active at a particular time depends on several factors. First, the specific problems confronting a trade group during the year will influence its participation in SEWA (e.g. during periods when police harassment of vegetable vendors increases, so does their membership in SEWA). Second, the types of programs SEWA initiates in a given year will effect the size and occupational mix of the membership. During the early 1970's when SEWA provided loans from the nationalized banks on a large scale, the membership was around 10,000. In more recent years these figures have been lower as SEWA has concentrated on organizing around more specific problems of particular trade groups. In 1979, SEWA had 3,811 members, and in 1980, 4,519 members. By mid-1981 membership had increased to almost 5,000.

The 1980 membership figures broken down by trade groups are shown below (Table 4.1).

Table 4.1 SEWA Membership by occupation, December 1980.

Small-Scale Sellers	Vegetable vendors	560	
	Datan vendors	44	
	Fish sellers	146	
	Misc. small sellers	200	
	Used garment dealers	115	
			1065
Home-Based Producers	Chindi sewers	225	
	Garment makers	408	
	Bamboo workers	64	
	Weavers (handloom)	10	
	Spinners	40	
	Bidi rollers	31	
	Junksmith/carpenters	225	
	Sewing class members	1335	
	Hand-block printing	82	
			2420
Laborers	Agriculture workers	368	
	Wastepickers	300	
	Headloaders	315	
	Construction workers	6	
	Sweepers	45	
TOTAL: 4519			1034

Source: SEWA records.

The garment makers, used garment dealers, vegetable vendors, headloaders, datan vendors, carpenters, and junksmiths are the longest standing members and have participated actively in the organization for nearly a decade.

A. Socio-Economic Characteristics of Self Employed Women

Throughout its work, SEWA emphasizes the importance of research in identifying the problems and needs of its members. Socio-economic surveys are conducted routinely in the process of organizing. Together with data from available SEWA Bank records, these surveys depict some of the demographic, household, and enterprise characteristics of Ahmedabad's self employed women.

1. Age

The average age of the self employed women workers surveyed by SEWA is roughly the same as for workers in the informal sector as a whole. The overall average for women is around 30 years, with a large majority of workers falling in the 20-40 year range. Similarly, the average age within the informal sector as a whole is 29. However, average age varies among trade groups. Home-based producers, for example, typically are younger (bidi rollers and incense makers average 20 years) and sellers tend to be older (44% of used garment dealers are between 41 and 50 years of age and 74% of vegetable vendors are between 31 and 40 years).

2. Marital status

In urban Ahmedabad district, 77% of all women aged 15 to 59 are married (Table 4.2). Among self employed women, 75% are married; however, this varies among trade groups. Fewer women are married in occupations where average ages are lower, such as garment makers, embroiderers, bidi rollers, agarbatti makers, and papad makers. The percent married is highest among used garment dealers, vegetable vendors, and junksmiths, reflecting both an older age structure as well as a younger marriage age within these groups. The proportion of single, unmarried women in highest among garment workers, handloom weavers and other groups with many young workers. Nonetheless, single women are found in almost all the trade groups (except hand cart pullers) which suggests the absence of strong social pressures against single women working in most self employed trades (or perhaps economic pressures outweigh social pressures).

Table 4.2 Distribution of Women Ages 15-59 by Marital Status, 1971.

	Never Married	Married	Widowed	Divorced
Gujarat	12.8	79.1	7.5	0.6
Urban Ahmedabad District	15.8	77.2	6.5	0.5

Source: Census of India, 1971a. Table CII.

Although a majority of the self employed women surveyed are either married or single, a substantial number are widows. The proportions are highest among hand cart pullers (16%); cotton-pod shellers (19%); junksmiths (14%) and firewood pickers (20%). In many cases these widows must single handedly support their families. (See page 42 for discussion on women headed households.) Very few women are divorced and the incidence of desertion is significant only for hand cart pullers (9%).

3. Household size

The average household size for self employed women is substantially larger than for both workers in the informal sector and families living in slums. SEWA data on family size shows an average of 6.7 members in the families of self employed women. This compares to 4.7 for unorganized sector workers in general (Papola, 1978) and 5.1 for families living in slums (Shah, 1977). The comparable figure for organized sector workers is 5.7. The relatively lower figure for informal sector workers partially reflects the substantial number of single male migrants working in these jobs. The average number of children also is high among the women, e.g. 4.5 for used garment dealers, 4.0 for hand cart pullers, 5.0 for junksmiths, and 3.8 for vegetable vendors. This compares with an average of 1.5 for informal sector workers in general. The large discrepancy may be due partially to different measurement techniques. However, it could suggest that in large families it is more necessary for women to work to make ends meet. Most significantly it indicates a need for child care facilities for women workers.

4. Education

The low level of education among self employed women interviewed by SEWA is striking. The average literacy rate of 18 trade groups is 15% and in over half of the trade groups literacy is less than 10%. Among those few women who have some education, garment workers and cotton pod shellers are the only trades where significant numbers of workers have completed primary school (76% and 30% respectively). No more than a handful have completed secondary school. Several self employed occupational groups fare better than slum dwellers in general who have an average literacy rate of 11% (Shah, 1977). But literacy among many groups of workers is lower (Table 4.3). Among informal sector workers in general, Papola found a 72% literacy rate and an average of five years of education. The lowest education levels are among casual laborers, but even they do not compare to the extremely low literacy rates among self employed women.

Furthermore, among children of self employed women, although education and enrollment levels are generally low for both boys and girls, boys are given a distinct preference in being sent to school. Among children of milk producers, SEWA found 13% of the boys and only 3% of the girls enrolled in schools. And among children of junksmiths, 37% of the boys are literate, but only 10% of the girls. A study of SEWA Bank clients has further shown that preference is given to educating male children. The discrepancy in education levels between men and women will likely continue in the future.

5. Housing

Papola's study found that in Ahmedabad housing is not as big a problem as might be expected among informal sector workers. He found 86% of the workers have independent accomodation, 5% live with friends or relatives, and 9% are pavement dwellers. Further, 65% rent and 21% own their homes and a sizeable portion live in flats or tenements. Comparable figures are not available from SEWA's studies. However, they do indicate that a majority of members are slum dwellers (66%) and very few live in pucca (permanent) houses.

A 1977 study suggests housing conditions for the poor in general to be much worse than reported in Papola's study. Housing shortages were found to be

Given the generally lower household incomes of SEWA members, they are likely to face more problems related to housing.

With regard to facilities, access to water and plumbing is a problem for less than half of the workers studied by Papola. Water is available independently in 66% and sanitary facilities in 54% of the cases studied. SEWA members are more likely to lack access to such facilities. For example, one survey shows that among artisans only 10% of the women have water inside their homes (Jhabvala, 1979). Although comparable figures on sanitary facilities are not available, those without water are also unlikely to have toilets.

Table 4.3 Literacy Rates Among Self Employed Women

Occupation	Percent Literate
Sellers	
Used garment dealers	9
Vegetable vendors	8
Producers	
Hand printers	18
Carpenters	2
Junksmiths	2
Tailors	49
Bamboo workers	20
Incense makers	28
Bidi rollers	19
Papad makers	29
Laborers	
Milk producers	5
Handcart pullers	7
Cotton-pod shellers	42
Wastepickers	8
Firewood pickers	3
Average	17

Source: Bhatt, 1976

6. Incomes

Within the informal sector, incomes vary between the different occupational groups. Some of the differences will be discussed in more detail in later sections. However, to give a rough idea of how women fare in relation to informal sector workers in general, a comparison of Papola's and SEWA's studies clearly indicates that women's incomes are lower. Average monthly income is Rs.295 for informal sector workers in general, compared to Rs.159 for self employed women. Even when separating out casual workers -- the lowest income workers -- from the general group of informal sector workers, their average monthly income (Rs.190) is greater than that of women workers. The average household income of self employed women is also lower than for households in the informal sector as a whole (Rs. 326 for households of self employed women compared to Rs.467 for informal sector households). To a large extent, this is related to the types of jobs women are in. Women in Ahmedabad, like women in other parts of India, are concentrated in the lowest earning occupations.

7. Indebtedness

Indebtedness also appears to be a greater problem for self employed women than for informal sector workers in general. Papola finds 40% of informal sector workers to be indebted, a majority (66%) with debts over Rs.1000. Indebtedness is somewhat more prevalent among self employed women (Table 4.4). The overall level of indebtedness of the various trade groups is 49% with an average debt of Rs.1428. Among the various groups, the percent of women indebted ranges from as low as 24% for carpenters to as high as 79% for vegetable vendors. Most are indebted to relatives or private moneylenders charging very high rates of interest. 1/

Table 4.4 Indebtedness of Ahmedabad's Self Employed Women (c. 1974).

Trade Group	Percent Indebted	Average Debt per Family (Rs.)
Vegetable vendors	79	1261
Used garment dealers	61	1724
Garment makers	44	2089
Junksmiths	25	1390
Carpenters	24	1370
Handloom weavers	71	1333
Milk producers	35	862
Cotton-pod shellers	55	1835
Hand cart pullers	46	986
Average	49	1428

Source: Bhatt, 1976.

While a substantial number of self employed women are indebted for purposes unrelated to their trades, a study of women home-based producers in Ahmedabad shows a high level of indebtedness specifically for business purposes (Table 4.5).

Table 4.5 Indebtedness of Women Home-Based Producers for Business Purposes (c. 1979).

Trade Group	Percent Indebted
Tailors	44
Hand-printers	2
Cobblers	70
Carpenters	25
Tinsmiths	24
Bamboo makers	83
Vegetable processors	79
Papad makers	12
Pickle makers	30
Average	41

Source: Jhavbala, 1979

1/ Moneylenders were reported to charge between 5% per month and 10% per day.

The study represented in Table 4.5 further finds that an overwhelming majority are indebted to traders who charge interest against goods sold or raw materials supplied.

8. Women headed households

Although a systematic study of women headed households in Ahmedabad has not yet been done, existing information reveals a substantial number of women are the primary breadwinners for their families. The scattered evidence further suggests that a larger proportion of self employed women (more than 20%) are household heads compared to women in general (less than 7%).

. Widowed, divorced, and deserted women in many cases single handedly assume the responsibility for meeting their household's economic needs. Using marital status as an indicator of potential women household heads, we find that in Ahmedabad overall 7% of women aged 15-59 are widowed or divorced (Table 4.2). A larger percent of self employed women (13.6%) are widowed, divorced or have been deserted (Table 4.6) Among trade groups, the proportion of potential household heads is highest for hand cart pullers and cotton-pod shellers.

Table 4.6 Self Employed Women who are "Potential" Household Heads Using Marital Status as an Indicator.

Trade Group	Sample Size	Number Widowed, Divorced, Deserted	Percent Potential Household Heads
Garment workers	1000	35	3.5
Used garment dealers	500	28	5.5
Hand cart pullers	1000	250	25.0
Vegetable vendors	500	55	11.0
Junksmiths	750	107	14.3
Milk Porducers	400	53	13.3
Cotton-pod shellers	500	105	21.0
Handloom weavers	230	32	14.0
Firewood pickers	300	60	20.0
Hand-block printers	210	8	4.0
Total	5390	733	13.6

Source: Bhatt, 1976.

Another group of potential household heads are women who are either the primary or sole supporters of their families. The reasons they have assumed this role varies. For some, their husbands are dead or have deserted them; for others, their husbands are ill, unemployed or merely uncooperative in contributing income to their households. Using women's economic contribution to the household as an indicator, the figures suggest that a substantial

2/ Refer to Note at end of chapter.

number of self employed women are "economic" household heads. One set of data shows that in five out of eight occupational groups of self employed workers, women's contribution to the family income averages over 50% (Table 4.7).

Table 4.7 Women's Contribution as a Percent of Family Income by Trade Group (c. 1976).

Trade Group	Sample Size	Ave. Mo. Income of Women (Rs.)	Ave. Mo. Family Income (Rs.)	Women's Contribution as Percent of Family Income (%)
Garment makers	1000	50	352	14
Used garment dealers	500	158	225	70
Hand cart pullers	1000	180	262	69
Vegetable vendors	500	355	450	79
Junksmiths	750	134	200	67
Milk producers	400	193	374	52
Cotton-pod shellers	500	175	451	39
Handloom weavers	230	62	206	30
Average:	610	163	315	43

Source: Jain, 1980. Table 10.

Table 4.8 Comparison of Husbands and Wives Average Monthly Income (Sample of 286 SEWA Bank clients c. 1980).

Occupation	Women's Average Contribution to Family Income *	Percent Women Contributing more than Husband to Household Income
Small-scale sellers	52%	31%
Home-based products	39%	17%
Service workers & laborers	61%	38%
Agricultural workers	51%	25%
Misc.	49%	29%
Total:	46%	26%

* Family income includes husbands and wives income. Earnings of other household members are not included.

Source: SEWA Bank loan application forms.

Income figures from SEWA Bank loan applications further show that over one quarter of the women contribute more than their husbands to household income (Table 4.8). A small survey of SEWA Bank clients found that out of 25 women

studied, nine were principal earners for their families. The husbands of some of the women were dead, some were intermittently employed due to ill health, and some were unemployed. In one case, for philosophical reasons the husband had given up material pursuits to devote himself to spiritual contemplation and artistic expression. He divided his time between sleeping and volunteering as an announcer for a religious radio program.

A SEWA survey of women artisans most convincingly reveals the high proportion of economic household heads among self employed women. The percent of women workers solely supporting their families is highest among tailors (36%), hand-block printers (30%), carpenters (28%) and incense makers (30%).

Table 4.9 Proportion of Women Artisans who are Sole Supporters of their Families (1979).

Trade Group	Percent Sole Supporters	Reasons				
		Widow	Deserted	Husbands Sick	Husbands Unemployed	Husbands Uncooperative
Tailors	36	16	9	2	8	1
Embroiderers	13	10	3	-	-	-
Hand printers	30	15	1	1	10	3
Cobblers	19	9	7	1	2	-
Carpenters	28	17	7	-	2	-
Tinsmiths	25	14	8	2	1	-
Bamboo workers	16	10	5	-	1	-
Cigarette rollers	21	16	3	-	2	-
Incense makers	30	16	2	3	7	2
Vegetable processors	15	10	2	1	-	2
Fish processors	10	-	8	2	-	-
Papad makers	21	15	1	-	2	3
Pickle producers	2	2	-	-	-	-

Source: Jhabvala, 1979, p. 16.

The above evidence strongly suggests the importance of women's employment and earnings in supporting their families and the large number of women household heads among poor workers. Closer study of the problems and needs of this particular group of women workers is warranted in the future.

Piecing together the above information, a picture emerges showing Ahmedabad's self employed women to be consistently in a disadvantaged position relative to other workers in the informal sector. While most workers in the informal sector face low education and income levels, a high rate of indebtedness, and inadequate housing, these problems are greater for self employed women (Table 4.10).

Table 4.10 Comparison of Socio-Economic Characteristics of Informal Sector Workers as a Whole to Self Employed Women in Ahmedabad (c. 1976).

Socio-Economic Characteristics	Informal Sector Workers as a Whole	Self Employed Women
A. Age		
Average age	29	30
B. Marital Status		
Married	71% *	75%
Other	29%	25%
C. Household		
Size ($\bar{x}$)	4.7	6.7
Number of children ($\bar{x}$)	1.5	3.8
D. Education		
Literacy rate	72%	18%
E. Ave. Monthly Income		
Individuals	Rs.295	Rs.159
Households	Rs.467	Rs.326
F. Indebtedness		
Proportion of total indebed	40%	49%
Size of debt	Rs.1000+	Rs.1428

* Women only

Source: Papola, 1978 and SEWA records.

Looking at education, the literacy rate is 72% for Papola's sample of informal sector workers overall, but only 18% for self employed women. The average monthly income for women is almost half as much as for men (Rs. 159 vs. Rs. 467).A large proportion of self employed women are in debt. With regard to housing conditions and access to water, they also are worse off. While the average age of women (30) and percent married (75%) are similar to informal sector workers in general, household size and number of children are greater for women workers, resulting in very low per capita incomes. In general, the families of self employed women face more than their share of hardship and are in a disadvantaged position compared to others within the community.

B. Enterprise Characteristics of Self Employed Women

The following discussion provides a general overview of some of the enterprise characteristics of the three basic groups active in SEWA -- small-scale sellers, home-based producers, and laborers. Later sections will go into more specific detail on the traits of several of the most active trade groups in the Union and SEWA's organizing efforts. This present section attempts to point out some of the most salient features and problems that cut across the various groups.

1. Small-scale sellers

A large number of SEWA members are small-scale traders, vendors and hawkers, selling goods such as vegetables, fruits, eggs, spices, fish, used garments, tooth brush twigs (datan), wood, and other consumer goods. These items are generally bought from wholesalers or middlemen and sold to low income families. While men sellers generally operate out of small stalls or sell from lorries, most women sell either on the pavement, spreading their goods on burlap cloth along a city street or by wandering through neighborhoods with baskets on their heads.

Women sellers generally are employed throughout the year. Even though certain of their goods are seasonal, they will diversify to sell whatever is available and marketable. Most have been involved in the same trade from an early age and many sell the same goods as their mothers did. In many trades business responsibilities are shared with other family members and are characterized by a sexual division of labor by task. For example, among used garment dealers, women walk from house to house through middle class neighborhoods and trade utensils for old garments. If the garments are torn and need repair their husbands or sons will mend them on machines while the women do much of the hand sewing. All participate in selling.

Given the nature of these trades, the women work outside their homes and many take their children to the work site. However, the unsanitary conditions, pollution, and traffic hazards in the market areas all create an unhealthy environment for young children. Yet, in most cases, the women lack alternative child care facilities and have no choice but to bring their children with them.

The fixed capital investments differ between men and women sellers. Men sellers may have as much as Rs. 500 to Rs. 1000 invested in a stall or cart. Women sellers, however, use few tools and equipment -- perhaps a scale and set of weights, a knife, or a basket. Their equipment is generally worth Rs. 50 or less. Although most of the women sellers do not have large-scale investments in tools or equipment, they must invest substantial amouts of working capital. Their earnings (or value added) are directly proportional to the volume of goods which are bought and sold which depends primarily on the amount of money they have to invest.

Many buy their products on a regular basis from middlemen and large-scale traders in wholesale markets rather than directly from sources. Perishable goods such as fruits and vegetables are bought on a daily basis, while non-perishables such as wood or utensils are purchased less frequently

and thus require fewer trips to the markets. Some groups obtain their goods through trade rather than purchase. For example, used garment dealers buy steel pots and pans and trade them for old clothes which, in turn, they sell to the poor.

The amounts of working capital needed varies according to the types of goods sold but can be substantial. For example, vegetable vendors selling from baskets can carry a maximum of 20 to 25 kilograms (or Rs. 30 worth) of vegetables each day. Those selling from carts, however, are able to sell greater volumes and when they have the capital purchase more than Rs. 100 worth of vegetables a day. Sellers purchasing non-perishable goods on a less frequent basis require substantially larger lump sums of capital as well as storage space. Wood sellers, for instance, will purchase 4000 kilograms at a time at a cost of Rs. 1200 and then hire a hand cart puller to transport the stock at a cost of Rs. 15 per trip. Simply put, those who have access to larger sums of capital and storage space have a greater potential to increase the volume of their sales and, hence, earn more.

Limited access to reasonably priced credit is one of the most frequently cited constraints facing women sellers. Goods are often purchased on credit from wholesalers and middlemen or with borrowed money. In both cases interest rates are very high, sometimes as much as 10% per day. Because some women themselves sell on credit, they suffer severe cash flow problems.

Harassment by police and municipal authorities is one of the most constant problems confronting small-scale sellers. The root of this issue seems to lie in the absence of official recognition of the rights of street sellers and their lack of political and economic power. An example of how this harassment manifests itself is the abuse of vegetable vendors. Although many of them have sold from the same spot for years -- in some cases generations -- the increasing congestion and rising urban land prices have made their spaces increasingly precious. This has led to a great deal of pressure from large merchants, traffic planners, and other public authorities to force these sellers off the streets. The police arrest and fine the sellers for just being there. When they approach the municipal authorities for licenses or to request officially sanctioned selling spaces, they are turned away. Without any legal protection or official recognition, the sellers are persistent victims of harassment by the police. Under threat of arrest, confiscation of goods, or beating, they are commanded to pay bribes or "fines". They must often pay as much as Rs. 50 each month as a pay-off to avoid such unwarranted mistreatment. The municipal authorities, by failing to set aside accessible public spaces for selling, refusing to provide licesnses, and turning a blind eye toward the rampant abuse by police, merely fuel the problems.

Nonetheless, as Table 4.11 illustrates, the income of women working as small-scale sellers on the average is higher than for other self employed groups. Moreover, women sellers have a fair degree of independence in their work relative to others. However, long hours are required to generate sufficient earnings; a high degree of risk is involved with regard to the unpredictability of markets for their goods; exploitation by middlemen is rife; and competition is stiff.

Table 4.11 Average Monthly Income of Self Employed Women (c. 1976).

Small-scale sellers	Rs. 250
Home-based producers	Rs. 150
Laborers	Rs. 170

Source: Estimates based on SEWA records

In sum, the greatest trade related problems of self employed sellers include:

- lack of capital;
- police harassment;
- lack of permanent and officially recognized places to sell;
- lack of child care facilities for their children;
- exploitation by middlemen.

2. Home-based producers

The largest and perhaps most systematically exploited group among self employed women is the home-based producer group. The most distinguishing characteristic of this group is that production takes place within their households. For many women, particularly those who are restricted from outside work due to social barriers, producing small items at home is their only option for work. They are isolated, have little contact with other workers and possess limited information on wages and markets. These factors limit their potential for collective action and organization and make them extremely vulnerable to exploitation by merchants and middlemen. Home-based workers toil long and hard hours for whatever pittance is offered. As indicated in Table 4.11, home-based producers earn the least among self employed women (an average of Rs. 150 per month).

Home-based workers produce a wide range of products, most of which are purchased by working class or lower middle class consumers. Utilitarian goods such as clothes, quilts, turbans, bedsheets, tables, charcoal stoves, brooms, cigarettes, and processed foods -- to name just a few -- are produced in mass by women in Ahmedabad. Many trade groups, such as carpenters, junksmiths, and chindi sewers are involved in recycling used or waste materials.

Some of these women work independently, acquiring raw materials and processing and selling them on their own; others work on a piece rate basis for large contractors or individual traders.

a. Independent producers: Within SEWA those groups traditionally working as independent producers include carpenters, junksmiths, bamboo workers, vegtable processors and fish processors. These workers are involved in all stages of production, from the purchase and processing of raw materials, to the sale of the final products. They rarely purchase raw materials directly from the source, but instead buy from

either wholesalers (whose prices are between 10% and 100% higher than from sources) or retailers (whose prices are between 100% and 200% higher than wholesalers). The amount invested in raw materials varies between trades and, in many cases, within trades according to the amounts of capital available to a given producer. For example, junksmiths will invest anywhere from Rs. 75 to Rs. 125 per week in scrap metal. The more capital they have, the higher quality metal they can buy and the higher priced goods they can produce. Limited access to institutional sources of credit, however, limits their ability to buy the better metal and, thus, their incomes are limited. Women producers become indebted to the merchants or traders they deal with and pay interst rates far above the commercial levels.

In addition to high prices, another problem is shortages of raw materials. As an example, bamboo stocks in Gujarat are controlled by the state and supplied through cooperative societies. Yet, because of severe shortages, producers often have no choice but to buy from private retailers at inflated prices. In recent years used waste materials such as scrap metal, wood and cloth have also become scarcer (and consequently more expensive) as demand for them increases.

With regard to production processes, independent producers invest long hours, particularly in relation to the returns they receive. Their homes usually provide limited space for storing raw materials and finished products and for working which restricts the volume of their production. Some workers feel it is an advantage to be at home to be able to combine their work with child care, cooking, and other household responsibilities; others find the frequent interruptions at home a problem. And although many of the women are highly skilled, they know how to make only a narrow range of products which have a small market share. In many cases, limited access to modern tools and production techniques poses further constraints.

Selling their product is often difficult for home-based producers due to limited information on markets, high competition among producers, and large-scale exploitation by middlemen. While a few of the producers sell directly to consumers (e.g. cobblers and fish processors) an overwhelming majority sell through traders and middlemen. This not only reduces earnings for the producers but also increases prices for the consumers. When the small producers are not competing among themselves for a share of an already crowded market (e.g. as among junksmiths and carpenters) they are at a distinct disadvantage in relation to large-scale manufacurers and traders. For example, hand-block printed fabrics compete against screen printed mill fabrics; leather shoes compete against commercially manufactured rubber and plastic footwear; and home processed food compete against those supplied by modern canning and packaging industries.

b. Piece rate workers: Within SEWA, chindi sewers, hand-block printers, cigarette rollers, incense stick makers, papad makers, embroiderers, garment sewers, and pickle producers are paid on a piece rate basis to process raw materials supplied from contractors or traders. Their earnings are extremely low in relation to their labor time and in relation to other groups of workers. For example, for a full day's

work a chindi worker might earn Rs. 3 to Rs. 4, an incense stick roller Rs. 4, and a papad roller Rs. 4. They work in their own homes and typically use their own tools and machines for production.

Many of the women believe there are certain advantages to working on this basis as they do not need any capital to purchase raw materials. Moreover, they are spared the bother of sorting large quantities of raw materials and processed goods and packing and marketing them.

Nevertheless, piece rate workers are subject to the whim and fortune of whomever supplies their raw materials. Most of the traders are very strict in demanding the most product squeezed out of the least amount of raw material and allow almost no margin for waste. A papad roller, for instance, is expected to produce exactly 100 papads per kilogram. of raw material supplied. By all accounts this is quite a challenge. If she is even one short, deductions are made from her already miserably low rate of Rs. 1 per 100 papads. Without any warning they can face slow-downs or even termination of work. Attempts to demand higher wages usually fail due to the workers' weak bargaining position with traders. This is related to the large pool of poor women who are ready and waiting to work for whatever the traders offer. But it is also because piece rate workers are isolated and unorganized and outside the scope of current labor legislation and laws. The absence of official recognition for home-based producers as a legitimate group of workers with rights to minimum wages, social security benefits, strike, and other basic rights limits their power vis-a-vis the traders.

Exploitation of child labor, particularly female children, is prevalent among both independent and piece rate home-based producers. It is common for young girls to be kept at home to help their mothers make incense, papads, or other such goods. According to the women, the pressing economic needs of their families dictate this. In very few trade groups among home-based producers do men participate -- particularly among those working for traders and contractors. Only in a few groups such as bamboo workers and fish processors do men participate and, even then, only in particular tasks like procurring raw materials or selling. However, most home-based jobs are the sole preserve of women and children.

In sum, the major problems faced by home-based producers include:

- shortages of raw materials;
- high prices of raw materials;
- inadequate work space or shortage of storage space;
- limited access to institutional sources of credit;
- no direct links to consumers;
- lack of modern skills;
- exploitation by traders and middlemen;
- exploitation of child labor.

3. Service workers and casual laborers

The third group of self employed women includes those selling their labor outside their homes as cooks, cleaners, launderers, construction workers, transportation workers, agricultural laborers, or other laborers.

Within this group in Ahmedabad, SEWA has organized headloaders, sweepers, hand cart pullers, construction workers, wastepickers, and several other groups.

There is scanty evidence on these groups, but we do know that women laborers generally sell their services to one or more outside employers, either to households, merchants, or small establishments. However, they are distinct from "employees" in the sense that they do not have fixed or minimum wages, regular assurance of work, a single employer, or other benefits that may come to permanent employees. Rather than getting paid by the hour or day, several groups are paid on a piece work basis.

Headloaders and hand cart pullers, for example, wait in the markets to pick up jobs as they become available and are paid a flat rate per trip. Until SEWA entered the scene, wage rates did not regard the distances traveled or the weight carried. Wages are not fixed for many groups and for the same work two women are likely to get paid different rates.

Some women go from employer to employer and work for whomever will hire them, while others work for a single employer. For the latter group, patronizing relationships with the employers will often develop with the corresponding obligations and loyalties.

Because the primary commodity they sell is their labor, these workers generally do not require capital investments in tools, equipment or other goods. In most cases, the women are unskilled and their jobs are characterized by ease of entry and a high level of competition. Their low wages and other forms of exploitation are related to this "crowding" effect.

The working conditions for many women laborers are difficult. Children often accompany them to construction sites or wholesale markets or wander with them through the city collecting waste. A common sight in the polluted streets of Ahmedabad is infants perched atop a load being hauled by women cart pullers. In the grain markets it is not unusual to see cradles slung between sacks of wheat or rice amidst the dust and flies.

Instability of work also is a major problem for laborers. Jobs typically are intermittent and extremely vulnerable to down-swings or disruptions in the economy (such as during Ahmedabad's recent political violence). Long hours of work are required to earn a bare minimum.

Because of the independent and spatially dispersed nature of their work, some of these trade groups have been more challenging to organize. For example, one SEWA organizer has spent a good deal of time trying to organize hand cart pullers. Because they work in wholesale markets and live in various settlements scattered throughout the city, there is a basic logistical problem in getting the women together for meetings. This constraint is compounded by the fact that they work long hours and come from a traditionally conservative community. Organizing women laborers living and working in concentrated areas has not been as difficult. Headloaders work together in the wholesale market and can

easily be called together for meetings and kept in regular contact through their group leader. Similarly, wastepickers usually live in the same neighborhoods and are in contact with their group leader almost daily.

SEWA's Rural Wing has been quite active in the past several years in organizing agricultural laborers in the rural areas of Ahmedabad district. Although they face similar problems with regard to low pay, irregular employment, and lack of child care facilities, the extreme poverty and limited alternative employment opportunities in the rural areas exacerbate these problems.

Women from landless households work as casual wage laborers on a seasonal basis. Their earnings are extremely low -- averaging Rs. 3 to Rs. 4 per day, if and when they can get work. For most of the year they are idle and without an alternative means of cash income. Often times other family members are in a similar position with regard to work and, thus, household members struggle hopelessly for a bare minimum subsistence.

A crucial, if obvious, need for these rural families is some means of earning off-season income. SEWA has initiated non-agricultural income generating projects in spinning,weaving, tailoring, and carpentry. The growing problem of landlessness, the increasing population, and the inability of the agricultural sector to absorb the growing rural labor force (especially female labor) calls for further efforts to diversify the economic base and to promote off-farm employment.

(See Appendix VI for a more detailed description of specific self employed trade groups.)

CHAPTER NOTES

2/ (from page 41)
The 1971 census figures on Ahmedabad district show that 7% of all households are headed by women. (This may be lower than the actual proportion. See Buvinic and Sebstad (1980) for a critique of present data collection techniques which tend to under count women headed households.) The census further shows that compared to male headed households, a much greater proportion (32% vs 5%) of female headed households are single member households and a much smaller proportion (3% vs 85%) have a spouse present (Table 4A). Moreover, women household heads tend to be older than men household heads (Table 4B).

Table 4A Household Heads by Sex, Ahmedabad District, 1971.

	Percent of Total Households	Percent Single Member Households	Percent Households with Spouse Living Therein
Households where head is a man	93%	5%	85%
Households where head is a woman	7%	32%	3%

Source: Census of India, 1971a. Table CI.

Table 4B Age Distribution of Household Heads by Sex, Ahmedabad District, 1971.

Age	Male Household Heads	Female Household Heads
Less than 30	16%	4%
30 - 49	56%	37%
50+	28%	59%
Total	100%	100%

Source: Census of India, 1971a. Table CI.

PART II: SEWA AS A CONCEPT

CHAPTER 5: THE JOINT ACTION OF LABOR AND COOPERATIVES

When SEWA was formed in 1972, the concept of a labor union for self employed workers was new. Up to that point, the self employed had no history of involvement in labor unions, nor did those concerned have a clear idea of what it meant to unionize poor, self employed workers. As a result, the theory of SEWA, while grounded in the principles of Gandhi, has evolved primarily through action. The process of organizing has brought into clearer focus the problems of the self employed and the avenues (or "back alleys" as one organizer puts it) to overcoming these problems. The goals and objectives of the organization have been shaped by a confluence of forces: SEWA's own experience in organizing; other labor unions; the cooperative movement; and the women's movement. Constant interaction among the members, the organizers, and outside institutions has led to refinement of the structure and processes of the organization and has made it more responsive to the needs of its members. Each year has brought SEWA a step closer to its present approach to organizing -- the joint action of labor and cooperatives.

From the beginning, SEWA's two goals in organizing self employed women have been economic regeneration and social uplift. Economic regeneration means augmenting the quantity and regularity of women's income in current occupations, strengthening their production base, and maximizing their returns. It also means guiding members in the optimal use of physical and fianancial resources. Social uplift recognizes that the needs of self employed women go geyond purely economic ones. The social problems associated with both poverty and being a woman call for action on non-economic fronts as well. Building women's self confidence and ability to take control of their environment through a worker's organization is a means to social uplift (Jain, 1980). Associating women around their occupations gives them an opportunity to see themselves outside their traditional domestic, caste, and community roles. In coming together as workers, they begin to think of their work as important to the economy. As they talk and discuss with others, they begin to see themselves in relation to the outside economic environment. This helps to bring about changes in their self concept and improve their self esteem. Meetings provide a chance for women from various castes, communitities, religions, and geographic areas to mix with one another and, for at least a time, to forget their differences. (See Appendix I for the goals of SEWA as set out in its 1972 Constitution.)

A. SEWA as Part of the Labor Movement

As SEWA began to organize women workers in Ahmedabad, it soon became apparent that several fundamental differences exist between the self employed sector of the work force and the industrial wage sector

traditionally organized by the TLA and other unions. Industrial workers generally have a single identifiable employer, a fixed work place, regular wages, and a broad range of minimum wage laws and protective labor legislation which cover their occupations. Their major problems relate to wages, hours of work, occupational safety, security of employment, and assurance of retirement benefits.

Self employed workers are distinct in several ways. They do not have regular employers, fixed wages or working places, nor are they covered by minimum wage laws or protective labor legislation. Because social security programs are generally delivered through employers, the self employed have limited access to insurance schemes, maternity benefits, workman's compensation, and other benefits. They share many of the problems of industrial workers such as low wages, long hours of work, and hazardous working conditions. However, they do not have employers to negotiate with in dealing with these problems. They face additional problems related to supplies of raw materials, access to markets, and exploitation by moneylenders, middlemen, merchants, police, and public authorities. Poor self employed workers are often isolated from society and lack information on job opportunities, training programs, legal rights, and services provided by governmental agencies and other public institutions. Finally, the vast majority of the female labor force is concentrated in the self employed sector and, consequently, have little participation in traditional unions.

Not suprisingly, the notion of organizing self employed women workers was not a widely considered or accepted idea within the labor movement. When SEWA began its struggle to be recognized as a trade union in 1972, a public debate ensued around the question of whether or not self employed workers belong in the labor movement. Should labor unions expand their organizing efforts beyond urban industrial workers and concentrate on organizing the large and growing number of poor self employed workers? Trade unions have had difficulty accepting the idea of organizing the self employed for several reasons. The lack of specific employer-employee relations among self employed workers makes it hard to know who to struggle against and how to develop strategies of action. Workers generally are not concentrated at a central work site, so the logisitics of organizing present new challenges. And the existing relations of production and lack of protective labor legislation means there is little leverage that a union -- in and of itself -- can invoke. Some also argue that the structural problems of self employed workers, such as shortages of raw materials, access to markets, and exploitation by middlemen are more akin to the problems of employers than employees. Trade unions traditionally have not organized developmental activities to address these types of problems (e.g. cooperatives and economic projects). Moreover, the democratic organizational structure necessary to organize developmental activities effectively is unlike the hierarchical structure characteristic of many trade unions. As such, opponents say trade unions are an inappropriate forum for dealing with the problems of the self employed. Unions, they contend, should continue to base their strength on organizing wage earning industrial workers.

SEWA argues that the self employed, like wage laborers, have rights to fair wages, decent working conditions, and protective labor laws. They deserve recognition as a legitimate group of workers with status, dignity, and the right to organize bodies to publicly represent their interests. Most importantly, the bulk of workers in India are self employed, and if unions are to be truly responsive to labor in the Indian context, they must organize them. This requires going beyond the Western model of a trade union as practiced in industrially developed countries where labor is composed mainly of wage earners working for large-scale manufacturers or enterprises. In India, where only a small fraction of the labor force is comprised of these types of workers, the trade unions must expand their efforts to represent the millions upon millions of self employed landless laborers, small farmers, sellers, producers, and service workers. Moreover, if unions are to be responsive to women workers they must recognize that they are most concentrated in this sector. If labor unions want to touch the mass of workers in India and other developing countries -- especially women workers -- it is essential for them to organize the self employed.

SEWA was permitted to register with the State of Gujarat as a trade union in 1972 largely due to the backing and influence of the powerful TLA. However, the controversy has not ended and the struggle to carve out a permanent niche within the labor movement for the self employed continues even today.

B. SEWA As Part of the Women's Movement

While SEWA remains essentially on the fringes of the labor movement, it is in the mainstream of the women's movement. Encouragement and new ideas supporting SEWA have flowed continuously from other women's groups. 1975 marked the International Women's Year, the beginning of the International Decade for Women. The timing of this has been opportune for SEWA in bringing support and recognition to its work, providing new ideas, and drawing it into a broader national and international movement.

With several years of experience in mobilizing poor women workers, SEWA was in a unique position in 1975 to take an important role in the burgeoning women's movement in India and abroad. The doors were open for SEWA to share its own experiences and to learn from the experiences of other women's groups from around the world. It became apparent that SEWA was one of the first and largest organizations of poor working women and, as such, could provide practical insights into their problems and needs and the challenge of creating an organization. A good deal of study, thinking, and discussion on women's roles in development was generated by International Women's Year throughout the world and particularly in India. Research, development policies, plans, and programs slowly began turning to these issues. Many new ideas with regard to education, health, training, income generation, and rural development have emerged. The increased attention to women's issues has provided SEWA with outside institutional supports (both governmental and non-governmental). It has helped it to clarify its goals

and to see the problems of its members in a broader perspective. SEWA has begun to recognize itself as a contributing member of a larger movement, thereby creating an increased sense of self confidence within the organization.

C. Struggle and Development: Strategies of Action for Organizing Self Employed Women

In organizing women workers, SEWA has borrowed strategies from conventional trade unions. The membership is organized into trade groups which are represented in the union by organizers and group leaders from the ranks of the membership. A system has been set up where any member may register a complaint related to her trade, her family, or any other area. The Union will then respond to these complaints on behalf of the member. Strikes have been organized by several groups of small-scale producers against middlemen for higher piece rates. Mass demonstrations have been organized by vegetable vendors and used garment dealers protesting police harassment and displacement from their public selling places.

The Union describes these types of actions, many of which are patterned after strategies of conventional trade unions, as "struggle". It generally implies an action against the existing power structure in response to an immediate objective. It involves mobilization of the members around a particular issue and a show of strength to public authorities, merchants, governmental bodies, and other groups within the existing power structure. These immediate objectives serve as vehicles to organize and mobilize the women. Through the process of struggle, self awareness of the members as workers and as women is enhanced and critical consciousness is developed. The process of struggle exposes the nature of the exisiting power structure to those involved.

However, "struggle" by itself has not always been succcessful in bringing about change for SEWA members. For example, among the trade groups which mobilized to fight for higher piece rates, most found that after strikes and long negotiations, their hard won demands were not honored by the merchants they worked for. Not only were the wage agreements broken, but the employers victimized the women who has participated in the strikes by refusing to provide them work. The lack of any labor laws which bind merchants and middlemen to agreements reached with unions of self employed workers reduces their bargaining power. The existence of a large reserve pool of the unemployed willing to accept lower wages further limits the power of a union of self employed workers. With these types of experiences, self employed workers naturally begin to question the appropriateness of a solitary "struggle".

As perhaps the most divested group of workers in the labor force, self employed women lack bargaining power in fighting against merchants for better working conditions. Many of their problems cannot be dealt with effectively by directly confronting the existing power structure, but require what SEWA calls a "developmental" approach,

a notion borrowed from the cooperative movement. As women workers, SEWA members have a distinct set of problems, including lack of visibility for much of their work, low incomes, and limited control over income and property. International statistics indicate that although women contribute two thirds of all working hours, they receive only 10% of all the income generated and own only 1% of the world's property. 1/ To a large extent women's low income and lack of control over resources are due to the nature of their work. As household producers and family workers, much of their work is not recognized as creating value and therefore is given no economic value in the marketplace. Among family workers their income generally goes to their husbands or fathers and is outside their control.

As self employed workers, SEWA members face further institutional constraints which limit their access to credit, raw materials, markets for their goods and services, social security benefits, and legal aid. Conventional trade union strategies which are designed largely to address the needs of industrial wage employees are inappropriate to deal with these types of problems.

To address these unique needs of its members, SEWA has established three primary goals in its work: first, increasing women's visibility as workers; second, raising women's income; and third, increasing women's control over income and property. The objective is to empower women by developing the economic base of their trades, building their capacity to bargain for their rights, and creating an institutional environment more conducive to accomplishing these goals. Most importantly, the organization strives to help women find their own solutions.

Various strategies are used by SEWA in working towards these goals.

1. Strategies towards greater visibility

SEWA lobbies law makers, public officials,and government authorities for laws, policies, and programs which protect and support self employed women. The Union also provides a bridge between its members and the community by bringing different groups of women together and linking them to outside institutions.

2. Strategies towards raising incomes

SEWA has developed several programs, most organized on a cooperative basis, which attempt to raise incomes. Training programs in skills upgrading provide women with the know-how to produce and market higher priced goods and to organize cooperatives. Employment schemes have provided these and other women with supports in gaining access to raw materials, credit, production space, and markets. Members have been organized into supply, production, and marketing cooperatives. A women's cooperative bank has been established which provides credit

1/ United Nations statistics used by the United Nations Mid-Decade Conference on Women, Copenhagen, Denmark, July 1980.

to poor self employed women. Supports such as creches and a maternity benefit scheme also have been provided to members and indirectly augment their incomes

3. Strategies towards more control over income and property

The SEWA Bank, by providing members a safe and convenient place to deposit their earnings, offers women the chance to control their own income. Linking women to outside government agencies concerned with protecting their rights and property is another means towards this goal.

SEWA encourages and assists members in taking advantage of existing resources whenever possible. As a union, it also pressures existing institutions to become more responsive to the self employed. SEWA links members to existing public resources and support services for the poor, such as welfare benefits, health services, state housing, or governmental training programs. The Union regularly lobbies for more such public resources to be made available to self employed women through voluntary or workers organizations.

But merely fighting for a place within existing structures is not enough. Because so many educational, financial,and economic institutions are completely closed to poor women, SEWA is building alternative institutions for its members (e.g. the SEWA Bank and cooperatives).

4. The joint action of labor and cooperatives

The basic idea behind a model of the joint action of labor and cooperatives is that because of the existing structure and relations of production for poor self employed workers, conventional labor union tactics do not always serve their needs. Cooperatives, by providing alternative forms of production, when complemented by more conventional union actions offer a stronger chance of eradicating the poverty of these workers.

Several previous models of the joint action of labor and cooperatives demonstrate the possiblities for the success of such efforts. Israel provides perhaps the best known example. Most workers in Israel are members of both cooperatives and trade unions which are institutionally linked through the Histradut, a national federation which provides finance for their development and training of their members. National level manpower planning and linking workers to available jobs further are carried out through the Histradut. Workers' cooperatives are thus a major organizational unit of production in the economy. Singapore is another example. The trade unions there have been influenced by the Israeli model and strongly support the formation of workers cooperatives. Under the leadership of P.P. Narayan, a veteran trade unionist who is now the President of the International Confederation of Free Trade Unions (ICFTU), traditionally unorganized workers such as taxi drivers have formed unions and, subsequently, cooperatives. Today in Singapore there are few private taxis left.

SEWA is attempting to build on this model by organizing its union members from various trades into cooperatives. Women chindi sewers who previously worked on a piece rate basis for merchants have formed a cooperative production unit. Supplies of raw materials, credit for sewing machines, and markets are provided through the cooperative. Vegetable sellers have organized a marketing cooperative and take orders for vegetables from government run hospitals, jails, and hostels. The cooperative members previously worked as street vendors. Carpenters and junksmiths have formed a cooperative supply unit to purchase bulk raw materials of scrap iron and wood. Previously, they purchased these materials in small quantities from middlemen at high prices. And women formerly working as wastepickers have organized into a cleaning service cooperative. Bamboo workers and hand-block printers similarly have organized into production cooperatives and are taking advantage of government guaranteed supplies of raw materials, credit, and markets. SEWA's cooperative bank supports these economic projects and is tailored to the needs of poor women. These are small and young efforts but some of the first attempts in India to experiment with this model.

The success of these and future efforts depends to a great extent on a national level commitment to improving the lives of the self employed and supporting the joint action of labor and cooperatives. The effectiveness of unions of self employed workers will depend in large part on a supportive legal environment (i.e. legislation for self employed workers regarding hours of work, minimum wages, occupational health and safety standards, and the provision of social security and other benefits).

New economic policies which support and protect sectors employing cooperatively organized producers, vendors, and laborers also are called for. As a specific example, many poor self employed workers in India are cobblers. In recent years they have been facing displacement and unemployment due to the growth of the modern footwear industry. To protect these small-scale artisans, the government needs a long range policy which concurrently regulates the future growth of mass produced footwear and provides support in supplies of raw materials and markets to cobblers' cooperatives. Moreover, the government could take steps which ensure that those traditionally employed as cobblers be given priority for employment in modern shoe factories. In India, several policies supporting cooperatives and small-scale industries currently exist on paper. These polcies give price preferences and tax incentives to goods produced by small-scale industries, support marketing, supplies of raw materials, and the formation of credit cooperatives. Concerted efforts to implement these existing national policies through workers' organizations would be a boon to the self employed.

Educational institutions also need to train highly skilled individuals to organize and manage cooperatives. Management schools at present tend to focus on training managers for private industry. A shift in emphasis by these institutions -- particularly those supported by the government -- is needed.

Labor unions and governments can no longer afford to ignore the needs of self employed workers who make up the bulk of the labor force. The growing number of self employed workers, particularly women, dictates the need for improving their working conditions, increasing their wages, and expanding their opportunities for employment. SEWA's joint action of labor and cooperatives is one possible approach to meet this need.

PART III: SEWA AS A REALITY

CHAPTER 6: THE UNION

When SEWA started in 1972 it consisted of a handful of dedicated if inexperienced organizers, a small office within the TLA headquarters, almost no financial resources and a big idea. Neither the organizers nor the members really knew what it meant to form a union. Today, it has grown into an independent organization with twenty full-time organizers, over 100 trade group leaders and a broad range of programs for its regular membership of almost 5,000 women.

Organizationally, SEWA is made up of several branches. Under the auspices of the Union, members who have trade related and personal complaints against merchants, public authorities, and others are represented. The Union also lobbies for recognition of the rights of self employed women at the policy level. And services such as creche facilities, a maternity protection program, widowhood benefits, and other social security programs are provided. SEWA's Economic Wing sponsors training programs, facilitates the supply of raw materials, links producers directly to consumers through marketing assistance, and has begun organizing groups of workers into supply, production, and marketing cooperatives. SEWA's Rural Wing has mobilized village women in the areas surrounding Ahmedabad by sponsoring training programs, creches, and income generating projects. SEWA has its own buildings in Ahmedabad and in the village of Devdholera, with one under construction in Baldana. The idea is beginning to take root and grow; branches of SEWA have sprung up in Delhi and several other Indian cities.

To complement these Union activities, the SEWA Bank provides an integratd set of banking services to members. Since 1974 savings accounts have been opened by over 13,000 self employed women, and loans have been provided to thousands of poor women at interest rates between 4% and 12% per annum.

This chapter reviews the structure and activities of the SEWA Union. The following chapters will examine the SEWA Bank, the Economic Wing, and the Rural Wing.

The SEWA Union was formally registered with the Labor Commission as a trade union (under the Indian Trade Union Act, 1926) in 1972. One area of work involves organizing to defend the members' rights to fair wages, decent working conditions, and dignity as workers. Membership is open to any working woman 15 or older living in the state of Gujarat. The woman may be self employed as a seller, producer, or casual laborer, or in some cases she may even be a regular wage earner. The only other requirement is that the woman's occupation is not covered by another trade union.

Membership fees are Rs. 3 per year. SEWA lays stress on regularly collecting dues however small the amount and however poor the members.

A. The Structure of the Union

The organizational structure of the Union is patterned somewhat after that of the TLA and other trade unions. The members are grouped according to their trades, and within each group leaders are appointed by the Union. The group leaders form a representative board which at present is made up of about 100 women. These leaders are among the most enthusiastic and vocal members who demonstrate an understanding of the problems of their trades. They are a crucial link between the members and the Union.

A SEWA organizer is also assigned to each trade group. Together with the group leaders, they are in regular contact with the members. Most of the 20 organizers work with more than one group. They provide links to union activities, programs, and services provided by the SEWA Bank, the Economic Wing and the Rural Wing. They also act as a liaison between the members and the police, local hospitals, or other public institutions. The organizers also serve as the managers of SEWA's various programs.

The organizers are an extremely motivated and dedicated group of women from a variety of backgrounds and experiences. Many began their work with SEWA through the Women's Wing of the TLA where they were sewing teachers or organizers. Some are wives of millworkers; others from more educated middle class backgrounds. Others have come up directly through the ranks of the membership. While many of the organizers are not highly educated, their expriences have developed their skills in planning and managing programs and in organizing working women. Most importantly, all have developed strong leadership qualities and possess a deep sense of commitment to representing and defending the rights of the members.

By developing personal relationships with the members the organizers become familiar with their problems and needs. They visit the members regularly and work closely with them by collecting savings and dues, checking on family or business problems, recruiting new members, running training courses, responding to complaints, and dealing with a variety of issues as they arise.

SEWA organizers are paid a minimal salary ranging betwen Rs.300 and Rs.500 per month. 1/ However, for the most part, they do not view their work with SEWA (which means "to serve" in several Indian languages) as a job. They see SEWA as a movement and a cause. The fundamental criteria for everyone in SEWA is commitment to the cause of organizing poor working women.

The major decision making body of SEWA is the executive committee, consisting of a president, vice-president, general secretary, two secretaries, a treasurer and a committee of 19 representative members from various trade groups.

Currently, the president's seat is vacant. SEWA's first president and one of its founding leaders, A.N. Buch, resigned in May 1980. He is also the president of the TLA, and his resignation was followed by a series of conflicts between the two organizations. This, and other factors, eventually led to SEWA's split with the TLA in May of 1981. SEWA's vice-president, Mr. Manharlal Shukla, a secretary of the TLA, assumed the presidency in February 1981; but

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1/ SEWA is currently in the process of equalizing the salaries of all the organizers.

under pressure by the TLA leadership after SEWA's separation, he resigned in June of 1981. SEWA's leadership is currently considering who to make president. During Mr. Buch's term of office, the president had a strong role and involvement in the day-to-day workings of the organization. Mr. Shukla took a lower profile, assuming the role of advisor and counsel to SEWA upon request.

The vice-president, Chandaben Papubhai, is a used garment dealer who has been active in SEWA since its beginning. She is in regular contact with the general secretary, executive committee, and the membership and plays a vocal role in the everyday affairs of SEWA.

The general secretary, Ela Bhatt, is perhaps the most central figure in the organization and is at the heart of most of SEWA's activities. She, along with Mr. Buch, founded the organization in 1972. In addition to maintaining daily contact with the membership and organizers and overseeing the planning, management, and operation of SEWA's wide ranging programs, she serves as SEWA's public voice by meeting regularly with policy makers, governmental committees, municipal authorities, regulatory agencies, research bodies, and other outside groups.

Periodic meetings of the executive committee are held to discuss and decide on the direction of the organization. Special meetings are called to discuss unexpected issues or events affecting the membership. For example, a meeting was called in March, 1981 to discuss the serious rioting in Ahmedabad which for several months disrupted the work of a large number of SEWA members. The committee met to assess the extent of disruptions and income lost by SEWA members and to decide on actions which could be taken by the organization. Each representative spoke on the situation within her trade group and voiced her sentiments. Various proposals were advanced and a series of recommended actions resulted from the meetings. Following SEWA's split with the TLA and its subsequent ouster from the National Labor Organization, several meetings of the executive committee were called to discuss these changes and strategies to reorient the Union's activities. (See Chapter 11 for a discussion of decision making within SEWA.)

B. Activities of the Union

Within this organizational framework, SEWA Union works to represent workers' interests with respect to working conditions and pay. On several levels, the Union serves as a vehicle for members to organize and to defend their rights as workers.

1. Complaints section

SEWA has set up a system whereby its members may formally register complaints which are reviewed and are taken up by the Union. Complaints related to economic and social problems are registered by the members, either in the field with the organizers and groups leaders, or in SEWA headquarters with Neeruben Jadav, the organizer in charge of this section.

The types of complaints are as varied as the trades and the women. In some cases the complaints are referred to a public authority or agency. In other cases, they are dealt with personally by the organizers. However difficult the situation, the member is carefully listened to, the complaint is written down, and every possible avenue of action is exhausted in trying to solve the problem.

Trade related complaints commonly pertain to harassment by the police or municipal authorities, difficulties in obtaining licenses for fixed places to sell, internal squabbling among sellers, or protests against allegations of cheating or stealing against the members.

In many cases, the complaints relate to individual problems and are taken up personally by an organizer or by SEWA's legal advisor. For example, in 1979 one vegetable vendor was forcibly pushed out of her selling place by a male seller. When she approached the police for help, they refused to intervene claiming it was an internal matter between the sellers. No one would come to her assistance. After complaining to SEWA she and Neeruben went to the local police station to argue the women's case to the officer in charge. With the Union behind her, the woman found that she had more power. The police were convinced that her rights had been violated and forced the male encroacher out. The member is now back in her spot.

Another member, a fish seller, complained of a lack of public transportation facilities for carrying her fish from the lakes where they are caught to the market in Ahmedabad. She claimed that the present public transport carriers take too long because they make so many stops. By the time they get to Ahmedabad, the fish are spoiled. The public buses are quicker but do not allow passengers to carry bulk goods -- especially fish. Together with SEWA, a request was made to the state transportation authorities to schedule more direct transport services for traders dealing in perishable goods. As yet, their request has not been acted on.

Individual cases of police harassment -- for example when vendors are beaten up or have their goods confiscated for not having licenses or not paying fines or bribes -- are frequent problems. The Union representatives spend a good deal of time in the local police stations defending members against such actions. It is a continuing battle.

In many cases, groups of women will share a common complaint or problem, and the Union will organize a collective action in their defense. One such action took place in 1979 when the used garment dealers in Ahmedabad came under what they interpreted to be an unjustified attack in the local press. An article in a popular magazine falsely claimed that the vendors were common thieves and were selling stolen clothes. In protest against this accusation, the SEWA used garment dealers organized a demonstration in front of the magazine office and filed a defamation suit. Such negative attitudes towards self employed women workers are very pervasive within the community and are reflected in official attitudes towards them. Planners and public authorities too often view the vendors as nuisances and obstructions rather than as workers contributing to society. Similarly, the middle classes too often look down on them as dirty, loud, and uncultured.

SEWA continues to work with the used garment dealers and other groups to campaign for a more positive attitude, particularly among public officials. For example, a one day meeting between members and the Police Commissioner, the Municipal Commissioner, and the Chief City Planner was organized. In the meeting the used garment dealers aired their grievances of unfair treatment and abuse by authorities. Since then the officials have developed somewhat more sympathetic attitudes and are becoming more sensitive to the needs of these workers in their plans and policies.

Another instance of a collective action organized by SEWA involved a group of vegetable vendors in Ahmedabad's central market. After an outbreak of violence closed the market for three days, the police refused to allow the vegetable vendors to return to their selling spots on the street. They were told that they obstructed traffic. However, the vendors had been selling in this same place for many years and had regular customers who bought from them at these spots. They refused to relinquish their right to their traditional selling places. With SEWA's support, they organized a march and in a collective act of protest sat in their traditional places with SEWA organizers standing alongside them. It was a peaceful defiance of police orders. In the face of opposition from the police, municipal authorities, and large vegetable traders, the vendors finally won the right to remain in their old places in the market.

The Union also attends to social complaints related to such things as disputes between family members or neighbors, husbands drinking and beating their wives, tenant problems, widows not receiving their husband's pensions, mothers lamenting the elopement of their daughters or sons, and even some murder threats. In cases where the problems are referred to public authorities, SEWA follows through to see that appropriate action is taken. In other cases, the organizers work directly with the women and try to mediate disputes between family members, neighbors, or whoever is involved in the problem. In may ways they take on the role of social workers.

SEWA's complaints section has been modeled after that of the TLA. However, there are many differences between complaints registered by TLA members and SEWA members. The TLA generally deals with workers' complaints against the mills, and thus they deal under one roof with the mill management in attempts to resolve the problem. However, the self employed are in scattered work places and have no such single body to complain against. Their complaints may be against the police, a merchant, or related to a social problem, and typically there are no laws to back them up. Thus for SEWA, dealing with members' complaints often is a very time consuming and sometimes ineffective process.

At present SEWA is attempting to evolve new approaches to dealing with their members' complaints. One idea is to establish specific trade associations which would press for action at the policy level to create a more supportive economic environment for workers in their trades. While individual self employed workers have little power to affect protective laws and policies, through associations their voices stand a better chance of being heard.

2. Legal aid

When necessary, complaints are referred to SEWA's lawyer to initiate legal action on behalf of the members. One such case involves a hand cart puller who was struck from behind by a city bus while working and sustained serious back injuries. These injuries have permanently prevented her from pulling her cart. SEWA is filing a suit on her behalf against the bus authority for her right to be compensated for loss of work due to the injury. Winning such a case would set a precedent for the right of self employed workers to receive compensation for work-related injuries. The case is still pending.

In another case, the lawyer is assisting one woman in a fight to get state housing for her family. One woman who worked as a bidi roller for seven years also is being represented by SEWA in a fight to claim her pension fund which the merchant she worked for is refusing to pay. The case has been appealed to several levels of the Provident Fund Commission, and is now being reviewed at

the national level. The lawyer also deals with many cases related to womens' claims to property upon divorce or separation from their husbands.

Despite the efforts, SEWA has found it very difficult for its members to "absorb" legal aid, as it is a cumbersome, time consuming and not always effective process.

3. Social services

In the course of SEWA's organizing work, it has become apparent that the members' disadvantages in earnings and working conditions are compounded by problems in their private lives. These problems are often accentuated by their limited access to the types of institutional social security programs -- such as pension schemes, widowhood benefits, health insurance, life insurance, and maternity benefits -- which are available to workers in the organized sector. Moreover, the community support systems which traditionally maintain the old, the sick, and the disadvantaged often have broken down under the pressures of poverty and social change in urban areas.

In the absence of public support for social security for the self employed, SEWA has initiated several programs of its own. These include a widowhood and death assistance scheme, a life insurance scheme, a maternity benefit program, a health scheme, various training programs, creches, and several other activities. Through these programs SEWA has experimented with various ways of delivering social security benefits and other social services to the poor. By providing models, SEWA has demonstrated that it is possible for the government or other public institutions to deliver similar types of programs to the self employed through voluntary or workers' organizations. By providing a link between institutional resources and its members, SEWA and organizations like it can assure the self employed access to basic public services heretofore reserved for workers in the organized sector.

As a mechanism to finance these social services, SEWA established the Mahila SEWA Trust in 1975. It is supported by small donations from SEWA, TLA members, philanthropic institutions, trusts, and private individuals. SEWA's general secretary, Ela Bhatt, donated to the Trust the Rs.176,000 (US $20,000) she received as the Magsaysay award winner in 1977 for her work with SEWA. This has been a major source of revenue for the Trust. The activities sponsored by the Trust are carried out by SEWA organizers and overseen by a Board of Directors.

a. SEWA's Widowhood and Death Assistance Scheme: One SEWA social service project is the Widowhood and Death Assistance Scheme. In most parts of India, widows are expected to stay at home for one month following the death of their husband. For families of self employed women this often means that their emotional strains are aggravated by the loss of the woman's income. In many cases, families go into debt to support themselves during this period. To assist widows through this transition, SEWA provides a grant of Rs.100 to cover living expenses and to help compensate for the woman's loss of income following her husband's death.

The Trust also has a death benefit scheme to assist families with funeral costs in case of a member's death. The Rs.100 paid to the families helps them to avoid going into debt. Both of the above programs are small and are directed to only the very poor.

b. SEWA's Life Insurance Scheme: After several years of lobbying, in late 1981 the Government of India Life Insurance Corporation (LIC) agreed to sponsor a group life insurance scheme for SEWA members. A premium of Rs.6 per year covers members for Rs.1000 in case of death. The SEWA Bank offers a package scheme: by depositing Rs.100 in the three year fixed account, members have automatic life insurance coverage. The three year fixed deposit gives 11% interest, or Rs.11 per year, out of which Rs.6 pays the insurance premium, and the remaining Rs.5 is paid to the member for interest. Almost 2,500 women are currently enrolled in this SEWA program.

c. SEWA's Maternal Protection Scheme: A third project is SEWA's Maternal Protection Scheme. It is one of the organization's most innovative social security programs. A small self-financed program began in 1975, and after several years of experimentation, a larger program is now supported by the Gujarat State Department of Social Welfare.

For working women the conflict between work and motherhood is perhaps most striking during the weeks immediately before and after childbirth. Because women's earnings are so important for many poor families, at the time of childbirth a woman often is faced with a difficult dilemma: should she give up work to care for the child, thus cutting the family off from a crucial source of income? Or should she continue to work up to the time of birth and during the neonatal period, thereby exposing both herself and her child to a high risk of serious health problems? Given the extreme economic need of poor families, self employed women frequently have no alternative but to continue working and in so doing jeopardize the health of themselves and their children.

SEWA found this to be a particularly pressing problem among self employed women. In 1975 a survey of 500 members revealed that within two years 20 members had died. In reviewing the causes, SEWA was shocked to find that 15 of these deaths were related to childbirth. Soon after SEWA approached the government's Life Insurance Corporation in an effort to get maternity and death insurance coverage for its members. But no insurance of this type was available. Frustrated in these efforts, SEWA decided to develop its own protective scheme.

With their trade union background, SEWA's tendency is to compare the self employed to industrial workers. Women workers in the organized labor sector are entitled by law to paid leave and cash benefits after maternity. However, the mass of self employed women workers are not. SEWA asked why should these women, who comprise the largest proportion of the urban and rural poor and who all contribute to the economic development of the nation, be deprived of maternity benefits? Why should the self employed suffer a higher risk of death because of motherhood? SEWA argued that as motherhood contributes to the continuation of the nation, the responsibility for the protection of mothers should be assumed by society as a whole, rather than solely and personally by women.

In the absence of public support for maternity protection for the self employed, SEWA developed a simple program to protect its members from the risks associated with childbirth. The Maternity Benefit Scheme is designed to improve the health of both mother and child and to compensate the women for loss of income incurred during the period immediately before and after birth. Any SEWA member who is five or six months pregnant may register for the program by paying Rs.15. A SEWA organizer then assists that member in obtaining qualified medical care and an anti-tetanus injection from a qualified medical person. The organizer also monitors the woman for complications and, if any arise,

works to get her proper assistance from outside sources. After delivery the newborn is given its necessary innoculations. Upon satisfying the above conditions, the member receives Rs.51 as a cash benefit.

Since 1975, some adjustments have been made in the above scheme. Early on SEWA learned that many of the women were using their cash benefit to buy ghee, which is traditionally consumed by mothers after delivering a child. So when more funds became available through the Mahila SEWA Trust, SEWA began to provide each member with a one kilogram tin of ghee in addition to the Rs.51 cash benefit.

In the beginning the scheme was limited to a woman's first two children. This was in response to the argument that unless such a provision was made the benefit scheme would encourage women to produce more children. In addition, a higher benefit was paid if the woman agreed to undergo sterilization. However, SEWA soon realized that this reflected more of a middle class perspective on family planning than the members' perspective. The concern among members for the survival of their children is real. An informal SEWA survey found that 18 out of 50 women have lost one or more children. As SEWA became sensitive to this reality and began to see the question of family planning from the members' perspective, these elements of the program were dropped.

During the first two years there was very positive feedback from the urban members participating in the program. They expressed a sense of hope and confidence in the scheme. Members began advising other women that if they participated in the SEWA scheme, they would not die.

With these signs of support, SEWA's confidence grew and it ventured to extend maternity protection to rural areas where child mortality is extremely high Tetanus, caused by the unhygenic practices of midwives, is a major cause of death. The first rural maternity protection program was initiated in 1978 and involved the training of a group of village midwives. They learned to use soap, hot water, and scissors sterilized in an open fire. These basic practices meant a revolution for all.

Encouraged by this initial rural effort, a maternity scheme similar to the urban program was extended to rural landless laborers in 1980. In addition to offering the same benefits as in the urban program, the rural scheme includes a health education component in prenatal care. The Bavla Health Center (a Government sponsored rural training center) provides the education facilities, and participants are taught the basics of prenatal nutrition, health, fetal development, the hazards of tetanus and the advantages of immunization. The village midwife is the local SEWA functionary for extending the scheme to members. She registers the names of pregnant members and takes them in groups to the Bavla Center for check-ups, training, and immunization. Several hundred village women have been covered under this scheme, and so far there have been no deaths recorded among them.

The management of both the urban and rural schemes has been undertaken by one chief organizer and one assistant organizer on the SEWA staff. The field level functionaries in the rural areas are all from the villages. Initial funds for the scheme were raised from SEWA members and were complimented by contributions to the SEWA Mahila Trust from the Textile Labor Association and well wishers of SEWA. Between 1978 and 1981 funds were received from the Asian American Free Labor Institute (AFFLI) for the urban program and since 1980 from the Gujarat State Labor Department for the rural programs.

The record of the program so far is impressive. Over the past five years there has been a marked reduction in the maternal mortality of the members. Out of 2,600 women covered under the scheme in the five years between 1975 and 1980, 36 have died - 15 from causes related to childbirth. This is significantly lower than the earlier survey finding (15 deaths in two years out of 500 women).

Despite the overall improvement in maternal health, there are shortcomings to the scheme. The major one is lack of post-natal follow-up. A distressing fact is that out of 2,600 infants born to women in the program, 356 have died. A major constraint in the follow-up is that mothers generally resume their work within two weeks after delivery. In the absence of child care facilities, the infants suffer heavily. Another recent constraint for SEWA has been delays in receipt of state government funds. Red tape has been thick and has resulted in some women missing out on the benefits altogether. This not only undermines the confidence of the members in SEWA but destroys the whole purpose of the scheme. More streamlined bureaucratic procedures are necessary if the program is to effectively serve self employed women.

Even with these problems, much has been gained from the delivery of the Maternal Protection Scheme. For the first time, self employed women have access to maternity benefits. They have gained a more stable income, better health, and lower risks associated with pregnancy and delivery. As an organization SEWA also has learned. According to organizers, many of their prejudices and myths, especially about rural women, have been broken down. For example, they previously believed that rural women were not willing to go outside of their villages for training. But they found that members enthusiastically leave their homes for prenatal care at the Bavla Center.

In a broader sense, SEWA's program has demonstrated that it is possible for the government or other public institutions to deliver maternity benefits to the self employed through women's organizations. By providing a link between public institutions and women workers, SEWA and organizations like it can assure the self employed access to resources heretofore reserved for workers in the organized sector.

SEWA has also learned that the Maternity Protection Scheme is an entry point into poor women's lives that can lead into other development programs, including literacy training, skill upgrading, and organization of grassroots level associations. Maternity protection coupled with day care centers for children can help women to resolve the age-old confilct between their role as both workers and mothers and can support women's struggle to take their rightful place in the development of their communities.

d. Day care: A fourth social service project is SEWA's day care centers. One of the most common problems faced by SEWA members is a lack of child care facilities. In many cases, children accompany their mothers to the worksite and are exposed to unhealthy and dangerous conditions. In other cases, they are left without supervision to play in the streets. Anxiety over their children's welfare is prevalent among the women. In response to this need the SEWA Trust has attempted to open several day dare centers for members in urban areas, and SEWA's Rural Wing has organized day care facilities in the villages.

Two different systems have been tried in the urban areas. SEWA has rented spaces for creches in three different locations in the slum areas. They are

staffed with one supervisor and two helpers and are open from 9 a.m. to 7 p.m. The mothers bring their children to the centers in two shifts and pay a charge of Rs.5 per month for each child. The SEWA Trust matches this with Rs.12 per child to cover the remaining costs. The Trust further covers the salary of the staff --Rs.150 for the supervisor and Rs.80 for the helper.

SEWA has also set up a smaller decentralized day care program where neighbors are paid Rs.15 per month by SEWA to care for a child.

Unfortunately, several problems have emerged within the urban programs and at present there is only one center operating. One problem has been finding suitable and affordable space for the centers. Another has been gaining the trust of mothers to leave their children in the centers. The organizers have worked hard to convince the women of their children's safety and the potential benefits of the program. Another problem has related to the children being left in the center past its closing time. This has created difficulties for the staff. In one instance, a creche had to shut down because the landlord objected to the presence of low caste children.

At present SEWA is in the process of thinking and planning for an expansion of creche services in Ahmedabad for members. (See Chapter 9 for a discussion of the organization of rural creches

4. Health programs

SEWA also has experimented with various programs responding to the persistent health problems of members. In 1975, SEWA sponsored a medical check-up for 350 members to identify their specific health problems. Forty doctors donated their services for one day, and the Trust assumed the remaining costs of about Rs.500. Although members from many trade groups participated, the follow-up has been limited. A small program providing free eye check-ups and eyeglasses to members grew out of this effort.

Given its limited resources, SEWA is not in a position to actually deliver health services. Instead, efforts have focussed on conducting and coordinating small health training programs. One of the most popular of these is the "Know Your Body" courses which are conducted through a local hospital. Together with hospital staff, the organizers conduct small classes for members. As mentioned above, the maternity benefit program also includes a training component.

The organizers also play an important role in linking up members with existing health services available in Ahmedabad. As they learn of the health problems of the members in the course of their work, the organizers will take them to TB clinics, hospitals, or other facilities where appropriate services are provided.

SEWA also consults with the National Occupational and Health Institute on a regular basis to assess work-related safety and health problems of its members. Representatives from the Institute have visited members in many trades and have recommended various steps to improve their working conditions.

As an example, during their visit to women working as chindi sewers, they recommended a way to help the women avoid breathing in cloth fibers. The first step in sewing chindi is to sort through huge sacks of dirty rags. In doing so the women are exposed to a heavy dose of cloth fibers in the air.

In attempts to avoid breathing in these fibers, the women typically tie cloth masks over their noses and mouths. However, their lungs and nasal passages still get irritated and they suffer from chronic coughs and respiratory disorders. On their visit, the Institute's representative identified one of the reasons for this. Upon inspecting the cloth masks, he found that they were probably doing more harm than good. The masks being used by the women were made of loosely woven cloth and while keeping out the larger fibers, they allowed the tiniest, most dangerous fibers to enter the lungs. The doctors recommended that the women either leave the masks off altogether (as breathing in the larger fibers would actually help to filter out the tiny fibers) or use special masks made of more tightly woven fabric that filter out the tiny fibers. Similar types of recommendations have been made regarding properly designed work stools and tools for the bamboo workers, measure to protect block-printers from skin contact with chemical dyes, and so forth.

SEWA also enlisted the talents of industrial designers at the National Institute of Design in creating safer hand carts, canvas covers for market areas to protect sellers from the sun, and protective gloves and masks for wastepickers and sweepers.

SEWA has become active in lobbying for the institution of governmental occupational health and safety regulations for the self employed. In 1980 SEWA's General Secretary sent a memo to the National Occupational Health Institute recommending the establishment of a special women's cell (SEWA, 1978). The memo refers to specific occupational problems of its members and proposes actions to redress these problems:

- Cart pullers carry loads averaging 1,000 kilograms over distances up to 6 or 7 miles several times each day. One result is a high incidence of miscarriage. They need better, faster, and easier to pull carts.

- Street sweepers breathe in dust particles and handle dirt and waste with their bare hands and feet. They need protective masks, gloves, aprons, and footwear.

- Domestic maids scrub dirty vessels with dirt using their bare hands which makes their fingers sore. They should be provided with proper brushes and scrubbers.

- Cotton-pod shellers sit in the midst of heaps of cotton under the burning sun during the summer months. Peeling the pods causes their finger tips to bleed and their eyes to burn. They also complain of their menstrual cycle being disturbed during the season of their work. Research on the causes of these problems and protective actions are needed.

- Hand-block printers often make their own dye for color out of chemicals. It has been observed that during the process, the lower part of their face gets dark, lips swell, and hands become sore. Research on the health hazards of these chemicals is required.

- Construction laborers handle brick and mortar with their bare hands. They need proper gloves for protection.

- Junksmiths pound scrap metal into buckets, stoves, and utensils

All of this work is done manually by repeated pounding with crude tools. They need improved tools.

- Quartz crushers and ceramics workers breathe in silicone dust. The risk of death is high after 5 years work. Safety regulations are needed.

- Firewood pickers headload wood weighing up to 40 kg. more than their own body weight. They need improved means of transporting their loads.

- Agate polishers work in a bent over position. They need proper workstools.

5. Training

In the mid-1970's SEWA initiated several functional non-formal education programs. The training initially focussed on literacy and "home help", but it soon became apparent that the interests and needs of the members were in income generating activities. The success of several short term skills training classes in 1975 and 1976 led to the gradual expansion of SEWA's productivity training classes which today are a major activity of the Economic Wing.

SEWA's persistent attempts at literacy training in the early years met with limited success. Seventeen small classes were arranged in homes, markets, or wherever and whenever it would be convenient for the members to meet. However, the women lacked interest and motivation, and the most valuable benefit to them was learning to sign their names.

During the International Women's Year in 1975, the TLA Women's Wing sent 12 organizers, six of whom were working with SEWA, to a three month workers' education program run by Central Board of Workers' Education. The organizers received instruction in labor laws and in various techniques of organizing.

After the course, over 40 short term training classes were organized for women in the slums. The field organizers taught workers rights, child care, hygiene, "national spirit", household budgeting, food preparation, and how to make soap, balm, and pickles. Although the organizers had become well versed in labor laws, they quickly learned that they had little relevance to these women, most of whom were self employed. The organizers found that on the whole, the training they had received was not relevant to organizing women workers. However, the classes served as a point of entry for SEWA into several new trade groups, particularly those working as home-based producers. Moreover, the organizers developed valuable skills and experience in organizing group meetings. For the women, the most popular aspect of the classes, according to several organizers, was the training in making soap, balm and pickles. Through these new skills the women were able to supplement their incomes. Unfortunately, expansion of this particular program was not subsequently pursued by SEWA.

Following this experience, SEWA began directing more attention to skills training for members. In 1976, together with the Polyvalent Adult Education Center of Gujarat University, SEWA initiated a short productivity training program for women milk producers. The ten day course, which included instruction in cattle care, feeding, and milk management, was quite useful to the members. According to Ela Bhatt, this training program was really the first

to open SEWA's eyes to relevant training for women. Encouraged by the success of this program, SEWA introduced several other short term productivity training programs. They included one in repairing machines for garment workers and spinners; one in accounting and budgeting for over 60 illiterate vegetable vendors; and another in designing for hand-block printers. While literacy training had generated limited interest among the members, the skills training classes were well received.

Other types of training also are sponsored. Several leadership training sessions have been provided to the organizers. And in conjunction with the Panchayat Training Institute, SEWA sponsored a training course for seven women serving on their village councils. (Panch yats, or village governing bodies are required by law to have women members.) Although women have the enthusiasm to participate, they have limited experience in public forums and lack sufficient knowledge of the functions or financial resources of the Panchayats. Men dominate in the discussions, debates, and decisions. The three day course was held to encourage the more active participation of women in the Panchayats. It included instruction in the scope and function of the Panchayat, finances, functions of judicial committees, and discussed issues of family welfare, disease, nutrition, child care, and creches for children of women workers.

6. Housing

In 1976, in conjunction with the Gujarat State Housing Board, SEWA formulated a Cooperative Housing Scheme. This was an attempt to link up the families of 1,000 members to low-cost public housing. Almost 800 women opened special accounts in the SEWA Bank and were saving to contribute their portion to the scheme. However, due to political bottlenecks and bureaucratic inaction, the program ground to a halt. Although the construction of the housing was completed several years ago, the government has been unable to allocate the units. In the meantime, termites have destroyed many of the door and window frames, squatters have inhabited the premises, and the projected rental charge has more than doubled. To date, only 200 women have received houses, and the rest are still waiting. Given the enthusiasm of the women to participate in this program, inaction on the part of the government is irresponsible.

7. Representation in establishing wages

Another major area of work for the SEWA Union is representing members in establishing fair wages. Struggles by headloaders, hand cart pullers, papad makers, and chindi sewers have been spearheaded by SEWA. Some of these attempts have been more successful than others.

In the early 1970's SEWA began an uphill battle to establish fixed wages for two groups: headloaders and hand cart pullers. SEWA successfully applied for a special board to be set up by the State Labor Commission to investigate the wages paid by merchants employing these groups. After lengthy meetings and hard negotiations between SEWA and the merchants through the State Labor Commissioner's Office, an agreement was reached requiring the workers to be paid a rate fixed according to weight and distance (rather than the previous arbitrary rates). Although the agreement was voluntarily signed by the merchants and a representative from the Labor Commission periodically is sent around to check on wages being paid, there is really no power for enforcement behind the agreement. It is not legally binding and there are no minimum wage laws which apply to the self employed. As such, the agreement is really only a piece of paper and depends upon the good faith of the merchants.

The headloaders have developed a strong sense of solidarity among themselves as a group and have stood firm in pressing the merchants for the agreed upon rates. However, the hand cart pullers have been timid with the merchants they work for. After being paid the agreed upon amount infront of a representative from the Labor Commission, SEWA found that they gave the extra amount back the next day. Their lifelong relationships, loyalties, and dependencies on the same merchants put them in a weak bargaining position.

SEWA has also fought for increased wages for two highly exploited groups of home-based piece rate workers, papad makers and chindi sewers. In both cases, groups of workers came to SEWA requesting backing in strikes for higher wages against the merchants giving them work. With SEWA's help, increased wages were agreed upon in negotiations between the women and the merchants. However, after smiling and signing volutary agreements, the merchants simply refused to pay the higher wages. If the women insisted, the merchants simply gave the work to someone else willing to work for less. The workers found that even after the long struggle of strikes, negotiations, arbitration, and agreement (all involving loss of work and income), they had no leverage to enforce the agreements. In some cases, the merchants would penalize the "troublemakers" and stop giving them work. In both cases, this led SEWA to organize production units of their own for the strikers, as will be described later. (See Chapter 8 for further discussion of these struggles.)

In sum, the struggle against the existing power structure is a long and hard battle for the self employed. Too often they lack the power and leverage to pressure and force the system to respond to their basic needs and rights. Although an important part of the struggle, traditional trade union tactics in and of themselves are not enough to deal with the problems confronting self employed women. While assuming an important role in mobilizing the women, these struggles have pointed SEWA in two additional directions of action.

First, SEWA sponsors developmental activities, primarily in the form of creating alternative institutions supporting women in their struggles to overcome social and economic problems. The SEWA Bank and projects sponsored by the Economic Wing and Rural Wing are some of SEWA's developmental activities. They are attempts to create alternative avenues for and to develop the capacity of women collectively to overcome some of the constraints they are facing in their work and family lives.

Second, SEWA has been active in lobbying for laws, regulations, and programs at the policy level which support developmental activities for and protect the rights of self employed workers. The following chapters discuss SEWA's work in these areas.

CHAPTER 7: THE SEWA BANK

Two major problems faced by SEWA members are indebtedness and a high degree of exploitation by private moneylenders. In response to these pro-problems, SEWA has been involved since 1972 in programs to provide banking services to members.

A. The Problem of Indebtedness

Surveys conducted by SEWA show that the level of indebtedness among self employed women in Ahmedabad is extremely high. For example, 25% of junksmiths and carpenters, 35% of milk producers, 44% of garment workers, 61% of used garment dealers, and 79% of the vegetable vendors are indebted (Bhatt, 1976). The size of their debts generally ranges between Rs.1000 and Rs.2000.

An overwhelming majority of these women borrow from private money-lenders and other informal sources such as merchants, traders, friends, and relatives. In most cases, interest rates are extremely high, ranging anywhere from 5% to 144% per month, depending on the source and the urgency of need for the capital (Bhatt, 1976). A more recent survey of SEWA members shows the standard rate of interest charged by private money lenders is between 5% and 10% per month. 1/

When borrowing from merchants and traders, the exact rates of interest are not always stated or fixed for the women. Because many depend on these middlemen for raw materials and marketing channels, in addition to capital, they are in a weak bargaining position. Consequently, a woman's indebtedness is often used as a lever of exploitation. Interest may be deducted from her pay or accounted for in the amounts of raw material she is supplied. In some cases, in lieu of interest she may be expected to deliver goods to a merchant for a lower rate, or exclusively to him.

In borrowing from relatives and friends the women often are charged the standard "informal" rate of interest (that is 5% to 10% per month). In some cases, no interest is charged but indebtedness implies other obligations such as performing work or other services for the relatives upon request.

In addition to the high rates of interest and other obligations implied by these debts, another major drawback of informal sources of credit is that the capital is not always available at the time or in the sums required by the borrowers. In other words, there is no assurance or regularity in supply.

1. The reasons for indebtedness

The reasons for the high level of indebtedness among poor self employed women are many. Low and irregular incomes mean that daily earnings

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1/ Survey of SEWA Bank Clients, February-March, 1981.

are generally used up for household consumption. With no savings or other resources to draw upon for capital needs beyond daily consumption -- such as large expenditures for working capital or trade development, social obligations, emergencies, and unexpected expenses -- women must turn to outside sources for credit.

a. Trade development: Several occupational groups among self employed women use substantial amounts of capital on a daily basis to run their trades. For instance, vegetable vendors invest anywhere from Rs. 50 to Rs. 200 per day to buy their stocks of vegetables; and used garment dealers periodically require lump sums of between Rs.1000 and Rs.5000 to buy stocks of old clothes.

Capital is also needed by the self employed for longer range investments in their means of production. Garment makers, for example, need sewing machines; vegetable and fruit vendors need carts and scales; hand cart pullers need hand carts; and carpenters need tools. In many cases, due to lack of capital women must rent these goods. Owning their means of production is one of the few ways women can hope to expand their trades and increase their incomes. Unfortunately, the extremely high interest rates of non-institutional sources of capital often make these types of investments unfeasible.

b. Social obligations: Women also require credit for expensive family social obligations such as funerals and marriages, and to cover expenses during religious festivals. Fulfilling these obligations, although expensive, is crucial for the family to maintain its status and position within the community.

Marriages by far are the most common social obligation which place financial strains on poor families. Marriage costs vary according to caste, community, and economic status. An informal survey among SEWA members shows that families spend anywhere from Rs.3000 to Rs.10,000 for their daughters' marriages, and from Rs. 2000 to Rs.15,000 for their sons' marriages. In general, the more spent, the more status implied. Families do not generally have enough saved to fully cover these expenses, so in addition to using up their savings, they go into debt. Because large sums of capital are generally unavailable from one source, multiple sources are drawn upon. Families borrow from banks, moneylenders, and relatives and pawn whatever pawnable things they have. In some cases, the payment of the dowry or bride price is stretched out over many years after the actual marriage. In other instances, marriages are delayed while young girls work and save their earnings to help pay for their marriages.

The large sum of capital required for dowries and bride prices has several implications for the economics of the household. First, at a certain life cycle stage for women (i.e. when their children become of marriageable age) there is a high demand for large amounts of capital, and as a rule indebtedness follows. Depending on the number and spacing of children (which usually is fairly close) the resulting cycle of indebtedness continues beyond the point when the last child is married off. In many cases, before the debts from one marriage are paid off, another comes up and the family increases its indebtedness.

Second, the high cost of marriages in some cases influences the age at marriage. In certain situations, as mentioned above, it leads to later

marriages while the family works to accumulate the necessary money. However, among at least one group of SEWA members the high cost of marriage has the opposite effect. Among headloaders, for example (whose incomes are less than Rs.7 per day), the huge expense of a daughter's marriage leads many families to marry two or more daughters at the same time. When the marriage of the eldest daughter takes place, younger sisters (as young as 10 or 11 years) also are married so that the family incurs the cost of only one marriage ceremony.

Third, while part of the dowry can be considered an investment in the future for the couple (that which comes in the form of furniture, clothes, utensils, jewelry, etc.), much of the marriage cost goes for the actual ceremony. This expenditure, in a strict sense, has no direct economic benefit. However, insofar as a proper marriage ceremony allows the family to maintain its social position and establish good relations with the in-laws, there are indirect benefits. These relatives can be a source of economic support in times of need.

Fourth, marriage debts at times are so large that they are carried over from generation to generation. Thus, the debt has long term consequences for a family's ability to break out of a cycle of indebtedness.

Finally, the high cost of these debts may mean a drain on enterprise earnings. Profits channeled to debt repayment rather than re-investment in their trades (as working capital or for the purchase of tools or equipment) can lead to decreases in earnings.

c. Emergencies: Poor families often are in need of capital from outside sources for several types of emergencies. The illness of family members means not only medical expenses, but also loss of income. Civil disturbances, a fairly common phenomenon, mean disruptions in trade and commerce and subsequent loss of income for the self employed. For example, during the 1981 riots in Ahmedabad many SEWA members complained of losing income due to the disturbances. The only way most could survive was to withdraw savings from their SEWA Bank accounts or, in some cases, borrow from friends or relatives. Moreover, women must often borrow for their children's educations, home construction or repair, litigations, or repayment of debts incurred by other family members.

d. Summary: While in many cases the need for capital is technically a "household" need, it is the women who borrow. There are several reasons for this. Women often are the primary breadwinners for their families (from 25% to 30% of SEWA members). Because of male unemployment or the death of a husband, women must often assume major responsibility for the economic well being of the family. Even in cases where a male household member is employed, his earnings may be less than the woman's or they may not find their way regularly into the household coffers. Because women often play a large role in household budgeting and contribute a large share to the household income, they also play a large role in borrowing and repaying debts.

Despite women's need for credit and their experience in borrowing -- as reflected in their active involvement in informal borrowing systems -- their access to institutional sources of credit is limited. Most of these limitations relate to the fact that the banks are not set up to deal with

the credit needs of the poor. In general there are limitations in accessibility and availability of institutional credit to small-scale traders, sellers, producers, and laborers. Lending institutions often claim that the small amounts of capital needed by these borrowers and their frequent withdrawals and deposits result in high transaction costs and make such lending programs unviable. Their lack of appropriate forms of collateral also is seen as a problem. In general, bank staff are not trained to deal with the needs of poor clients.

There are additional limitations for poor women. Because they are generally engaged in the most marginal and lowest return activities, they are considered to have the least potential for profitable investment. Moreover, they are unlikely to own tools of prouction or other traditional forms of collateral. As such, they are not considered to be viable investments by the banks. However, even if the banks through special programs agree to lend to poor women, there are several other problems. The women lack experience in dealing with formal institutions and are unfamiliar with banking procedures. Banking hours may not be suited to their schedules and illiteracy may be a problem. Bank staff, most of whom are used to dealing with a more sophisticated (and generally male) clientele, may not have the patience or willingness to give sufficient time and attention to inexperienced borrowers. Women also are less likely to have the personal contacts necessary to get a loan from a bank. All of these factors lead to high "transaction" costs for the women borrowers. With these problems it is not suprising to find so many women in the clutches of moneylenders.

B. SEWA's Experience in Banking with Poor Women

1. SEWA as a link to the nationalized banks

Recognizing women's need for capital and their limited access to institutional sources of credit, SEWA initiated a program in 1972 to link members to governmental sources of credit from operating commercial banks. In the early 1970's the government instituted a program, the Credit Guarantee Scheme, to provide credit to low income families through the nationalized banks. This scheme required the banks to set aside ½ to 1% of their loan portfolios for the "weaker sector" or those families under the poverty line (at present Rs.3600 per year per family for urban India). Loans were to be made available to the poor at 4% interest payable over 2 years. For political reasons, the volume of the loans advanced under this scheme was important to the government in the early 70's, although the administrative machinery to implement the scheme was not developed.

During the early years of the program the banks were under a great deal of pressure from the government to lend, either themselves or through intermediary voluntary organizations. However, the banks had no previous models of delivery to go on. In 1972 they were quite inexperienced and unprepared to carry through the program. Because SEWA was recognized as a legitimate organization of poor working women, and because of its affiliation with the well established Textile Labor Association, the banks were willing to initiate a lending program through SEWA. SEWA first approached the Bank of India which willingly advanced a few hundred loans through SEWA on a trial basis. The State Bank of India then came forward on its own with offers to extend assistance to SEWA members. Soon other banks also were coming to SEWA with funds for poor women.

However, the process of actually delivering the loans to the women was not an easy task. Like the banks, SEWA was inexperienced and had no models on which to base a program. SEWA lacked experience in banking know-how; and the banks lacked the conceptual clarity and the trained personnel to guide SEWA. When the program through SEWA began the banks did not even have loan application forms. SEWA designed the forms subsequently used. The initial program was the beginning of a long process of experimentation and learning. Although sometimes an arduous and painful process, a system of banking has evolved which has become increasingly responsive to the banking needs of poor working women.

The initial system set up between SEWA and the nationalized banks worked as follows:

SEWA identified trade group leaders who recommended women for loans. If not already a SEWA member, the women would join by paying Rs.3 membership fee and the group leader would bring them into SEWA's offices in the TLA headquarters. A SEWA staff person would then assist the woman in filling out a loan application form and on behalf of the member submit it to one of several local banks involved in the program. A fee of Rs.10 was paid by the banks to SEWA for each loan application processed. Upon approval of the loan, a staff member would accompany the women to the banks to withdraw the loan money. The women would visit the banks on their own to repay the loans.

It was not long before several problems presented themselves. The staff of the nationalized banks, who were used to dealing with an educated, middle class clientele, were generally ill-prepared to deal with the SEWA members. The women would come into the banks in tattered clothes, accompanied by children. They were unaccustomed to formal business settings and it was difficult for them to get proper service from the bank staff. Because the women were illiterate, they would require assistance from the impatient bank staff in filling out deposit and withdrawal slips. Another problem was that they were not always consistent in reporting their names and addresses. Many of them have similar names and banks got confused with different addresses for the same name. An organization with patience and commitment to keep track of different individuals was required. Unfortunately, because of these problems the banks considered dealing with the women a nuisance.

For the members it was a trying experience. Being unfamiliar with the banking process, they would sometimes go to the wrong bank branches or stand in the wrong lines. Not knowing correct banking hours, some would reach their banks only to find them closed, thereby requiring another visit on another day. Problems of red tape meant the women sometimes would have to visit the bank two or three times for one transaction. The hours spent shuttling back and forth to the banks cut into their work time. Because of these inconveniences, the money intended for loan repayments often would be spent before it found its way to the bank.

Another problem was that the size of the loans women received was large (between Rs.500 and Rs.1500) and could not always be spent at one time. In the interim, they had no safe place to keep the money and it would often get used indiscriminately by husbands or sons. In some cases, to keep it out of the hands of other family members, women would deposit

it for safe keeping with the very people who had been exploiting them in the first place - moneylenders, traders, and shopkeepers. They would use it for their own working capital.

A Bank of India survey of SEWA borrowers in 1974 reflects the difficulties the women were experiencing in repayment:

2000 Borrowers	
Regular repayment	16%
1-2 months out of order	28%
3-6 months out of order	43%
6+ months out of order	13%

In this first stage of SEWA's banking experience they learned that credit alone is not enough. Despite the availability of capital, poor women need more. First, a more accessible institution where the staff accepts their life styles and responds to their banking needs; second, a safe place to save money; and third, an institution that provides supportive services to help women utilize credit effectively and manage their financial affairs.

2. The SEWA Bank is born

At a rowdy meeting in December 1973, SEWA members decided to open a bank of their own. A campaign was started to raise the Rs.100,000 share capital legally required to set up a bank. While the established banking community expressed skepticism, the member's enthusiasm enabled them to raise the share capital within six months. Shares worth Rs.10 each were sold to over 4000 women. When the organizers discovered only a day in advance of registration that 15 promoters had to sign the papers, a group of members sat up through the night to learn to sign their names. On May 25, 1974, the Mahila SEWA Sahakari Bank was inaugurated and registered as a cooperative bank with the Cooperative Department of the State of Gujarat.

The original concept of the SEWA Bank was to offer not only standard banking services to poor working women, such as savings accounts, fixed deposit accounts, and loans, but to link the banking activities with other supportive services through SEWA. This was seen as an essential element in banking with poor women. It was conceived as a multi-service organization which from the beginning deviated from the model of ordinary cooperative banks. The original goals of the bank were:

- to act as an intermediary in channeling credit from the nationalized banks to its members by assisting women in preparing loan applications, negotiating loans from the banks and disbursing loans to the women;

- to provide women a secure place to deposit cash loans from the nationalized banks or other savings;

- to assist women in optimizing the return from the small amounts of capital available to them;

- to educate women in basic management and business skills;
- to mobilize savings from the women; and
- to provide guidance in purchasing raw materials and marketing goods and technical assistance in producing, storing, processing, and designing products.

a. Structure of the Bank: Major decisions for running the Bank are made by the Board of Directors in consultation with the Bank staff. The Board consists of a Chairman, a Managing Director, and representatives from the SEWA membership who meet every month. The Bank staff consists of a manager, assistant manager, loan officer, cashier, clerk, and several assistants. The loan officer works in the field, where together with other organizers she mobilizes savings, identifies potential borrowers, and monitors repayment of loans.

b. Functioning of the Bank: To join the SEWA Bank a woman must become a SEWA member (by paying Rs.3 membership fee), purchase at least one bank share (Rs.10), and open a savings account. To maintain accurate accounts for illiterate members, a system was developed which is in effect today. An identity card and passbook are issued, both with a photograph of the women holding a slate showing her account number. Women who lack a secure place within their homes to keep their passbooks (or want to keep them out of sight from their husbands or other family members) may store them in a locked cabinet in the Bank. The woman presents her identification card in transacting bank business. As nobody else can withdraw from her account, this enables the woman to control her money.

3. The early years of the SEWA Bank

Between 1974 and 1976, the first two years of the SEWA Bank's operation, its activities focussed in two major areas: first, mobilizing savings and second, continuing to act as an intermediary between loans from nationalized banks and the women.

a. SEWA's program to mobilize saving: One of the overall goals of SEWA is to ensure women's control over their own income. The SEWA Bank, by providing a secure and accessible place for women to save, is one means of working towards this goal. When the SEWA Bank opened in 1974 most members had absolutely no experience in saving. In most cases, their practice (out of necessity) was to spend their entire earnings each day on food and other daily needs. However, within a short time, the SEWA Bank was able to open a large number of savings accounts and mobilize a substantial sum of savings from the members. Within two years, over 10,000 savings accounts were opened and over Rs.1,100,000 deposited (Table 7.1). At this stage, a large proportion of the savings were from loans the women had received from the nationalized banks. This was a first step in developing their experience with and habit of saving. By 1981, the Bank had 13,639 savings accounts with deposits of over Rs.3,000,000. While about 40% of the new deposits in 1980 were from institutional sources, a majority of funds had been raised through individual deposits of SEWA members.

Table 7.1 Savings Accounts and Working Capital of SEWA Bank, 1975-1981.

Year	Bank Savings Accounts	Working Capital (Rs.)	Profit (Rs.)
1975	6,116	332,231	-0-
1976	10,383	1,060,431	-0-
1977	10,913	1,198,872	21,623
1978	11,451	1,448,586	-0-
1979	12,123	2,743,564	35,244
1980	12,789	3,324,844	35,244
1981	13,639	3,194,957	63,509

Source: SEWA Bank

The experience of the SEWA Bank demonstrates both the capacity and willingness of poor women to save. At the same time it has provided the basis for establishing a sound financial institution. The importance of mobilizing indigeneous sources of capital in the context of providing credit to small scale entrepreneurs and the poor has been pointed out by several researchers (Adams, 1979; Barton, 1977). SEWA's experience reflects the importance of this element in credit programs. By the end of 1976, the volume of savings allowed the SEWA Bank to begin advancing loans from its own resources.

How has SEWA worked to encourage saving among its members? Once again, a traditional bank probably would not have been as successful. Rather than open the doors and wait for depositers to come to the Bank SEWA's organizers go to the women. Its success as a savings institution is to a large extent due to the organizers' efforts in the field to encourage members to regularly set aside a small portion of their earnings. In the course of their everyday work, the organizers carry around deposit slips, and whenever possible collect savings from members and personally deposit them in the Bank in the women's name. Some organizers visit certain areas regularly with the explicit purpose of collecting savings. This makes transactions quite easy for the women and facilitates their access to the Bank. Not only has the Bank work been useful as a point of entry in organizing, but the infrastructure of SEWA field organizers who have frequent contact with the members has been extremely useful in the development of the Bank. Many women also come regularly to the Bank to deposit their savings in person.

One of the Bank's field workers, Taraben (an incense stick maker), better known as SEWA's "mobile bank", spends much of her time in the field collecting savings. She describes her work:

> "I started to collect savings for the SEWA Bank in 1977. This started through my work in organizing incense makers from the Bapunagar area, my own community. One of their biggest problems was not having a place to save. At social gatherings

I'd meet women and they knew I was doing work with SEWA. Because they live quite a distance from the Bank and are not used to travelling freely around town, they would ask me to deposit their savings. They would give me five or ten rupees and their passbooks, I'd deposit the money for them and return their passbooks the next day.

"At first, I only worked with the incense makers. I make a point of going to them on pay day. If I'm one day late, the money gets spent, so I have to keep on top of things. Different groups get paid on different days, so I have to keep track.

"This job is tough. I have to go door to door and keep convincing the women to save. Sometimes it's like hitting your head against a brick wall.

"I have to stay very calm. A woman once accused me of depositing Rs.5 instead of Rs.10 in her account. I know she gave me Rs.5, but I made up the difference from my own pocket. I learned that I must write down how much they have given me right in front of them.

"Eventually I also started working with the vegetable vendors. I'd visit them in the market. But they would never have their passbooks with them and would tell me to come back tomorrow. A lot of time was wasted and by the next day their money usually was gone. Eventually they built up enough trust so that now they leave their passbooks with me. This makes it easier to collect savings from them.

"Now I try to visit 500 women each month from the various trade groups on the days when I know they have money. I keep good records and work with the principles of honesty and patience. Many of the members now have savings anywhere from Rs.100 to Rs.1000. One woman has saved almost Rs.3000. The savings are used for unexpected expenses and emergencies, health problems, their children, travel, and social occasions. The best thing is that the women don't have to borrow at high interest rates and they can save for their daughters' dowries. Since 1978, I've raised Rs.60,000 in savings through alot of footwork. Field work is very important for the Bank. I would like to see branches opened all over the city. My aim is for all self employed women to have saving accounts."

(Interview, 1981)

b. SEWA's first lending program: SEWA's program to link members with government sources of credit continued during the Bank's first two years of operation. However, the members could now conduct all of their business -- loan application, loan disbursement, and repayment -- through their own bank. Dealing directly with the nationalized banks was no longer necessary (although some of the women did continue to deposit repayments with the large banks). In addition to processing loan applications for the women, SEWA now took on the task of disbursing the money and collecting repayments. Upon approval by the nationalized banks, the loan money was deposited in a savings account in SEWA Bank, from which the woman could

withdraw the money in the amounts and at the times which best suited her needs. The money was in a secure and accessible place, earning 6% interest.

In the SEWA Bank women were more accepted by the staff; they were free to come with their children; and the Bank staff was prepared to deal with inexperienced women. They were patient in explaining unfamiliar procedures and informing the women of banking hours and requirements. In general, the Bank provided a familiar, comfortable, and accepting atmosphere for the women and a point of access to other supportive services.

(i) Problems: There is no doubt that the SEWA Bank was a tremendous improvement for the women over the previous situation. However, certain problems in the intermediary loan program began surfacing as time went on -- mostly related to delays in repayment. During the initial stages of the loan program, 95% of the loan installments were paid on time. However, by 1975 during the period just preceeding India's "emergency", the nationalized banks were under increasing pressure by the Central Government to expand the volume of lending to the poor. This pressure caused a burst of enthusiasm by the banks to give loans to small-scale entrepreneurs, to the self employed, and to small farmers. 1975 was also International Woman's Year and there was increased attention in India to involve women in development programs. The nationalized banks began to pressue SEWA to increase the number of loans it advanced by requiring them to submit applications in groups of 50 or 100. SEWA responded by encouraging its group leaders to bring in more women. Crowds lined up daily outside the SEWA Bank and some of the organizers recall processing hundreds of applications in a single day. Many also recall the bidis and other debris left at the end of the day in the hall where the loan applications were filled out. One day a woman actually gave birth to a child while waiting in line. Between July 1974 and March 1976, loans from nationalized banks were advanced to 2,858 women through SEWA (before the SEWA Bank opened approximately 6,000 loans had been processed).

With so much pressure for high turnover, the applications were not always scrutinized as carefully as they should have been, either by SEWA or the large banks. SEWA applicants were routinely approved without question. The women were not checked thoroughly to see that they were actually doing the trades they claimed, earning what they stated, or living at their reported addresses. Thus, those borrowing were not always in a position to repay the loan, nor could many be found for follow-up by bank field staff.

Meanwhile, outside forces were fueling the problem. One factor in particular makes it extremely difficult to pinpoint the major reason for the repayment problems. In July 1975, the government announced a moratorium on repayment of debts by the rural poor. The announcement was misinterpreted widely by SEWA's members to mean they did not have to pay back government sponsored loans (in reality, the moratorium pardoned only those indebted to private moneylenders).

Rumors to this effect were fired by moneylenders, political opponents of the TLA, and others interested in undermining SEWA's efforts to provide loans to the poor. By 1976 there was a serious problem with repayment. While SEWA should have been collecting Rs.60,000 per month in repayments, they were taking in only about Rs.20,000.

(ii) SEWA's Response: At these signs of trouble, a full fledged effort was launched by SEWA to recover the government loans. Nearly all of SEWA's field organizers (20 women) were put to work full-time collecting loan repayments. They would visit the women in their homes and work places to explain that, in fact, the moratorium did not apply to their loans and to convince them of the importance of fulfilling their responsibilities for repayment. Each field worker attempted to reach 400 to 500 women each month to collect their repayments.

In addition to the massive effort in the field, the borrowers were encouraged to repay during SEWA meetings and programs. As a disciplinary action, defaulters were cut off from SEWA's social security and other benefit schemes.

The results of this effort were less than heartening. Many of the women were more inclined to believe the rumors that they did not have to repay than the SEWA organizers' explanations that they did. They would point to their friends and neighbors who were not repaying and ask why they should pay if others were not. Through these visits, the organizers informally learned that roughly 50% of the women had used the loan money for their trades, 25% had used the money for repaying old debts and 25% for carying out social obligations such as marriages and funerals.

The organizers also learned several reasons for the delays and defaults in repayment. Most related to economic pressures on the already poor families of the women. Illness of family members, male unemployment, loss of earnings during pregnancy, the expense of social obligations, and the need for repayment of old debts all placed severe economic strains on families. Because of these burdens the loans were not always used for productive purposes. Other reasons related to low and/or irregular earnings of women due to structural problems within their trades. Many had marketing problems because they had no fixed selling place; some were harassed by police and municipal authorities for selling in unlicensed locations; and others had limited access to broader markets. Other groups were plagued with irregular supplies of reasonably priced raw materials which reduced their profit margins. Moreover, prices were often depressed due to the large number of workers competing within certain trades. Other reasons reported by the women for delayed repayment were that they were waiting to accumulate enough cash to pay off several installments at once or they were waiting for a large amount of cash from an outside source. Combined with the external pressures on the women from private moneylenders, policital leaders, and others to stop paying their installments, repayment rates continued to be low.

SEWA sought the active cooperation from the banks in their efforts to recover the loan money. A memo was sent to them in 1976 which carefully explained the nature of the problem SEWA was facing, why the women were not repaying, and the efforts they were making to encourage repayment. The memo also noted that because the banks themselves were unwilling to take strong sanctions against defaulting groups or individuals, repayments by those who formerly were regular in repayment were being adversely affected. Lack of action by the nationalized banks against defaulters led other borrowers to see little reason to pay themselves. The cumulative result was a sharp fall in the repayment rate.

The SEWA Bank proposed several steps which the nationalized banks could take to help recover loans. These included:

- o use of the mass media to clarify to the small borrowers that the moratorium does not apply to loans from nationalized banks and that the loans are public money which they have a duty to repay so that more loans can be made available to poor people in the future;

- o a public appeal by the banks for cooperation in making the experiment in financing urban poor a success;

- o a joint campaign by all the nationalized banks in Ahmedabad to improve recovery (SEWA offered to host a meeting to plan the campaign);

- o a series of actions to assist those who do not have the financial capacity to repay (such as employment workshops, a temporary moratorium on interest or other similar actions based on the past experiences of the nationalized banks);

- o an education campaign to promote understanding on the part of the banks on the lives and poverty of women and on the part of the women about the responsibilities involved with banking;

- o a systematic survey of borrowers to study why repayments have been delayed to assist SEWA and the nationalized banks in designing future approaches, policies, and programs to serve the poor; and

- o the appointment of a working group to examine the problem as a whole and to recommend remedial measures which were implementable.

Unfortunately, the banks failed to take action on these or other suggestions. One reason behind this reluctance may have been politics. To avoid adverse publicity the government was not pressing for recovery from the poor. Another reason may have been that because of the size of the banks and the structure of the government program, the losses could be written off easily.

Despite the failure of the nationalized banks to respond, SEWA was sincerely committed to following through and the organizers continued their efforts to recover the loans. They worked until late in the evenings, visiting the women when they returned from work. However, this was a painful experience for those involved. To begin with, without the nationalized banks behind them, the organizers had only their pursuasive powers to rely on. While they were successful in some cases, many of the women truly were in no position to repay. When the organizers approached them asking for money they felt as if they were taking "bread from their mouths". One organizer said that when she was able to collect Rs.20, she always wanted

to give Rs.10 back to the woman so she could eat that day. The other difficulty for SEWA was that its members began perceiving the organizers as loan collectors. This was quite damaging to the organization as a whole. Among the defaulters certain groups of women became hesitant to involve themselves with the organizers or in SEWA activities. It has taken several years to rebuild trust in SEWA among some of these groups.

SEWA stopped advancing loans on behalf of the nationalized banks in November 1976. The final record of the program shows that over 8,000 loans were advanced between 1972 and 1976. Less than half of these loans were recovered in full. While the tendency is to focus on the failings of the program as a whole, it should be emphasized that many women participated successfully in the program and carried through on their responsibilities to repay.

However discouraging this experience, SEWA learned many lessons which have contributed to the success of today's lending program. First was the fundamental importance of carefully scrutinizing loan applicants and verifying the applicant's capacity to repay. Second, the experience emphasized the need for complementing credit with other supports to ensure that the money is used to its best advantage. This includes activities to help women overcome some of the structural problems within their trades, such as supply of raw materials, space for production, and marketing links.

4. SEWA Bank lends out its own funds

Throughout the period when SEWA was serving as an intermediary for the nationalized banks, there was an emphasis on mobilizing savings. By 1976, SEWA Bank was in a position to begin advancing loans from its own resources. Starting slowly in 1976 by advancing 70 loans, the program was gradually expanded so that by June 1981, 1,668 loans totalling Rs.583,412 had been advanced to members (Table 7.2). The SEWA Bank's own lending program built on the lessons of the previous intermediate program. The experience of this program is detailed below.

Table 7.2 Advances and Repayment of Funds 1976-1980.

Year	No. Loans	Advances (Rs.)	Repayments (Rs.)
1976-77	78	37,253	17,910
1977-78	173	69,295	39,822
1978-79	113	79,875	49,249
1979-80	145	150,985	83,825
1980-81	1159	246,004	162,738
Total:	1668	583,412	353,544

Source: SEWA Bank

a. Loan application procedure: The loan application procedure is a careful process whereby the applicants are closely scrutinized to determine their capacity to repay a loan(see Appendix III for sample loan application form

Any SEWA member may apply for a loan by coming to the Bank, meeting with the loan officer, and filling out a loan application. A potential borrower is asked questions on her personal background, her trade, her husband's or father's trade and their respective incomes. She is also asked details on the types and amounts of raw materials she uses; the selling price of her goods; her volume of production or sales; whether her tools of production are owned or rented; and whether or not she has other debts. Finally, she is asked the purpose of the loan. After the form is filled out, the woman is checked to verify that she is working at her stated trade and that the other information provided on the application is correct.

The check is done in one of two ways. Women who come on the recommendation of an organizer or TLA worker or those who have a previously successful loan record or savings account are checked informally through their contacts. Women completely new to the Bank are visited by a field worker. Generally, this visit takes place within a week following the submission of the loan application. The Bank field representative goes unannounced to make sure the woman is actually doing her trade. The detective work begins before the field worker gets to the woman's home. In asking directions, the field worker will engage neighbors in conversation about the woman and feel out their impressions of the woman and her family. Once she arrives at the house she will check to see that the woman is actually doing the trade, that she has a sufficient volume of business, and that her family has the capacity to repay the loan. Rather than using a bottom or top income cutoff line as criteria, the loan decision is based on the above combination of factors. After considering the information on the loan application and impressions from the field visit, the loan officer makes her recommendation to the Bank's manager, who in turn makes a recommendation to the managing director for final approval.

The loan officer of the bank, Chandrikaben, says she will listen to any woman who comes in seeking a loan. However, not everyone gets a loan or gets the amount they ask for (records showing how many loan applications have been rejected were not available). Some examples illustrate this:

- One woman requested a loan of Rs. 3000 to rent a fish pond. After investigation, the Bank's field worker found that, in fact, the woman needed only Rs. 1000 for the fish pond and the amount of the loan was reduced accordingly.

- Another woman applied for Rs. 3000 to buy a sewing machine. However, the loan officer found she already was Rs. 10,000 in debt, so she was turned down.

- Another woman requested a loan of Rs. 3000 to help pay for her daughter's marriage. The woman was earning Rs. 150 per month and her husband "next to nothing". The field worker subsequently found that the basic expenditures for the family exceeded their income. So on the grounds that the woman did not plan to use the loan for development of her trade and that she did not have the capacity to repay, she was turned down.

In general, the decision process for loans takes less than one week and in many cases, only one day. If the loan is approved, it will take an additional week to process the loan papers and promissory note. The same day the loan is signed, the money is deposited in the woman's savings account. For the borrowers, the prompt attention given to the loan decision, the

minimal paper work involved, and the minimal number of trips to and from the Bank are important elements in reducing their own transaction costs.

b. Action against delays in repayment: In addition to carefully screening applications, the SEWA Bank is rigorous in checking regularly on its borrowers. If an installment is late, a reminder notice is sent to the borrower. If there is no response within a short time, a field worker visits her home to inquire about any problems she may be having. These field visits are generally quite effective in getting the woman to repay. The techniques used by the field workers have developed through their years of field experience. As Taraben, one of the field workers, put it:

> "When going to check on women who are not repaying, I talk to them in their own language. I have the experience of being poor, so I know their language. I try not to intimidate them. I politely appear and politely ask why they have not repaid. In most cases it is because of some unexpected emergency which has required cash. I encourage them to save so they have a cushion for these emergencies."

If a woman has savings and is late in repayment, sometimes the money is withdrawn from her account to cover the loan repayment.

If the field visits still do not bring a response, technically, a legal procedure can be invoked. A legal notice can be issued to the woman and if there is still no response, a legal suit can be filed in court. The government of Gujarat has recently appointed several courts to deal solely with cases from cooperative banks. In these courts, legal professionals are not required to put forth the cases, but instead bank officials and individuals argue their own cases. These courts are less expensive and faster than other courts and thus do not place such a burden on the resources of the banks or their clients. In fact, so far no legal suits have been filed by SEWA.

c. Description of SEWA's lending programs: Analysis of loan records shows that between 1976 when its lending program began and the end of 1980 the SEWA Bank advanced almost 700 loans to over 500 women in amounts totaling Rs. 337,408 (Table 7.3). 79% of the loans were made under the SEWA Bank's general program and 21% under special programs.

Table 7.3 Total Loans by Program, SEWA Bank, 1976-1980.

Loan Program	Number of Loans Advanced	Percent of Total
General Programs		
SEWA Unsecured	510	75
SEWA Secured	23	4
Special Programs		
Government Block Grant (secured)	16	2
Government Block Grant (unsecured)	85	12
Oxfam	39	6
Lions Club	6	1
Total:	679	100

Source: SEWA Bank records.

(i) General programs: Two types of loans typically are provided by the Bank: secured and unsecured. Secured loans are advanced against an amount already deposited in a fixed account by the member. Repayment is made in twenty monthly installments at 12% interest. Unsecured loans are made to women who do not have savings or other collateral against which the loan can be secured. Borrowers are required to have the signature of two guarantors. The guarantors are individuals whom the Bank considers to have influence over the borrower and who will push the woman to repay. In practice, the guarantors are not required to assume the woman's debt in case of default. Rather, they are used as a means of social pressure. Instead of requiring collateral, the woman is advanced money against her capacity to repay which is determined by the loan officer as described earlier. The terms of repayment and interest are the same as for the secured loans.

(ii) Special programs: At the end of 1980, SEWA Bank had three special loan programs. The Block Grant Program is sponsored by the Cooperative Department of the Gujarat State Government. Through this program, State funds are made available to cooperative banks at an annual rate of ½% interest payable over 10 years with a five year grace period. In 1978 SEWA Bank borrowed Rs. 17,000 under this program and in 1980 Rs. 30,000. These funds in turn are loaned out to SEWA members at 4% interest payable in 20 monthly installment.

In 1980 SEWA received a grant of Rs. 3000 from the local chapter of the Lions Club which is used for women's business development. A revolving loan fund provides loans at 4% interest with the same requirements for repayment as other SEWA loans.

A Rs. 5000 grant provided by Oxfam (UK) assists chindi workers in replacing their old sewing machines. A revolving fund provides Rs. 100 loans to women to partially cover the cost of a new machine. Again, the loans are at 4% interest payable over 20 months. The women themselves come up with the remainder of the cost through sale of their old machines and other personal resources.

5. Analysis of SEWA's lending programs

a. Loan size: A majority of the loans advanced by the SEWA Bank so far have been Rs. 500 or less, with an average loan amounting to Rs. 575 (Tables 7.4 and 7.5).

Table 7.4 Total Loans by Loan Size, SEWA Bank 1976-80.

(Rs.)	Number	Percent of Total
0 - 500	453	68
501 - 1000	152	22
1001 +	74	11
Total:	679	100

Source: SEWA Bank records.

b. Who gets the money? Analysis of loan records shows that between 1976 and 1980, 679 loans were advanced by SEWA Bank. Home-based producers received the largest share of the loans (46%), followed by small-scale vendors (33%), agricultural workers (10%) and service workers and laborers (2%). The remainder of the loans were made to women from other categories of workers and to fund SEWA economic projects (Table 7.5). While in general the size of the loans did not vary that much among occupational groups, on the average service workers borrowed the largest amounts (Rs.1139) and home-based producers the lowest (Rs.545).

Table 7.5 Total Loans Advanced by Occupational Group, SEWA Bank, 1976-1980.

Occupational Group	Number of Loans Advanced	Average Loan Size (Rs.)	Number Loans Advanced as % Total Loan
Small-scale vendors	227	594	33
Home-based producers	314	545	46
Service workers/ laborers	10	1,139	2
Primary activity/ workers	71	566	10
Total advanced to self employed women	622	575	91
Project funding	6	21,917	1
Other	51	976	8
Total:	679		

Source: Table 1, Appendix II.

A review of available loan application records shows the monthly earnings of the Bank clients average Rs.234 ($29); their husbands average Rs.407 ($51); and their combined incomes average Rs.572 ($72). 2/ An earlier survey of self employed women conducted in the mid-1970's by SEWA shows the average incomes among workers in Ahmedabad are significantly lower (Table 7.6). In a strict sense these figures are not comparable and the difference could be due partially to inflation. However, they suggest that those SEWA members given loans may be somewhat better off relative to the community of self employed women in general. This is not suprising given the selection criteria which emphasizes the ability of the borrowers to repay.

2/ The case studies of bank clients presented in a later section suggest that the actual incomes of the women and their families are higher than reflected by these figures. This probably relates to the way the questions are asked by the loan officers filling in the loan application forms and, in some cases, the tendency for incomes to be under reported.

Table 7.6 Average Monthly Income of Self Employed Women.

	SEWA Bank Borrowers c. 1978	Self Employed Women in Ahmedabad c.1974
Average Monthly Earnings of Women	Rs.234	Rs.157
Average Monthly Earnings of Family	Rs.572	Rs.302

Source: Tables 2 and 3, Appendix II.

The Bank records also suggest that a significant number of borrowers are women headed households. Using marital status as an indicator, overall 12% of the borrowers are widows. Alternatively, using contribution to the household income as an indicator, 26% of the women taking loans contribute more than their husbands to household income (Table 7.7). And when combining the income of the bank clients and their husbands, the women are on the average contributing 46% of the combined income (AppendixII, Table 2).

Table 7.7 Estimated Proportion of SEWA Borrowers who are Household Heads.

Occupational Group	Percent Widows Among Borrowers	Percent Borrowers Contributing more than Husband to Household Income
Small-scale sellers	13	31
Home-based producers	9	17
Service workers/laborers	25	38
Primary activity workers	17	25
Miscellaneous	11	29
OVERALL PERCENT:	12	26

Source: Tables 4 and 5, Appendix II.

On the basis of the above information, it is likely that at least one fourth of the borrowers from SEWA Bank are household heads. Whether this figure is representative of the number of household heads among the general population of the self employed in Ahmedabad is unclear. First, given the nature of SEWA's activities and the needs of women headed households, they may be over-represented within SEWA's membership. Second, given their economic responsibilities and needs, they may be more in search of credit than other women.

On the other hand, the bank clients tend to be relatively better off than one would expect many women household heads to be and so overall among the poor there actually may be more women household heads. In any case, the evidence suggests that use of credit is one of the "survival" strategies used by poor women with the primary responsibility for their families.

c. The repayment record: The repayment record of SEWA borrowers by and large has been good. Overall, 77% of the women pay their loan installments regularly and on time; 7% are only one to two months late in repayment; 7% are three to six months late; and 9% are more than six months late (Table 7.8). The actual cases of outright default are negligible. With the rigorous follow-up by the Bank staff, even if late most women eventually come through and repay the full amount due.

Table 7.8 Repayment Record of SEWA Borrowers, 1976-1980.

	No Problems	1-2 Mo. Behind	3-6 Mo. Behind	Over 6 Mo. Behind
Number of Loans	520	49	43	71
Percent	77%	7%	7%	9%

Source: Table 6, Appendix II.

Table 7.9 shows the repayment records of the various loan programs. Comparing SEWA's general programs at 12% interest to the special programs at 4% interest, the higher interest rate programs have a higher incidence of no repayment problems, but a worse record of borrowers over six months late in repayment. This suggests that while the borrowers in the lower interest rate programs have more of a tendency to be a few months behind in repayment, they are more inclined to come through after a few months.

The Lions Club and Oxfam programs have the best repayment records. This in part could be due to their lower interest rates and the special purposes of the programs. In the case of the Oxfam program, it may also relate to the small size of the loans (Rs.100).

Table 7.9 Repayment Record by Loan Program

	No Problems	1-2 Mo. Behind	3-6 Mo. Behind	Over 6 Mo. Behind
General Programs (12% interest)				
Secured	83%	4%	4%	9%
Unsecured	78%	6%	4%	12%
Special Programs (4% interest)				
Block Grant	66%	15%	16%	3%
Lions Club	83%	17%	-0-	-0-
Oxfam	84%	8%	8%	-0-

Source: Table 6, Appendix II.

In looking at repayment by loan size (Table 7.10) the loans over Rs.500 have more of a tendency to be between two and six months late, while those under Rs.500 are more likely to be over six months late. However, from this limited information it seems as if loan size, in and of itself, has little effect on repayment.

Table 7.10 Repayment Record by Loan Size

Loan Size (Rs.)	No Problems	1-2 Mo. Behind	3-6 Mo. Behind	Over 6 Mo. Behind
0 - 500	80%	4%	4%	12%
501 - 1000	69%	13%	10%	7%
1001 +	68%	16%	9%	7%

Source: Table 6, Appendix II.

The most obvious difference in comparing repayment rates of the various occupation groups is the high proportion of service workers/laborers with repayment problems (Table 7.11). However, the small number of borrowers represented within this group precludes any wild conjectures. Disregarding this anamoly, the records of the various groups are remarkably similar.

Table 7.11 Repayment Record by Occupational Group

Occupational Group	No Problems	1-2 Mo. Behind	3-6 Mo. Behind	Over 6 Mo. Behind
Small-scale vendors	77%	7%	5%	11%
Home-based producers	79%	6%	8%	7%
Service workers/ laborers	50%	30%	10%	10%
Primary activity workers	75%	3%	7%	15%
Others	75%	11%	2%	12%
TOTAL:	77%	7%	6%	10%

Source: Tables 6 and 7, Appendix II.

Perhaps the most telling comparison is repayment rate by the year the loan was advanced (Table 7.12). While the record was fairly miserable in 1976, with 40% of the loan repayments over six months late, the rates have steadily improved over time. Between 1976 and 1979, the proportion of loans with no repayment problems has increased from 55% to 71%. The proportion of loan repayments over six months late has declined steadily from 40% in 1976 to 11% in 1979. Over time, the Bank has learned to be increasingly responsive

to the needs of its borrowers, which is reflected in this steady improvement in the repayment record.

Table 7.12 Repayment Record by Year Loan was Advanced

Year	No Problem	1-2 Mo. Behind	3-6 Mo. Behind	Over 6 Mo. Behind
1976	55%	5%	0%	40%
1977	86%	1%	2%	11%
1978	67%	1%	5%	26%
1979	71%	7%	11%	11%
TOTAL:	77%	7%	6%	10%

Source: Table 6, Appendix II.

6. How the loans are used

One of the perennial questions concerning small-scale credit programs for the poor, especially poor women, is how the loan money is used. Do women actually invest the money in their small trades? Do these trades really have potential for profitable investment in the first place? If so, what types of investments? And do such investments lead to longer term improvements in the workings of the enterprise, gains in income, and improvements in the well-being of the household? How do women use these gains in income? Alternatively, are poor women more likely to use their loans directly for household consumption, social obligations, emergencies, or other purposes commonly termed "non-productive"? Are there longer term benefits from such uses of credit for the women and their families? In sum, how does credit directly and indirectly lead to enterprise development and to improvements in the household environment of the women and their families?

To shed some light on these questions, case studies of 25 SEWA Bank clients were undertaken. The first step of the study involved analyzing available Bank records to determine the various occupational groups receiving SEWA loans. On the basis of these findings, a stratified sample of women was randomly chosen to approximate the general population of borrowers. The original sample was thirty women, but for various reasons, five were dropped from the final tally. The next step was to retrieve their original loan applications to find out loan size, loan purpose, and other background information on the borrowers -- most importantly their addresses ("under the bridge", "behind the school", "across from the hospital".) With this information in hand, each woman was visited and interviewed at length.

Three of us worked together in doing the interviews, one SEWA organizer (Ranjanben), one interpreter (Mira), and one researcher (the author). Ranjanben, as an experienced and familiar SEWA figure, provided a very important link to the women and was instrumental not only in finding them but in gaining their acceptance and openness to our questions.

In spite of the rather vague addresses, we had little difficulty finding the women. In several of the areas, it was apparent that a neighborhood screening process was in effect. As obvious outsiders, we would arrive in an area, identify ourselves, and ask around for a particular woman. Those we asked often denied any knowledge of such a person, and then engaged us in conversation. In the meantime, someone else from the neighborhood would usually be sent ahead to get the woman's signal as to whether or not we should be given the "go-ahead". The name SEWA no doubt went a long way in this regard and in the end we had few problems contacting the women.

In the system of interviewing that developed, Ranjanben translated the questions and Mira the women's answers. (See Appendix IV for sample questionnaire). With two interpreters there was a double check on the women's responses and if one was not understood in conveying the meaning of a particular question, the other generally was.

For the most part, the women were very willing to answer our detailed questions concerning their family background, their work, and their loans. Many of the questions were open-ended and as much time as necessary was allowed for the women to respond. If an interesting point came up in the course of an answer, we often followed it up with more questions. The conversations, thus, were quite broad ranging and full of information on the lives of the women, their attitudes and problems.

Because of time and logistical constraints and the decision to go into more depth in the interviews, the sample group is small. As such, it is not possible to make any sweeping generalizations or conclusions about the Bank clients as a whole or about self employed women in general. For the purpose of analysis, percentages are given in discussing the findings. However, the reader should keep in mind the small sample size. Despite these statistical limitations, taken as case studies, they hopefully provide information useful for gaining a deeper understanding of the enterprise and household situation of some SEWA members and examples of how they are using credit. The purpose is to contribute to the small but growing body of information on women's work and their experiences in using credit.

a. Background of the bank clients studied:

(i) Socio-Economic characteristics: (Table 7.13). The women interviewed averaged 41 years in age and over three quarters were between 30 and 50 years. In general, it was a middle-aged group (perhaps reflecting their greater capital needs or their greater capacity to repay). Over three fourths of the women were married, while the remainder were widows or, in one case, single. The education level of the group as a whole is higher than the level for Ahmedabad self employed women in general. Sixty percent of the women had no schooling; sixteen percent had one to three years of schooling, and twenty-four percent had four or more years. (In general, Ahmedabad's self employed women have a literacy rate of 15%.)

The average number of household members is seven and the average number of earning members within the household is three. The families of fifty-two percent own their houses and 48% rent. Within this latter group rents average Rs. 13 per month, the houses average two rooms, and water and sanitation facilities are severely inadequate.

A little over half the women have lived in Ahmedabad throughout their lives. The rest have migrated from rural Gujarat or in one case Rajasthan. However, none of the women are recent migrants. Most came to Ahmedabad upon marriage to join their husbands who were already settled there.

In comparing these socio-economic characteristics between the women working as small-scale sellers and those working as home-based producers several differences emerge (Table 8, Appendix II). Among the sellers there are more widows; their average age is higher; the level of education is higher; and they are more apt to own rather than rent their homes. The biggest difference is the larger amount of migrants among the sellers than among the home-based producers.

Table 7.13 Socio-Economic Characteristics of Sample of 25 SEWA Borrowers.

Average age	41
Marital status:	
Married	76%
Single	4%
Widowed	20%
Education:	
None	60%
1-3 years	16%
Over 4 years	24%
Average household size	7
Average number of earning household members	3
Housing:	
Owners	52%
Renters	48%
Migration:	
Migrants	44%
Non-migrants	56%

Source: Table 8, Appendix II.

Almost all the women have some kind of personal health problem. The most commonly reported maladies are anemia and fever. Other problems include diarrhea, backaches, breast cancer, skin disease, irregular periods, rheumatism, gastric problems, jaundice, typhoid, and malaria. Suprisingly, when asked about their health none of the women reported maternity related problems. However, in the course of subsequent conversation, several talked about miscarriages, still-born babies, and other problems related to pregnancy and childbirth. It is interesting to note that these were not percieved as health problems.

Health problems of other family members were also discussed. Four women have family members with serious emotional disturbances and two husbands, both of whom worked in local textile mills, suffered from chronic

lung disease. Others had fever, tuberculosis, and accident related injuries. While a few of the women claimed no problems, as a rule the struggle to maintain good family health is a common and persistant problem, as well as a drain on family resources.

(ii) Employment characteristics: Within the group interviewed, 48% of the women work as small-scale sellers (vegetable and fruit vendors, used garment dealers, cloth sellers, wood sellers, and milk and fish sellers); 40% work as home-based producers (papad makers, chindi sewers, junksmiths, carpenters, incense makers, and broom makers); and 12% in other trades (cattle care, headloader -- see Table 7.14). This is roughly similar to the general clientele of borrowers from SEWA Bank. A majority of the women (52%) have worked in the same trade from a young age (9 or 10 years old); some (16%) began their trades upon marriage; and others (32%) started at some other point -- on the average 10 years ago. These data suggest very little job changing. As a rule, once a women begins an occupation she sticks with it. Most (80%) have only one job, while 20% have second jobs. Moreover, many of the women (64%) work with other family members in their trades. This is more prevalent among home-based producers than small-scale sellers (Table 9, Appendix I).

Table 7.14 Employment History of 25 SEWA Borrowers

Occupation:	
Small-scale sellers	48%
Home-based producers	40%
Other	12%
How Long in the trade?	
Since young girl	52%
Since marriage	16%
Other (average 10 years)	32%
Second job?	
Yes	20%
No	80%
Other family members in trade?	
Yes	64%
No	36%

Source: Table 9, Appendix II.

To get an approximation of the level of under-employment (by reason of low hours) the women were asked questions on hours of work and regularity of employment (Table 7.15). On the average they work nine hours a day in their trades. Vendors work an average of two hours more than home-based producers (Table 9, Appendix I). Over half the women work seven days a week; 40% work six days a week; and one woman reported she works less. Almost all work year-round. Only one woman claimed her work is seasonal, a jute bag dealer who cannot work with the jute when it gets wet during the rainy season.

Table 7.15 Regularity of Employment for 25 SEWA Borrowers.

Hours of work:	
Average hours per day	9
Days of work:	
7 days per week	56%
6 days per week	40%
Less	4%
Months of work:	
12 months per year	96%
Seasonal	4%

Source: Table 9, Appendix II.

Despite the regularity of employment implied by these responses, in the course of further conversation we found that many of the women regularly take time off for weddings, funerals, and other social obligations; several do not work during the festival season (although the vendors tended to work more); several lose periods of work due to health problems; and almost all lost work days or customers due to the riots and curfews in Ahmedabad during the period in which the interviews were conducted. Thus, although when they work they work long hours, there are fairly regular interruptions in their daily routines and therefore their earnings. On one hand, self employment means they have more flexibility to take a day off when they need to. However, as became apparent during the riots, the self employed are most vulnerable to economic disruptions. During these periods, many SEWA members find it extremely difficult to make ends meet. With the loss of their daily incomes and nothing to fall back on, several of the women interviewed went into debt to meet their household expenses during the riots.

When asked whether or not they are satisfied with their jobs, the responses were mixed (Table 7.16). About half the women want to work more hours (also an indicator of under-employment) and half do not. Very few are outright dissatisfied, while a little over half said they are satisfied. The rest had yes and no reactions, reflecting a tone of resignation. Many do not mind the actual work so much as the low returns and long hours. Examples of responses are:

"When you get bread, your're happy".

"No other choice".

"If I had more capital, I'd be happier".

"If I didn't do this my family wouldn't eat".

"I don't know anything else".

The above responses, as well as answers to the question, "Would you like your daughters to do the same job?", reflect perceptions (and the reality) of limited occupational mobility by many of the women. Among several of the workers, their daughters already are doing the same trade. One woman said,

"Whatever a mother does a daughter does." Many of the women themselves are doing the same work as their mothers. Another, a vegetable vendor said, "Even if a daughter studies, she will end up doing this trade because of tradition. I don't want to go against tradition". Others stated that their daughter's future lay in the hands of her future husband or husband's family. Some thought it would be better for their daughters to learn housework, but most made the assumption that they would be working. As one woman put it, "As long as she has a trade, she'll be alright".

Table 7.16 Job Satisfaction of 25 SEWA Borrowers.

Would like to work more hours?	
Yes	52%
No	48%
Satisfied with work?	
Yes	56%
Yes and No	32%
No	12%
Would like daughter to work in same trade?	
Yes	48%
No	52%

Source: Table 9, Appendix II.

The lack of emphasis on their daughters' education also reflects perceptions of limited mobility and resignation to their remaining in the same occupations. It could also relate to the economic value of the daughters' work to the family. Of the women with children of both sexes old enough to be in school, 63% have enrolled their sons but not their daughters. Only 37% of the women demonstrated a belief in the value of educating children of both sexes.

(iii) Enterprise characteristics: As mentioned earlier, the bank clients interviewed basically fall into two groups -- those working as small-scale vendors and traders and those working as home-based producers. The present discussion focusses on some of the quantitative aspects of these trades. A later section presents case studies of several borrowers describing some of the more qualitative aspects of how the trades work in a day-to-day sense.

The women were asked what tools and equipment they use to carry out their work and its cost (e.g. carts, baskets, scales, rolling pins, hammers, etc.). The average cost of these assets is Rs.360 (Table 7.17). 38% of the women have tools and equipment worth under Rs.20; 24% between Rs.21 and Rs.100; 24% between Rs.101 and Rs.1000; and 14% over Rs.1000 (primarily women owning cattle). The small-scale sellers have more of a tendency to fall in the mid ranges (Rs.21 - 1000) than the home-based producers (Table 10, Appendix II).

Table 7.17 Investment in Tools and Equipment of 25 SEWA Borrowers.

Average Investment	Rs.360
Distribution:	
Rs. 0-20	38%
Rs. 21-100	24%
Rs. 101-1000	24%
Rs. 1001+	14%

Source: Table 10, Appendix II.

The weekly operating costs of the respondents average Rs.275 (Appendix II, Table 10). However, this average significantly varies between the sellers and producers at Rs.485 and Rs.45 respectively. Among the sellers none have weekly operating costs under Rs.10 and over half have costs over Rs.200. The rest have costs between Rs.11 and Rs.200 per week. A majority of the producers have operating costs under Rs.10. The remainder spend between Rs.51 and Rs.200 weekly. None have weekly expenses over Rs.200 (Table 7.18). 3/

Table 7.18 Weekly Operating Costs of 25 SEWA Borrowers.

	Small-Scale Sellers	Home-Based Producers
Weekly operating costs:		
Rs. 0-10	-0-	60%
Rs. 11-50	18%	-0-
Rs. 51-200	27%	40%
Rs. 201+	55%	-0-

Source: Table 10, Appendix II.

In keeping with the differences in operating capital, average daily earnings of the sellers is significantly higher compared to the producers; Rs.16 compared to Rs.8 (Table 7.19). Among the sellers, 36% earn less than Rs.10 daily; 45% between Rs.10 and Rs.25; and 19% more than Rs.25. Of the producers, 80% earn less than Rs.10; 20% between Rs.10 and Rs.25; and none over Rs.25 (Table 10, Appendix II).

3/ Not all of the women expend on a weekly basis. Many buy stock on a daily basis to sell or process. Thus, this figures does not necessarily represent an amount of money they expend all at once. Rather, it represents the amount of money flowing through (continued pg. 100)

The average monthly income of the women is Rs.272. The sellers' average incomes are quite high at Rs.380; the producers' less at Rs.149. The average household income is Rs.799 overall -- Rs.964 for sellers and Rs.740 for producers.

Table 7.19 Earnings and Income of 25 SEWA Borrowers.

	Small-Scale Sellers	Home-Based Producers	Total
Women's average daily earnings (Rs.)	16	8	12
Women's average monthly Income (Rs.)	380	149	272
Household's average monthly income (Rs.)	964	740	799

Source: Table 10, Appendix II.

Comparing the incomes of these Bank clients with a larger sample of self employed women surveyed by SEWA several years ago shows that both the individual and household incomes of the bank clients are considerably higher within most occupations (Table 7.20). To a large extent, this difference could be due to the different methods used in asking the income questions. The case studies were careful to cross check the income of all family members, as well as other sources of income (such as rents) which in part could account for the higher figures. However, the figures also suggest that the cases studied are better off than the self employed in general 4/ and that those receiving SEWA loans are from the higher income groups among the self employed. Again, this could relate to the strict selection criteria based on the household capacity to repay which is applied by the Bank.

When asked who controls the household income, 62% of the women said they did; 21% said their husbands; 9% said it was a cooperative decision between husband and wife; one said her father and one said her mother-in-law. (Table 10, AppendixII). The general impression was that the more the woman contributes to the household, the greater her decision making role. The women who are primary breadwinners were the most assertive in the interviews vis-a-vis their husbands (e.g. they were more likely to tell their husbands to shut up when they inevitably interrupted during the interviews).

3/ (continued from pg. 99) their hands in the course of a week. Conversely, some of the women expend on a less frequent basis, say monthly. In these cases, the women must have a larger sum of cash in hand at one time to meet their operating expenses than is reflected by these figures.

4/ It is also possible that the cases studied are better off than the Bank clients in general or that the loans themselves have led to higher incomes.

Table 7.20 Income of Bank Clients Compared to General Population of Self Employed Women (Rs.)

Occupation	Women's Average Monthly Income		Families' Average Monthly Income	
	Cases of SEWA Bank Clients (b)	Earlier SEWA Survey of Self Employed Women (a)	Cases of SEWA Bank Clients (b)	Earlier SEWA Survey of Self Employed Women (a)
Vegetable vendor	550	355	979	450
Garment maker	191	50	991	352
Junksmith/carpenter	157	100	507	200
Incense stick roller	165	201	966	589

Sources: (a) Bhatt, 1976.
(b) Survey of Bank Clients, 1981.

b. Use of the loans: The loans taken by the women interviewed averaged Rs.820 (Table 7.21). This is somewhat larger than the overall average SEWA loan size of Rs.575. (This may have something to do with the group studied being somewhat better off.) The women were asked a series of questions relating to their use of the loan. The majority of the women reportedly have used their loans for their trades (60%). The rest have used the loans to help pay for social obligations (16%); debt repayment (12%); health (4%); and other purposes such as house repair and household expenses (20%). Several of the women have used the loan money for more than one purpose.

When asked if the loans have led to increases in profits, 48% of the women -- all of whom had used the loan for their trades -- said yes (Table 7.21). The amount of increases vary: some have made (after paying back the loan) a clear profit of between Rs.300 and Rs.1000; others report ongoing increases of from Rs.20 to Rs.80 per month. The women were also asked how they used these increases. Some report using the increases for household expenses, some for repayment of debts, some for social obligations, some for savings, and some for house repair. One quarter of the women making a profit have used the increased earnings for reinvestment in their trades.

Most of those investing in their trades have used the loans for working capital (to buy stock or to cover other recurring costs). Only three of the women have invested in machines or other fixed assets such as sewing machines (Table 7.22). Six women have used the money to enter into new areas - either to start a new trade or to diversify within their existing trades.

Of these women, four have made profits as a result of this "risk taking"; one is still waiting to turn a profit; and one was swindled by a man and thus lost her total investment. The remaining nine women have invested their loans in their established trades. Of this group, six have increased their earnings and three have not. Subsequent case studies go into more detail on how these gains or losses have actually come about.

Table 7.21 Loan Data for 25 SEWA Borrowers.

Average loan size	Rs.820
Use of the loan:	
Trade	60%
Health	4%
Debt repayment	12%
Social obligation	16%
Other	20%
No increase in profit	52%
Increase in profit	48%
Use of Profit:	
Reinvested in trade	25%
Debt repayment	17%
Household expenses	33%
Other	25%

Source: Table 11, Appendix II.

Table 7.22 Sample of Women Using Loans for Investment in Trade.

Occupation	Purpose of Loan	Increased Earnings?	If so, How Much?	Use of the Increase
Vegetable seller	To buy mangos.	Yes	Rs.30/M.	To build storage shed.
Vegetable seller	To buy seeds, fertilizer & hire labor.	Yes	?	Household expenses.
Vegetable seller	To buy Rakis to sell during religious seas.	Yes	Rs.300	Bought vegetable cart.
Wood seller	To buy stock for son's book store.	Yes	Rs.50/M.	Social obligations & debt repayment.
Used garment dealer	To buy used garments in Bombay.	Yes	Rs.1000	Reinvest in trade.
Cloth seller	To buy cloth.	Yes	Rs.20/M.	Household expenses.
Cloth seller	To buy cloth.	Yes	Rs.600	Debt repayment
Chindi sewer	To buy sewing machine.	Yes	Rs.80/M.	Household expenses.
Junksmith	To buy scrap metal.	Yes	?	Household expenses.
Junksmith	To buy scrap metal.	No	-	---
Incense maker	To buy son a sewing machine.	No	-	---
Broom maker	To buy raw materials.	Yes	Rs.500	Debt repayment.
Headloader	To invest in pan stall for son.	No	-	---
Cattle care	To buy grass	No	-	---
Cattle care	To buy grass	No	-	---

The women using the loans for social obligations, debt repayment, health emergencies, and other "non-productive" purposes also have benefited, if in a less direct or traditional sense. One women from this group said that the loan has led indirectly to increases in her earnings because she has worked harder in order to pay back the loan. In several cases, the women report they would have gone to a local moneylender if they had not received the SEWA loan. In this sense, the lower interest rate of the SEWA loans (4% - 12% annually, compared to the lowest moneylender rate of 5% per month) does at least two things. First, it helps to shorten the women's cycle of indebtedness. The difference in interest rates is a significant savings for the women and they thus are closer to breaking that cycle. Second, the difference in interest rates and the longer repayment period means less of a drain on enterprise earnings and the household budget during the period of repayment. Although the woman and her family are not better off in terms of earnings through the use of the SEWA loan, at least they are not as bad off as they otherwise might have been.

In a few cases, the women have used the loans directly for repayment of debts (usually assumed for marriages, funerals, and health). Again, breaking out of the clutches of moneylenders shortens the cycle and impact of indebtedness. Within the sample, almost half the women have had other debts besides their SEWA loans (most unrelated to their trades) which indicates the high level and multiple sources of indebtedness.

By using the loan money for fulfilling social obligations, there are several non-monetary benefits for the women and their families. For example, in the case of paying for a marriage, the family maintains its social position in the eyes of the community and cements the relations between the families involved. Informal support networks, which in times of crisis are so important socially and economically in the lives of the poor, are reinforced. This is particularly important for women headed households.

c. Case studies of women borrowers: The following case studies of SEWA borrowers attempt to provide an inside view of how they have used their loans. The first group are women who have used their loans for "productive" purposes (i.e. investment in their trades). Successful cases are described with the point of showing that women are capable of making wise investment decisions, following through on them, and ultimately developing their trades through the use of credit. Less successful cases also are presented to indicate some of the problems women face in their trades and to suggest certain areas where technical assistance might be useful in the future. The second group are women who have used their loans for what are commonly described as "non-productive" purposes (i.e. health expenses, debt repayment, social obligations, and household consumption). These cases attempt to point out what ways the women and their families have benefited and how these uses can be "productive" in a broader sense of the term. Where possible, suggestions are made of how the loans could have been used more productively. Again, the point is to indicate those areas where technical assistance potentially can be directed.

(i) Women investing in their trades:

Maniben Champatlal, Fruit Vendor

Maniben is a straight-forward thirty year old woman with a cutting

hospital - a large, bustling complex near a residential area. There is only one other seller nearby and by all appearances she does a brisk business. She was married at the age of twelve and has lived in the same house across the street from her selling place with her husband and (now) five children since marriage.

As we approached her lorry, Maniben was deep in conversation with an older bespectacled women. We later learned that the two of them were negotiating the terms for the upcoming marriage of their children, Maniben's oldest son - 13 years - and the woman's daughter.

Maniben called for her son to come and watch the cart and took us across the street to her house. She lives in a two-room permanent structure with tile floors and concrete block walls, obviously one of the best houses in the surrounding neighborhood of shacks. She told us later that a good deal of her husband's salary from his service job at the hospital (Rs.600/month) goes to paying off debts incurred for upgrading the house.

Maniben started selling fruit 18 years ago when she was a young girl. She learned the trade from her mother who sold fruits by wandering door-to-door with a basket on her head. She too started by selling door-to-door, but after saving enough to buy a second-hand lorry, began selling from a fixed spot near the hospital. Her whole family is involved in the business. In addition to his job at the hospital, her husband helps by going with her early in the morning to buy fruits from the wholesale market and her older children help her in selling. She claims that her 10 year old daughter is better at selling than anyone. Once every three or four days she and her husband leave the house at 6 a.m. to go by bus to the wholesale market. There they buy somewhere near 300 kgs -- about Rs.400 worth -- of fruit and hire someone for Rs.7 to transport it by handcart to their selling place. The type of fruit purchased varies according to the season and includes such items as apples, grapes, chico, papaya, bananas, oranges, and mangos. She returns home by 8 a.m., opens her business, and continues selling on and off until 10 p.m. Her husband sells during his lunch break while she returns home to cook. Her children also take over for her at intervals throughout the day. With the house right across the street, it is easy for her to take breaks and keep an eye on things.

In 1977 Maniben took an Rs.700 loan from the SEWA Bank which she used to buy mangos during their season. Mangos are very popular and the potential for profits in selling them is high. However, the risks also are high. Unless they are sold within a very short time span, they rot. Thus, there must be some assurance of a ready market before entering into such a venture. She spent the Rs.700 loan all at one time to buy a stock of mangos and sold Rs.500 worth per day over three days. Her profit was over Rs.700. She invested Rs.600 of this profit in materials and labor to build a storage shed for her stock of fruits. This has allowed her to purchase larger volumes of fruit (and greener fruit which doesn't spoil as quickly) and has reduced the number of trips she and her husband must make to the wholesale market. The healthy business she has today is in part due to this shed. The volume of her business has increased and now she is making at least Rs.30 per month more than before taking the loan.

Amvibibi Husseinmiya, Chindi Sewer

Amvibibi is a soft-spoken woman of 35. Together with her husband, newborn baby, and five other children, she lives in a rented room in Dariapur, a crowded Muslim section of Ahmedabad. Like many of the women in this area, her husband is a millworker and earns Rs.400 each month. However, his income is intermittent because he suffers from lung disease and frequently misses work. Amvibibi was born in Ahmedabad and has worked sewing chindi (rags) quilt covers for the past fifteen years. For most of this time she has worked on a piece rate basis for local merchants who have supplied her the chindi to sew. Each quilt takes about two hours to make. The merchants paid her 60 to 70 paise ($.09) per piece.

A little over a year ago, Amvibibi joined SEWA's chindi production unit. She is now supplied chindi from SEWA's Dariapur shop and sews quilts for Rs.1.20 per piece. On the average she is supplied materials to sew eleven quilt covers each week and earns Rs.13.20 from SEWA. The quilts are sold for Rs.5 each to local consumers and small traders from SEWA's Dariapur marketing center, about a block from Amvibibi's home.

In 1980 Amvibibi took a Rs.100 loan from the SEWA Bank under the special program financed by Oxfam UK to assist chindi workers to purchase new sewing machines. The total cost of the new machine was Rs.500 -- Rs.300 of this was covered by a grant from SEWA, Rs.100 by the loan, and Rs.100 from her own pocket. Both she and her 14 year old daughter now work on the machine and since its purchase they have picked up extra work sewing clothes for local merchants. Now, in addition to the income from the SEWA production unit, they earn an extra Rs.20 per week, or Rs.80 per month.

The sewing Amvibibi and her daughter do is important as a means of income to supplement her husband's intermittent earnings. Like many Muslim women, her options for work are limited to home based jobs. Sewing is the most common source of employment for women in the area. The additional Rs.80 per month in earnings they have received since buying the machine has been crucial in meeting the family's household expenses.

Gangaben Motiram, Broom Maker

Gangaben Motiram, 22 years old, belongs to a community of Maharastrans who migrated to Gujarat 35 years ago. Together with her husband, mother-in-law, and 18 month old daughter, she lives in a one room hut made from bamboo and thatch in a settlement on the outskirts of Ahmedabad. She was born in the same settlement and has lived there ever since.

The entire community traditionally has been involved in bamboo work, primarily making brooms and crude baskets which are sold to local merchants and private customers. Gangaben's family has always done bamboo work and as a young girl she learned broom making from her father. The brooms are made from cajuri, a plant material which is dried, cut, and shredded and then tied into brooms with jute thread. Gangaben has continued this trade since her marriage and now works together with her husband and mother-in-law.

The tasks involved in producing the brooms are divided among the family members. Her husband travels to Rajasthan four or five times each year

to buy the raw materials. He generally gets together with four other men, they pool their money, rent a truck for Rs.500, and drive the 300 miles or so to Rajasthan. There they generally buy Rs.2000 worth of cajuri from local farmers from which a total of 15,000 brooms can be made. Gangaben's husband's share is enough cajuri to make 2500 brooms. Their total cost for this amount, including the transportation, is Rs.420. Once the cajuri reaches home, Gangaben and her mother-in-law make it into brooms. Using very simple tools they begin work at 9 a.m. and continue on and off until evening. In a given day they will generally produce 50 brooms.

All of the family members are involved in marketing the brooms, which is done in two ways. The traditional way is for them to wander around, selling to shops for 70 to 80 paise each. After deducting the cost of the cajuri and the jute thread used for tying the brooms, they earn 30 paise per broom. About a year ago Gangaben and other SEWA members from her community also began selling brooms through SEWA to government offices and small institutions as part of a program to assist small scale producers. The Government sends orders, generally in lots of 500, to SEWA to be filled by its members. The women are paid 70 paise per broom and although this is less than what they get from their traditional buyers, the increased volume, time saved in marketing, and assurance of a steady market makes it well worth the difference. This project has led to expanded production and sales for the broom makers and has linked them directly to a market previously dominated by middlemen.

In April 1980 Gangaben borrowed Rs.700 from the SEWA Bank. She and her husband used the loan to purchase raw materials. The increased capital allowed her husband to reduce the number of partners he took in for the trip to Rajasthan to purchase cajuri. In this way they were able to keep a larger share of raw materials purchased. Instead of Rs.420 worth of cajuri Gangaben was able to obtain Rs.700 worth. From this increase there was enough raw material to make an extra 1700 brooms. The extra Rs.510 earned through sale of these brooms was used to pay off past debts. Gangaben and her mother-in-law had no problems making the extra brooms. She told us that shortage of raw materials, rather than time or markets (now) is the problem in this trade. Although they generally produce 50 brooms per day, given sufficient raw materials they can make as many as 100.

Miraben Kakubhai, Vegetable Seller

Miraben Kakubhai, who works as a vegetable seller, lives in Shankarbhuvan Huts, a settlement on the banks of the river near the center of Ahmedabad. A firm but softspoken woman, she lives together with her husband, three children, brother-in-law, and father-in-law in a simple two room mud-walled hut. The land on which they have built their home is rented for Rs.10 per month. They are periodically wiped out by floods, but nonetheless return to rebuild in the same place.

Miraben has worked selling vegatables her whole life. When she was a young girl she sold vegetables with her mother. Since marriage, she and her husband have worked together in their business. Each morning they leave the house at 5 a.m. to go to the wholesale market. There they purchase about 100 kgs.of vegetables costing anywhere from Rs.100 to Rs.150. The types of vegetables they sell depends on the season. Upon return from the market, her husband takes a major share of the vegetables and sells

from a lorry at a fixed place near their home. He will generally work through until 5 or 6 in the evening. Upon completing the day's housework and preparing the mid-day meal, Miraben takes the remaining vegetables (about 20 kgs) in a basket, loads them on her head, and sells by wandering from house to house.

Between the two of them the combined investment in the tools of their trade, which includes one lorry, two scales and sets of weights, a basket, and some knives, is Rs. 565. After covering the cost of the vegetables, their combined earnings are around Rs.50 each day. Both benerally work six days a week.

Under Miraben's direction and management the family is quite enterprising. They sell many other goods besides vegetables, depending on the season. As such, the nature of their work varies over the course of the year. During the festival months and religious season they sell popcorn, dates, firecrackers, threads, sweet potatoes, strings of leaves, and other items popular during these times. To sell these goods they change their selling place and their hours of work in response to the markets. They often earn more through these sales than if they sold only vegetables. However, larger amounts of working capital are often required to enter into these seasonal ventures.

Miraben has taken three loans from the SEWA Bank. The first was used for a family health problem and the second for her sister-in-law's marriage. The third loan amounting to Rs.1200 was taken in July of 1980 to invest in rakis (threads) to sell during Diwali. Within one week they sold their entire stock of rakis and after covering their costs made a profit of Rs. 500. From this profit, Rs.200 went to pay off old debts from a private moneylender (who was charging 10% interest per month) and the remainder was used for working capital for the vegetable business and for savings. By allowing her to diversify her trade and enter into a more profitable businsess during the religious season, the loan led to a higher level of earnings. In addition, Miraben has been able to use her SEWA Banking experience to get a loan from a commercial bank to buy a lorry for her brother-in-law. Previously unemployed, he has joined the family busines and now sells vegetables which bring an additional Rs.10 - Rs.12 into the household each day.

Because their business ventures involve the entire family, it is difficult to sort out how much each member individually contributes in earnings. Miraben herself, with full responsibility for the household work, does not put in as many hours selling as her husband and brother-in-law. However, by all appearances she plays a very central role in major decisions concerning the types and amounts of goods to purchase and whether or not to go into debt. As the only one within the family who can read and write, she is totally in charge of financial affairs and is the family spokesperson in business matters. She has tried to teach her husband to read and write, but he is not patient enough. As for the future, she would like to take another loan from SEWA to invest in upgrading her house so it can better withstand the next flood.

Bachiben Changanlal, Headloader

We interviewed Bachiben Changanlal, a headloader, on the steps of a warehouse in Ahmedabad's cloth market where she works. Most of the head-

loaders in the area are women who work delivering bundles of cloth between the shops of wholesale and retail merchants. Bachiben is well informed on the happenings in the market and appears to be well respected by her fellow workers. She is very experienced, having worked at the same job for the past 28 years (she is now 42). She works from 10 a.m. to 7 p.m. every day that the market is open. Each time her merchant receives an order from a retail shop she is called (from where she waits on the steps of his warehouse). She then ties the order in a bundle, loads it on her head, and carries it to the customer. Each day she is paid according to the number of trips made. However, there is no assurance of a minimal number of trips and if business is off her earnings are low. During holidays, festivals, or other days when the market is closed, she does not earn anything. On the best of days she will get 10 orders. Traditionally, the headloaders were paid a flat rate per trip regardless of the weight carried or distance traveled. However, through the organizing efforts of SEWA in 1979 the headloaders demanded and won a fixed rate according to weight and distance and now earn from Rs.0.30 to Rs.1.50 per trip. At a maximum, Bachiben earns Rs.15 per day. In general, she earns Rs.150 to Rs.200 per month.

The women work for specific merchants and are expected to be available at anytime to deliver or pick up an order. Much of their time is spent waiting for orders. Patronizing relationships generally develop. For example, the merchants will provide the women a bonus at Diwali or when they have weddings or other parties they call their headloaders to work.

During the riots in Ahmedabad, the cloth market was frequently closed and business ground almost to a halt. Many of the women went without work for over six weeks.

Bachiben lives with her three sons, daughter-in-law, and husband in a one room house several miles from the market. Her relationship with her husband does not appear to be one of uncompromising respect. When asked what her husband did she replied, "grazes monkeys." Later she admitted that he, in fact, drove a bus. However, she was not really sure how much he earned. Although he sometimes gives her Rs.300 a month for household expenses, he does not do so regularly.

All of the women in her family -- her mother, aunts, nieces, and daughter-in-law -- work as headloaders. As sellers of their labor, there is little opportunity as such for "productive investments" within the trade (although some women have taken loans to purchase carts). Bachiben took a loan of Rs.300 in October of 1980 from SEWA Bank to invest in a new venture - a small pan (betel nut) stall. She worked together with her son in setting up the business. With a total investment of Rs.1500, they purchased a cart, painted it, bought the necessary stock, and hired a man to run it for them. However, disaster struck after only 20 days. Before any profit had been realized, the man ran off with the cart and the entire stock of goods. They had been swindled. Bachiben lost not only the Rs.300 borrowed from SEWA Bank, but another Rs.1200 as well. She seemed disgusted and demoralized at the mention of the whole affair and was not altogether pleased with the lack of reponsibility on the part of her son in looking after the business. With no means of increased income, paying back the loan directly cuts into their already meager household budget and is a strain on the family.

Given the limited potential for direct investment in her own trade, expanding into a new enterprise area, although a risk, is in theory a good idea. Bahiben's particular experience in this area brings up several issues which the Bank could perhaps keep in mind in the future. The first issue relates to whether it is advisable to lend to women investing in businesses for other family members, rather than in businesses of their own. This relates to a secone issue, that of supervision. In cases where the woman invests the money in a trade run by someone else, the bank should secure some assurance from the woman that the business will be properly supervised. This relates to a third issue, that of follow-up by the Bank on the use of the loan. Had the Bank's loan officer followed up on Bachiben's use of the money, the potential for disaster perhaps could have been detected before the sting.

In this case, it seems that more direct involvement by Bachiben in the business would have helped avoid this unfortunate loss.

(ii) Women investing outside their trades:

Savitaben Ramanbhai, Jute Bag Dealer

Savitaben was preparing the mid-day meal for her goats when we arrived at her home. She is a thin, quiet woman of 35, who works as a jute bag dealer and has been a member of SEWA for the past three years. The crowded slum area where she lives with her husband, her 16 year old son, and four pet goats is near the center of Ahmedabad. The land on which their mud-walled hut stands is rented for Rs.10 per month. As there are no plumbing or water facilities in the area, they depend on the river for their daily needs.

After the goats had finished their lunch, she sat with us and talked about herself, her family, and the jute bag business. Although she and her husband are uneducated, her son has studied up to the 6th standard and can read and write. Both Savitaben and her husband battle health problems. She suffers from weakness, anemia, and heavy menstrual flows while her husband has difficulty breathing. When his health is good he works six days a week. He works as a casual laborer in a local mill and earns Rs.9 per day (although after paying for bus fare, lunch, and tea he brings home at most Rs.5). However, he is frequently absent due to respiratory problems.

The family depends largely on Savitaben's earnings from her jute bag business. She has worked as a jute bag dealer since the age of ten and her family has been working in the same trade for generations. Until recently her son helped her with her work, but now is working as a casual laborer earning Rs.3 per day. Many of those working in the jute bag trade are young girls. Savitaben starts work at 8 a.m. and for four hours wanders through the streets shouting "empty bags". Whoever wants to sell to her does. She goes to grain merchants, factories, and construction sites to purchase torn bags, which she buys for anywhere from Rs.0.10 to Rs. 2 depending on quality. By 12 noon she returns home and works until 5 p.m. repairing them with patches and jute thread. She sells the recycled bags to a merchant, with whom she has done business for years, for Rs.0.50 to Rs.2.50 per bag. Every three days she collects from 75 to 100 bags and brings them home to repair. Her average earnings per day, after

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Each morning she leaves the house at 5 a.m., purchases 15 to 20 kgs. of vegetables from the wholesale vegetable market, and returns to her area. With a basket on her head she wanders through the neighborhoods, selling to a fairly regular clientele of middle class households. By 12 noon she has generally sold all of her goods and returns home to begin the day's work there. On an average day, she will earn Rs.10 or about Rs.200 per month. Her husband earns Rs.500 from his job and her eldest son earns Rs.90 as an apprentice in a mill. Combined with Mongiben's earnings, their total monthly income is Rs.790. She is in charge of this income, which is spent mostly on food, kerosene, expenses for the children, and other household needs.

In 1979 Mongiben took a Rs.500 loan from the SEWA Bank. When asked how she used the loan she explained that although she lays out Rs.25-30 each day to buy her vegetables, her customers generally pay her every 10 days. With this lag in cash flow, she is always in need of extra money to cover household expenses while waiting for her customers to pay. The Rs.500 loan was kept on hand to cover these household expenses as they came up. The biggest advantage of the loan, according to Mongiben, was that it kept her from buying the vegetables on credit from the merchants who charge 5% per month interest. This interest would have cut deeply into her profit margin.

In a broad sense, that is by covering household expenses so she could afford to self-finance her working capital, the loan has been useful for her trade. However, in a narrower sense the loan was spent for consumption and no direct increases in earnings have been realized as a result of its use. Technical assistance perhaps could have helped Mongiben in several ways:

- to use the loan directly to expand or diversity her business and thereby increase her earnings; (for example, for investment in a shed -- like Maniben -- to store vegetables);

- to use the loan directly for working capital rather than for consumption;

- to improve her cash flow situation (e.g. customers could have been advised to pay at more frequent intervals; she could have been advised of ways to spread out her household expenditures to correspond with the timing of her customers' payments; she could have been encouraged to save so that household expenses and requirements for working capital both could be met during peak demand periods; or customers could have been charged interest).

Champaben Mansuka, Incense Maker

Champaben lives with her husband and four children in Bapu Nagar, a crowded working class neighborhood several miles from Ahmedabad's center. She is from a rural area in South Gujarat and grew up doing agricultural work in her village. She moved to Ahmedabad ten years ago upon marriage

to join her husband who works in a local textile mill. Like many of the women and children in Bapu Nagar, Champaben rolls incense sticks in her home on a piece rate basis for a local factory. Every few days she walks the short distance to the neighborhood factory to pick up a stock of raw materials, including thin bamboo sticks and a dough-like scented material to roll onto the bamboo. Together with three of her children (aged 6, 8, and 10) she works on the path outside their small house from 11 a.m. until 6 p.m. She usually rolls 5,000 sticks per day. When the materials have been processed, she delivers them to the merchant who carefully counts to make sure she has produced exactly 1,000 sticks for each kilogram of raw material supplied (a challenge according to all the women). For each 1,000 sticks she is paid Rs.1. Champaben generally earns Rs.30 to Rs.35 each week through this work. She uses the income either for household expenses or, whenever possible, to save for social occasions.

Her husband was at home when we visited. He recently lost a finger in an accident in the mill and is now recouperating. He expects to receive some compensation from the government for the accident but has not heard for sure. When his hand heals he will return to his Rs.700 per month job. It was difficult to tell whether Champaben was shy or simply intimidated by her husband's presence, but throughout the interview she was hesitant to talk. Her husband tended to dominate the conversation despite our efforts to direct questions to Champaben. She kept deferring to him, saying she was illiterate, he knew more, and she had to respect his right to speak.

Given the present structure of the incense trade, there is extremely limited scope for profitable investment on the part of the workers. As a home based, piece rate worker, increased earnings can come to Champaben only through increased production. This is one reason so many young children in the area are put to work rolling incense sticks.

The Rs.400 loan Champaben took from the Bank was used to repay a debt incurred to cover the family's medical bills. The largest household expenses over the past two years have related to health. In addition to her husband's accident in the mill, her ten year old son has battled a case of tuberculosis. Their medical bills have totalled Rs.8000. To cover these expenses the family has had to borrow from multiple sources -- merchants, monelylenders, and relatives -- at 4% to 5% interest per month. In addition, Champaben pawned her gold jewelry. The loan from SEWA Bank was used to recover her jewelry from the pawn broker. Fortunately, her son has completely recovered, her husband is near recovery, and her earnings are back. Unfortunately, the family is left with the struggle to repay their remaining debts.

A SEWA Bank field worker comes each month to collect loan installments and savings from Champaben. Given the restrictions placed by her husband and the distance to the Bank, she would have difficulty traveling to the Bank on her own (besides, she claims she gets motion sickness riding on the bus). Thus, the extension service of the Bank has been quite useful to her. Her husband says that he would prefer loans from SEWA over loans from relatives any day. Not only is the interest lower, but there are fewer obligations to fulfill than those imposed by relatives.

D. Summary

The experience of the SEWA Bank shows that banking with poor women can work. By increasing women's access to credit the Bank provides a means for women to increase their earnings and offers them an alternative to borrowing from moneylenders at exhorbitant rates of interest. The struggle to establish itself as a viable financial institution has been challenging for the SEWA Bank. However, from the beginning there has been a strong commitment to confront obstacles head on and to find innovative solutions to any problems that come up. This commitment has led to a process of experimentation and learning from which today's banking programs have evolved. The problems with the program to link members to loans from the nationalized banks gave birth to "a bank of our own" for self employed women. This led to the mobilization of savings from within the community of women workers which now are reinvested in the community through loans to SEWA members. Through the years, the Bank has adapted to the needs of its members and has grown into a solid financial institution serving the needs of women workers. Through participation in the Bank, self employed women in a broad range of occupations have developed their enterprises and improved their household situation.

Several factors have contributed to the continued existence and strength of the Bank: its accessibility and responsiveness to poor women; its understanding and concern for the social and economic needs of its members; its willingness to learn from the established banking community; a bank staff and Board of Directors willing to experiment with new ideas; its careful scrutiny of loan applicants; and the provision of complimentary services to borrowers such as assistance in marketing, supply of raw materials, and training.

This is not to say that today's programs are without their problems. There is room for improvement in several areas:

- the Bank could concentrate on increasing the volume of its lending program. At the end of 1980, only a relatively small proportion of the Bank's available working capital (less than 10%) had actually been advanced in the form of loans to self employed women;

- more active field work by Bank staff and SEWA organizers to identify potential borrowers could assist this effort;

- closer follow-up on borrowers by Bank staff and SEWA organizers could guide them in using the money effectively in investing in their enterprises;

- increased emphasis on providing technical assistance and integrated services could support an effort to channel loan money to poorer women and to encourage more consistent use of the loans for investments bringing sustained increases in earnings;

- a simple monitoring and evaluation system could be set up within the Bank to gather information on a continuing

basis on who receives the loans, how they use the loan money, repayment records, and any difficulties the borrowers may be having in their trades. This information could assist the bank in keeping up on the problems and needs of its clients, identifying potential problem areas, and developing future loan programs, training,and technical assistance responsive to the needs of the clients.

Although the experience of SEWA Bank is particular to its own context -- its history, community, resources, and the people involved -- there are several lessons of the past years which perhaps could be useful to others interested in facilitating the access of poor women to institutional sources of credit:

- The SEWA Bank, by responding to the particular needs of poor women in its everyday operations, has lowered the transaction costs for women borrowers and thereby increased their access to institutional sources of credit.

- Mobilizing savings from within the community has been an essential ingredient in developing a sound financial insitution, increasing women's control over their earnings, and providing them a source of capital to draw on for emergencies or unexpected expenses.

- Poor women have a capacity and willingness to save.

- Traditional forms of collateral are not always necessary. Loan programs which do not require collateral from poor women have shown very good repayment rates.

- The repayment rates of SEWA Bank clients paying 4% and 12% interest per annum are not significantly different. This experience suggests that many poor women can afford commercial rates of interest and that highly subsidized interest rates are not necessarily required in lending programs for the poor.

- Small amounts of capital can be effectively lent to poor borrowers at reasonable costs to the Bank.

- Women have used credit effectively in investing in their trades (to increase the volume of their trades; to purchase tools and assets; and to diversity or enter into new ventures).

- Institutional sources of credit can play an important role in breaking the cycle of indebtedness to private moneylenders. This is a problem faced by many poor families.

- Credit used for "non-productive" purposes such as health, social obligations, and emergencies has been useful in reducing SEWA members' indebtedness to private moneylenders. Although investments in their trades are more likely to

provide direct increases in income, providing an alternative to moneylenders as a source of capital indirectly means less of a drain on enterprise earnings and, derivatively, on the household budget.

- With regard to SEWA's experience in linking poor women to governmental sources of capital, the government block grant program (which is more directly under the control and management of SEWA) has been much more successful than the program where SEWA served as an intermediary between local branches of the nationalized banks and its members. More control over the rate and methods of disbursing the funds, as well as the fact that the women themselves identify their loans as "SEWA loans" rather than "Government loans" has led to a more successful program.

- Credit programs when complemented by supportive services to borrowers for developing their enterprises (assistance in supply of raw materials, links to markets, training, etc.) have led to increased earnings.

- The SEWA Bank and other women's banks can be an effective means for outside agencies to channel small amounts of capital directly to women for use in the development of their trades (as in the Oxfam program and the Government block grant program). Particularly when complemented with technical assistance and other economic inputs, these programs can be effective in promoting income generating activities for women.

With no previous model to follow, the SEWA Bank has developed through a slow, if sometimes painful, learning process. Today the Bank has a solid base from which to provide expanded banking services to self employed women in Ahmedabad and surrounding areas in Gujarat. The lessons from SEWA's experience can perhaps be useful in efforts elsewhere to increase women's access to credit and banking services.

CHAPTER 8: SEWA'S ECONOMIC WING

The organizers of SEWA by 1978 were well aware of many constraints that self employed women face within their trades. Their frequent contact with the members through activities of the union revealed several persistent problems: exploitation by merchants and middlemen; unpredictable supplies of raw materials; indirect links to consumers; lack of market information; limited access to training, modern tools and technology; and lack of adequate production space.

As individuals, self employed women have little power to overcome these structural constraints. SEWA judged that conventional trade union strategies or the provision of credit would offer only limited success. While there is no doubt that self employed women benefited from these types of supports, the Union's experience illuminated the members' need to control production more directly. Moreover, the organizers began to recognize the need for schemes to systematically address the problems of specific trade groups. Thus, in 1978 SEWA established the Economic Wing to organize the members to confront problems common to their trades and to control production.

Working together with SEWA's other branches, the Economic Wing sponsors skills training courses and assists groups of self employed women to organize their own supply, production, and marketing units. Through these units SEWA links members to primary sources of raw materials and markets, and provides management and organizational backing. By providing both institutional and moral support, the Economic Wing strives to develop the confidence, knowledge, and capacity of the members to eventually run these cooperative units on their own.

The Economic Wing is actually a consolidation of SEWA's ongoing activities with several trade groups. The original idea grew from the Union's involvement with a group of chindi (waste cloth) sewers who were fighting for fair wages. After years of exploitation by merchants, over 600 women workers organized in 1977 to pressure for payment of higher wages. Negotiations went on for several months, during which time many women were not given work by the merchants. Using its connection with the TLA, SEWA purchased supplies of chindi from a local textile mill and provided work to a few of the poorest women to tide them over. A compromise agreement was eventually reached between the merchants and workers. However, within 24 hours the merchants reneged. Not only did they refuse to pay the workers higher piece rates, but they began to harass some of the women by giving them tattered materials to sew, less work, or if they complained, no work at all. Many of the women who participated in the strike found themselves victimized and in a worse position than when they had started. With SEWA's support, some of these women decided to expand the small chindi supply program into a production unit of their own.

During this period, SEWA's programs in skills training were proving to be useful to the members and demand for it grew. Similarly, the Bank activities and SEWA's socio-economic surveys of the self employed repeatedly demonstrated the difficulties they encountered in acquiring raw mat-

erials and marketing their products. In response to this need for improved skills, resources, and channels needed to develop their trades and increase their earnings, the leaders and organizers decided to establish a separate wing within SEWA. The Economic Wing, born in July, 1978, initiates the formation of production units, runs training courses, and links members to direct sources of raw materials, marketing channels, capital, and storage and work space. Along with the Bank it is one of SEWA's major developmental activities and embodies the idea of the joint action of labor and cooperatives.

A. Skills Training

1. Programs

The Economic Wing sponsors training programs to develop women's skills in a number of traditional and non-traditional income generating activities. Courses in bamboo work, block-printing, carpentry, and sewing aim to upgrade women's skills. Training in non-conventional occupations, such as plumbing, equips women with the skills needed to break into trades typically dominated by men.

a. Bamboo work: A socio-economic survey was conducted by SEWA in 1978 to study the problems and needs of bamboo workers in Ahmedabad. A large number of home-based women artisans make brooms and baskets. The survey revealed that the women -- in addition to finding problems obtaining supplies of raw materials, marketing their finished goods, and securing adequate work space -- produced only a narrow range of crude products. These products were sold to poor buyers at low prices. Their daily earnings averaged only Rs.5.

In response to these problems, SEWA sent a proposal to the All India Handicrafts Board for a training course to upgrade the skills of the bamboo workers. The Board agreed to run a course for SEWA members (initially 25 members attended) to teach them designs and skills for making more refined bamboo products that command higher prices. While in training, the women come to the SEWA Reception Center daily from 11 a.m. to 5 p.m. and are taught by a skilled craftsman from Tripura. They receive a stipend of Rs.100 per month and learn to make a broad range of new bamboo and cane products including wastebaskets, desk trays, furniture, bangles, lamp covers, hair clips and other items. They learn new techniques of processing the raw materials, how to use new tools, and related skills in accounting and management. They also gain experience in learning to work together cooperatively.

Upon completion of the course the women have the skills to produce higher priced products. However, to continue producing these products, they need access to capital, raw materials and marketing channels. As individuals it is difficult for them to afford the investment required to buy cane, which is expensive. Furthermore, the traditional low income markets they are currently linked to provide limited potential for selling the new goods they have learned to produce. New markets have to be developed. To overcome these problems, the first women to complete the training organized a producers' cooperative. The cooperative facilitates their access to capital (from cooperative banks), raw materials (provided to cooperatives by the government), and markets (See Appendix VI, Case 4 for further details)

b. Hand-block printing: A similar survey of hand-block printers conducted by SEWA in 1978 showed that the decline in demand for the traditional designs was displacing and under-employing women printers. Several factors contributed to this. Changing social customs has meant less of a demand for certain traditional goods such as sarees worn by widows during the period of mourning. New technologies in printing cloth have caused a shift from labor-intensive production of hand-printed cloth to capital-intensive production of screen-printed cloth. With lower production costs and prices, many of the merchants previously employing women hand-printers have gone into wholesale buying and selling of machine screen prints. The mass market for screen prints means greater volume and higher profits for the merchants. Moreover, they have less direct contact with workers and fewer problems involved in managing production.

With this trend, the market for hand-printed cloth has become somewhat specialized in recent years, catering primarily to upper middle class buyers who demand more complex, multicolored designs. Unfortunately, among the women printers who still work, many know how to produce only very simple designs using one or two colors.

In addition to these fundamental problems of displacement and low skills, the women still employed perform their work at home and are paid by merchants on a piece rate basis. Relative to the amount of time they spend printing, the rates are extremely low (for example, the women are paid 75 paise--less than 10¢-- for printing 20 yards of sari cloth or Rs.1 for printing 20 yards of bed sheets). Their knowledge, moreover, is restricted to one step of the production process, thereby limiting their ability to break away from the merchants and to take control of production themselves.

As it did for the bamboo workers, SEWA proposed a training course to upgrade the skills of handblock printers. Also funded by the All India Handicrafts Board, it is a year-long course for 25 women hand-block printers. The women learn to print more complex and marketable designs. They also learn to carry out all steps of the production process, from buying raw materials and mixing the dyes, to washing the printed cloth, fixing the dyes, and packaging, pricing and marketing the finished products. Related accounting and management skills are also taught. The women study at the SEWA Reception Center daily, and are paid a stipend of Rs.100 per month to help compensate for their loss of income during the training.

The skills they are learning, however, have limited use if the women go back to work for the merchants. Thus, like the bamboo workers, the first class of hand-block printers formed a cooperative production unit upon completion of training.(See Appendix VI, Case 3 for more details on their experiences in this class.)

c. Sewing: SEWA's involvement in sponsoring sewing classes is an offshoot of the activities of the TLA Women's Wing which has offered classes for thousands of women from the families of millworkers since 1968.

Four groups of women have been taught sewing. The first was a group of Black Muslims. This community has perhaps the lowest status of all the groups within the Muslim community and most of the families are extremely poor. According to the SEWA organizers, many of the husband's and male

relatives of the women are quite militant. Women from this community are mostly domestic servants and have been members of SEWA for some time. To increase their potential for earning, SEWA offered a sewing class. Machines were provided through a government scheme. Upon completion of the course, many of the older women continued their work as servants, while the younger women took up sewing on a full-time basis.

A second group trained in sewing are young daughters of scrap collectors from the Veghari community in one area of Ahmedabad. Many of these girls look after their younger siblings while their parents work. Several years ago, a sculptress offered to work with SEWA, and SEWA's general secretary, Ela Bhatt, suggested that she work with these young girls to find the "creativity in them". At first they made sculptures out of clay, and SEWA held an exhibition of the children's work. The State Bank used some of the children's designs for their annual calendar. The next project involved making kites out of cloth scraps. Building on this, a sewing class was started for the young girls and continues today. In return for coming to the class they receive one kilogram of wheat per day.

The third group of women who have learned sewing are from the Veghari fishing community. The women in this community are in a very vulnerable position. The men fish and the women sell the catch. The problem is that when the men fish, they drink like fish. Because the women sell the fish, they control the money; and when the men want to drink, they must come to the women for money. When the women refuse to give the money, they are beaten. To help the young women of the community break out of this oppressive pattern, SEWA taught a group of them sewing. Most of the girls now work sewing fertilizer bags for one company.

Finally, through the government's Industrial Training Workshop, 20 young girls were trained in sewing hosiery. Unfortunately, after the training, many could not get jobs, despite one factory's promise to hire them. A few of the girls did start work, but their pay is extremely low (Rs.70-75 per month) and the factories are located in industrial areas far away from their homes. Transportation costs are high and many of the girls' parents will not permit them to work in such rough areas far from home.

The sewing classes have typically been offered to daughters of SEWA members who are from the very lowest occupational groups. They are intended to help upgrade their social status by providing them a better alternative for earning than their mothers have. Their illiteracy, however, limits the range of subjects or trades they can be taught.

d. Carpentry: Women carpenters have been active in SEWA from the beginning. They are home-based producers who make various crude items including stools, tables,and dish racks which are sold largely to low income buyers. A year-long training course for 20 young women from this community, sponsored by the Gujarat State Small Industries Board, was held in 1979-1980 to upgrade their basic skills. They learned how to plane, sand, stain,and varnish their product and how to use a lathe. They also learned to make new product designs, such as wooden toys, which have broader potential markets. As it is difficult for women within this community to leave their area to work, the course was held close to their homes. The participants were paid stipends in the form of wood and wheat. They have learned to produce more refined products with higher profit margins.

e. Plumbing: SEWA has also sponsored a year-long program for training 20 young women in plumbing and pipefitting. Although is is a non-conventional occupation for women, those participating in the program are from a community of women traditionally working as junksmiths. Working at home, they recycle scrap metal by pounding it into small stoves, buckets, utensils, and other items which are sold to the poor. Building on their traditional skills in working with metal, the year-long course sponsored by the Gujarat State Small Industries Board aimed to train women in a trade that has potential to provide a regular, well-paying source of employment in a field dominated by men. The women were provided an in-kind stipend in the form of scrap metal and wheat while in training.

Upon completion of the course, construction contractors were contacted by SEWA to help the women find jobs. However, several difficulties have emerged. It is not widely accepted within their community for women to leave their homes and go outside for work. Moreover, contractors are reluctant to hire them because they claim the women cannot perform the heavy manual labor involved in plumbing. The SEWA organizers have tried to convince them to at least hire the women for small pipefitting jobs, but unfortunately, these efforts have been unsuccessful. None of the trainees (as of March, 1981) has been able to use her new skills in a job.

2. Lessons

Several lessons have emerged from SEWA's experience in organizing and conducting income generating training courses which perhaps can be useful in planning for future programs.

a. Training women in their neighborhoods has its problems: One of the first questions SEWA has had to face in designing the above training courses is where to hold them. The relative advantages of conducting the courses either within the neighborhoods of the women or outside their communities in the SEWA Reception Center have had to be weighed in each case. Some groups of trainees traditionally do not go outside their communities and work only in their homes. In these cases, SEWA located some classes within the trainee's neighborhoods. SEWA's organizers worked quite hard at first to persuade the government planners to hold their courses at the womens' doorstep and finally they agreed. One advantage of this arrangement is that the women do not have to fight as hard against their husbands and families to attend. For most, the simple idea of attending a training class is a radical move, much less attending a class far away from the home. With training in their neighborhoods the women can keep an eye on their children and be close enough to cook meals or deal with any household emergencies that arise. It is a convenient way for them to combine their household responsibilities with the class.

However, there also have been several disadvantages to this arrangement. Being in the middle of their neighborhoods, distractions and interruptions in the classes are frequent. The familiar and informal atmosphere at times leads the women to take the courses less seriously and come and go casually. They may be called to cook or, if visitors come, to make tea, Also, the women are workers who must give up production to come to the class. Often the temptation to stay home and work is too great. Moreover, by not having the opportunity to venture outside of their community on a regular basis the women are less exposed to the broader world.

The organizers generally have concluded from this experience that future classes will be held outside the communities, and several of the training classes have, in fact, been held in the SEWA Reception Center. At first it was a struggle to get some of the women to come out of their homes. Many faced stiff resistance from their families and neighbors (particularly the Muslim women) and simply were not used to venturing out on a regular basis. Through some hard persuading by the organizers, they were slowly convinced to come. Fortunately, most had relatives or others at home to tend to their children so this has not been a major barrier.

At the beginning many came to the classes with messy hair and ragged clothes, but gradually they began taking more pride in their appearance and grew more accustomed to their new roles. They have broken away from the oppressive routine of housework and have concentrated on learning and developing a certain degree of discipline in a more structured setting (especially for home-based workers). Traveling on the bus each day, meeting different people in the busy Center, and assuming the regular routine of coming to the class have exposed them to a broader range of new ideas, experiences, and people.

b. Invoking discipline is a problem for some male instructors: The carpentry, junksmith, and bamboo classes have all been taught by male instructors. While the bamboo class has run smoothly, the teachers of the first two groups had many problems. The girls were quite unruly and the men could not easily control them. Because the community is conservative, it was impossible, as men, for the instructors to be strict with the young girls without being subject to criticism. As a result, the men were not effective as teachers and the girls did not learn as much as they should have. The carpentry class was eventually taken charge of by Sontokben, SEWA's group leader of the carpenters, who ran the class out of her home.

c. Training in non-traditional activities for women is a great challenge: An important issue in planning skills training courses for women is whether to focus on traditional or non-traditional occupations. Traditional occupations lie within the bounds of the existing sexual division of labor; here women are more accepted as workers. Should SEWA focus its training activities in these areas? Or, alternatively, should they teach skills which prepare women to work in higher return, non-traditional occupations in areas dominated by men, or in new areas where the sexual division of labor has not yet been established? SEWA has tried both and there are advantages and disadvantages to each. While the experiences are too few and recent to draw any firm conclusions, it appears that training in non-traditional occupations, while having the greatest potential for structural change, is the most difficult route. However, training in the traditional activities also has its problems. Even with new skills women still compete for low return jobs in crowded female occupations such as sewing. Careful choices and rigorous follow-up are necessary in planning skills training courses to move women out of their existing subordinate positions within the occupational structure to higher yielding jobs.

(i) Experiences in training for traditional occupations: The sewing classes sponsored by SEWA have provided poor women with skills which allow them to earn at least something, and upon completion of training they are usually able to find jobs, often working at home on a piece rate basis. However, it is a crowded occupation where women workers are exploited, and

earnings are very low for the labor time required. As such, despite the fact that it is acceptable work for women, training in this field seems to offer a limited potential for creating a means for women to enter into higher paying jobs. In fact, training more and more women and encouraging them to enter this already crowded field could lead to an even further depression of piece rates and earnings. As one of the SEWA organizers comments, "By tradition women are cheap laborers. If we train women only in traditional occupations, we are merely training cheap labor."

Upgrading women's existing skills in traditional occupations has been tried in SEWA's bamboo, hand-block printing, and carpentry classes. The hand-block printing and bamboo workers are now producing more refined products with broader markets. And among the carpenters, women are selling products which have higher profit margins and wider demand (for example, toys). This training has increased the earnings of these workers. These types of courses when followed-up with efforts to link the trainees with new markets seem to have greater potential for increasing earnings than the sewing classes.

(ii) Experiences in training women for non-traditional occupations: SEWA's plumbing class falls into this category. As mentioned above, women participants in this class have encountered difficulties in finding work due to existing norms which accept only men as plumbers. On one hand, the lack of discipline in the class limited the women's learning. But even so, those completing this training have met resistance in trying to find plumbing jobs. One constraint has been the conservative mentality within the community which restricts young girls from working outside the home. Another has been the reluctance of employers and contractors to hire the women. Finally, governmental machinery to encourage the employment of women is weak.

The fact that none of the plumbing trainees has found work since completion of the course last March suggests that training in non-traditional occupations requires a strong follow-up program to find or create jobs for the trainees. Training is only the first of many steps. The resistance women confront in trying to enter male dominated occupations makes follow-up programs essential. For example, if the plumbers had been organized into a contracting cooperative and linked through SEWA to construction or repair jobs generated by the government or other institutions, the women might be in a better position today. Struggling to find work against such odds -- even with the help of the SEWA organizers -- women stand less of a chance of breaking down the barriers of the sexual division of labor.

d. Follow-up programs are important: This leads into a fourth issue, namely the fundamental importance of following up skills training with supportive programs to provide women the opportunity to use their new expertise. This can involve facilitating women's access to credit, supplies of raw materials or new markets; organizing cooperative production; or linking the newly skilled women to employers.

The experience of SEWA's hand-block printers is an illustration of the importance of follow-up. The first group of trainees faced opposition, even ridicule, from their families and communities for leaving their work with the merchants to come to SEWA for the year-long class. They also alienated themselves from their former employers -- who place much stock in loyalty. Even if the women had wanted to return to work for them after training,

chances are they would not have been hired. Moreover, their new skills would have been useless in producing the same old simple designs ordered by the merchants. The new steps in the production process which they learned would not have been helpful in working for the merchants anyway, given the existing division of labor among those employed (men are hired for most of the jobs aside from printing). It is unlikely that the merchants would displace these workers in favor of the women. Thus, they would have returned to the same jobs and correspondingly low piece rates that they left behind.

By the end of the training the women had most of the basic skills needed to establish their own production unit. However, the women were not totally prepared to take up this challenge on their own. To begin with, as home-based producers they had little experience in working together in a structured environment. Because most were uneducated (and illiterate) they lacked the accounting and managerial experience needed to operate an enterprise. Moreover, they were not familiar with existing outside supports which can be drawn upon by cooperatives (e.g. sources of credit, supplies of raw materials, and channels for marketing). Fortunately, several SEWA organizers have been able to work with the women in establishing their own hand-block printing cooperative. Organizational support from SEWA has been crucial in getting the cooperative started.

Another example of how SEWA has supported newly skilled members is the SEWA Rural Marketing Center. Rural members completing off-farm skills training in sewing, weaving, and carpentry market their products through this center which is located in a nearby town. (See Chapter 9 for further discussion of this.)

e. Skills upgrading requires access to new markets: In SEWA's bamboo and block-printing classes, the women were in trades which have produced the same crude products catering to the same markets for decades. In general, the two primary markets for poor women producers are traditional markets (such as those for hand printed fabrics), and "poor" markets (such as those for crude, cheap products like kohls (quilts) and baskets). With modern techology and other changes, however, these markets have eroded and the women have been displaced. Skill upgrading generally takes women artisans out of these markets.

Still, new markets are always coming up or can be created. The block-printers found a new luxury market in hand-printed cloth for the middle class. Similarly, demand is growing for more refined bamboo crafts. Unfortunately, traditional producers even if they have the skills have limited access to these new markets.

For artisans in India, one growing market is the government Handicrafts Corporation. This body encourages artisans to produce for the upper middle class and export markets -- basically a luxury market. (SEWA's block-printers and cane and bamboo cooperatives are now producing some items for this market.) There is also a broader government market which procures utility goods for government industries, offices, and other units. This perhaps is one of the fastest growing markets, but women producers have been excluded from it (with the exception of SEWA's broom makers).

At this stage in the development of its training programs SEWA must think seriously about the issue of markets. Should existing markets be tapped or new markets created? Which markets form the strongest linkages among the poor and create the largest number of jobs? With regard to existing markets, the luxury market is linked primarily to the rich. Moreover, producers for this market require a high level of skill, so its potential for creating large-scale employment is limited Poor markets generally have many linkages to poor workers. For example, the production and sale of kohls provides a large number of jobs to seamstresses, small-traders, hawkers, and transport workers. The goods they produce are affordable to the poor. However, prices, profit margins, and earnings are low. Government markets typically are not linked to the poor -- however, there is a potential for developing these links in the future. Women in SEWA's economic projects are currently faced with the decision of which markets to enter. SEWA is in a position to ask for governmental protection and push for supportive policies. But they must know what to ask for and have a clear idea of which markets they want to move into. They also must be prepared to compete with small factories and others producing similar goods. Each market has its own characteristics and peculiarities. Those involved in the skills training classes and the cooperatives must possess a greater understanding of specific markets.

B. Production Units

SEWA has organized five separate production units. The chindi sewers were the first members to organize following an unsuccessful strike in 1978. (A detailed case study of the chindi project is provided in a later chapter.) Papad makers were the next group to organize, also following an unsuccessful strike in 1979. Unfortunately, the women encountered many problems and the unit was disbanded within a year. Bamboo workers and hand-block printers very recently began to organize their own production cooperatives upon completion of skills training courses in July, 1981. And soon after, a cooperative providing cleaning services to local institutions was organized by women wastepickers. The present section discusses the experience of self employed women in organizing production cooperatives.

1. The papad [1/] unit

In 1979, SEWA organized a group if papad makers in a strike for higher wages. The women rolled papads on a piece rate basis for neighborhood merchants, who supplied them with the ingredients -- except for oil, which the women provided themselves -- and are paid Rs.1 for every kilogram of papads rolled. Several hours of tedious work in the hot sun are required to produce a kilogram of papads.

A rise in the price of oil in 1979 caused a sharp increase in the daily costs to the women from Rs.80 to Rs.1.40. This severely cut into their meager wages which averaged Rs.3 per day. With the decrease in earnings, they asked the traders for a rate increase. The women knew the traders' profits were at least Rs.2 per kilogram of papads and felt justified in asking for the increase. When their request was refused, about 100 women went on strike right before Diwali, the busiest season for papads in India.

1/ Papads are edible wafers made from lentil flour, oil, and spices.

After five days, however, the women made no progress and were finding it difficult to continue without income. They then approached SEWA for help.

SEWA representatives went to talk to the traders to hear their side of the story. According to the organizers, the merchants claimed they hardly were making a profit and operated their businesses mainly to give work to the women. They felt betrayed by the ungrateful workers' demands. They refused to consider paying higher wages.

The women countered that the small traders were making substantial profits. The largest trader who employed 60 of the women previously had worked in a textile mill and managed the papad business part-time on the side. As his papad business expanded he quit his mill job, bought a motorcycle, and built new additions on his house. To the women these were obvious signs of wealth generated through their labor.

The striking women lived in the same housing settlement as the three merchants. During the strike women from another area came to get work from the traders. The strikers approached them to ask for their support in boycotting the traders and they agreed. Bitterness developed to the point that fights between the traders and the sons of the women erupted.

Because they could not convince the traders to negotiate an agreement, SEWA filed a complaint with the State Labor Comimssion. The Commission sent a notice to the traders the following day and a labor officer was sent to investigate the problem. The traders subsequently agreed to meet with the papad workers and SEWA representatives at the Labor Commissioner's office.

In the meeting, the workers demanded a rate increase from Rs.1 to Rs.2.25 per kilogram; the traders offered Rs.1.25. Finally after several hours of negotiation, both groups reached a compromise of Rs.1.75. With the Diwali rush the traders were anxious to get production started as soon as possible. However, they insisted that they could not begin paying these increases until 5 days after Diwali. As the women had already lost 15 days worth of earnings, they were compelled to accept this agreement and return to work. SEWA planned a ceremony for the day the rate increase was intended to go into effect. Unfortunately, on that day the biggest trader left town and subsequently all the traders began to decrease the amount of work they gave to the strikers and hired new women from other neighborhoods. Moreover, they only paid the women Rs.1.25 per kilogram, completely ignoring the agreement reached in the Labor Commissioner's office.

A group of about 15 disenchanted strikers came to SEWA and together decided to organize their own production unit. The original working capital was provided through a loan from SEWA Bank. Raw materials were stored at the home of one woman who assumed the responsibility for distributing them and collecting the finished work. A SEWA organizer, Hersaben, who herself is a papad maker, arranged for orders from several local education institutions. The women were paid Rs.1.75 for each kilogram of papads rolled.

Unfortunately, the unit encountered many problems and after struggling along for about a year, it finally disbanded. Problems in organization, management, and quality control led to the failure. Much of the burden for running the unit fell on the shoulders of the woman distributing the work, who was not entirely willing or capable of assuming this responsibility.

SEWA initially was able to arrange for a sufficient number of orders, however, the unit had problems filling them on time and there were complaints about the uneven quality of the papads. As the orders dropped off, the organizers suspected that traders who were displaced by the SEWA unit may have been behind some of the complaints.

The women soon began complaining that they were not getting enough work. Basically, most were unwilling to find new business themselves and take on the full responsibility of running the unit. The papad unit became a hassle and strain for the organizers who spent a great deal of time keeping it going. The fact that most of the women were from middle class families and in one of the better off groups among the self employed made the SEWA organizers feel less committed to expending their limited energies here and the unit closed down.

Through this experience, SEWA learned several things. First, there are limitations and difficulties involved in unionizing self employed women to pressure for higher wages. As long as there are no minimum wage laws backing them and there are women outside the union who are willing to work for less, it is extremely difficult for a wage agreement with merchants or traders to be enforced. SEWA has experienced this problem with several other groups of self employed women (e.g. chindi sewers and hand cart pullers). Of all SEWA's efforts to raise the wages of piece rate workers, the only successful case has been with the headloaders, and this is largely due to SEWA's longstanding nine year involvement in organizing them.

Second, the organizers have learned that before entering into a project they must assess carefully the level of commitment and amount of time they are able and willing to spend organizing a production unit. In particular, those groups of workers who are most in need of SEWA's limited resources (mainly human resources) must be identified clearly for the Economic Wing to maximize its effectiveness.

Thus, the organizers recognize in retrospect that too much responsibility for running the unit was concentrated in one woman. Those participating in the unit tended to see themselves simply as employees. More time should have been spent getting the producers involved in other aspects of running the unit. Moreover, efforts also should have been made to organize more women and bring them into this unit or other units of their own. In short, more stress should have been placed on making it into a broader based, self-managed, and self-sufficient unit.

2. Plans for the hand-block printing and bamboo cooperatives

At the present time (summer 1981), the women who participated in the first training classes of bamboo workers and block-printers are beginning to form a cooperative. Shares of Rs.25 are being collected by the organizers and they have applied to register as a cooperative with the State Cooperative Department. As a cooperative, it will receive several types of support, for example, in procuring supplies of raw materials, markets, and capital. The Gujarat Handlooms and Handicraft Corporation will assist in the design of products which cater to their market and sell the women's goods through local emporiums and their own export sections.

The women were somewhat reluctant to venture into a cooperative at first. They had been getting stipends while in training and wanted to continue to work as laborers on a wage basis. Basically, they were worried about the regularity of their incomes. Lalita Krishnaswami, who has been working to organize the cooperatives, keeps reminding them, "You are not employed, you are self employed." With reassurances from the SEWA organizers that they will continue to work closely with the women to find them markets, the women have joined in the cooperatives.

The bamboo workers will go back to their homes and produce from there. The simple tools and equipment they use in production allows for this. They will take orders from the coop and deliver them to a central distribution point on a regular basis. The block-printers on the other hand, will continue to work on the SEWA premises. The space necessary for mixing the dyes, printing, washing, and storing the cloth requires a central workplace. Both groups have already received orders from various buyers.

3. The NID cleaning project

SEWA's Economic Wing recently arranged a contract with the National Institute of Design (NID) in Ahmedabad to provide cleaning services for their buildings. Thirty members, who formally worked as wastepickers earning between Rs.2 and Rs.4 per day are now regularly employed through this project and earn Rs.7 for three hours of work each day. For the remaining hours of the day they can continue to collect waste.

While this has definitely benefited these SEWA members, who as wastepickers are really in the very lowest level jobs, a serious issue has emerged from this experience. After the project began the organizers learned that the reason NID was seeking out new cleaners was because they had experienced labor problems with the previous cleaners. As a government institution, NID is supposed to provide pay and benefits to employees according to government rules and regulations. The former workers had organized work stoppages demanding that NID meet these conditions. In response, the administrators turned to SEWA. While there is no questions that SEWA's members have significantly increased their incomes and upgraded their occupations, a major question arises as to whether they are strike breakers or "scab" labor.

Another issue is how to decide who gets these jobs. There are more members than jobs, and competition has developed among the wastepickers. One group leader has accused another group leader of giving the jobs only to her people. She has appealed to the SEWA organizer to ensure more work to the women she represents. The SEWA organizers consider this to be a matter which the women must work out among themselves.

In the past month SEWA also has received requests from the spinning and weaving departments of two mills for cleaning services. SEWA members would replace women now working as contract laborers. SEWA is considering organizing these contract laborers into their own labor cooperative.

Many self employed people work as contract laborers and much employment is provided to the very poorest in this way. However, as the contractors wield a great deal of power and control over their laborers it is one of the most exploitative and lowest forms of employment.

In Ahmedabad, a lot of work in the textile mills is done through contract, especially in the reeling, cleaning, packing, and waste departments. The contract laborers are paid much less than the regular wage employees in the mills, are not unionized, and do not receive minimum wages or benefits. The unions turn the other way when the question of contract labor comes up. In fact, within the TLA some of the executive committee members themselves provide contract labor to the mills according to one newspaper report (Times of India, 1981). It is interesting to note that as women have been pushed out of the mills as regular wage employees (the percent of women regularly employed in the mills fell from 25% to 3% between 1950 and 1980), they have gone more and more into contract labor. Most of the contract laborers in the mills today are women.

Organizing women into labor cooperatives is one way of bringing these workers together to press for higher wages. It is a way of getting into union activities via a cooperative. SEWA is faced with two major struggles in doing this. One involves breaking into the current contract labor system and fighting and competing against the established order. Another will be an internal struggle to organize in a way to ensure that local group leaders among the women do not themselves assume the role of "contractors" and wield power irresponsibly over the members.

C. Raw Materials Supply Units

Many self employed women producers individually obtain raw materials from wholesalers who get them from primary sources and sell them at a high profit. Others use waste materials from the textile mills or other industries as raw materials. However, as they have neither the capital, the know-how, nor the connections to deal directly with the mills and factories, they often purchase these materials from middlemen. SEWA's Economic Wing has assisted several groups of self employed women in securing supplies of raw materials directly from the sources rather than through middlemen and merchants.

1. Supplies of scrap metal and wood

Groups of women carpenters and junksmiths with the help of SEWA organizers submit bids to the local mills' waste departments for leftover scraps of wood and metal. These materials are significantly cheaper than purchasing them in the open retail market. In 1980, 4,789 kgs. of wood and 4,123 kgs. of metal were supplied in this way. Shares have been collected from the women to join into a cooperative. Their application for registration as a cooperative is currently being processed.

2. Wastepaper

A large number of Harijan women in Ahmedabad earn a living by collecting scraps of paper and other waste materials from streets and wasteheaps. Although this waste is free the women must work long hours to find relatively little paper, and in the process are exposed to a wide variety of hazardous health conditions. Moreover, their earnings are extremely low. SEWA has pursuaded local government offices, banks, and textile mills to allow the women to collect their waste paper regularly. Sixty women are currently supplementing their work and earnings through this arrangement. (See Appendix VI, Case 6 for more details on this project.)

D. Marketing Assistance

Another major bottleneck for self employed producers and sellers is direct access to markets for their products. When new economic activities are entered into, new markets often have to be created. For instance, new designs in themselves have created markets for hand-block printed fabrics. More often, however, although markets already exist, the self employed lack the capital, time, and know-how to reach them directly. Instead they must go through middlemen which both reduces the producers' profit margin and increases the consumers' buying price. To link self employed producers and sellers directly with consumers, SEWA is attempting to provide marketing services to its members in a variety of ways.

1. Exhibitions

SEWA has organized several exhibitions to introduce potential buyers to goods produced by its members. The first was held in December 1980 in the SEWA Reception Center. Products from the production units, skills training classes, and individual self employed women, including chindi products, ready made garments, hand printed textiles, bamboo and cane products, toys and carpentry goods, khadi cloth, embossed artwork, and incense sticks were displayed and sold. Sales from the three day exhibition were Rs.11,000. Two subsequent exhibitions were held at a conference at B. J. Medical College and St. Xavier's school fair.

2. Shops

SEWA also is operating three shops through which self employed women can directly sell their products, thus avoiding middlemen. The shops are run on a no profit, no loss basis with operating costs covered by sales. The members work along with the SEWA organizers in running the shops and are gaining sales experience in dealing directly with customers. One shop located in Dariapur is linked to the SEWA chindi project and sells patchwork quilts and quilt covers produced by local women to low income families and small hawkers in the area. A second shop in Bavla, a small market town about 40 kilometers from Ahmedabad, sells garments, quilts, bamboo work, and foodstuffs to rural buyers. A third shop at the SEWA Reception Center reaches somewhat better off urban buyers and sells bamboo products, hand-block printed textiles, and quilts.

3. Linking members to bulk orders

SEWA is also providing a link between self employed women and large scale institutions which purchase their goods and services. For the past several years women's organizations in Ahmedabad have been pressing the local government to support women's employment. In 1980, an official regulation was issued requiring all government institutions to give first priority in buying goods from women's organizations. Since that time, SEWA's Economic Wing has arranged for members to supply fruits and vegetables to Ahmedabad's hospitals and jails. Sixty women have been organized into a cooperative which makes bulk purchases from a local wholesale market and fills orders from seven hospitals and jails. The cooperative members hope to be able eventually to purchase their goods directly from rural women producers. This arrangement has provided small-scale sellers a steady and reliable market for their goods. Each month, Rs.40,000 worth

of fruits and vegetables are sold this way. The original working capital needed for the unit was provided by the SEWA Bank.

The vegetable project has faced several problems in establishing itself. The contractors previously supplying these institutions have long established relations with the lower-level clerks who manage the buying of vegetables and who needless to say were quite upset at losing their business. Through these clerks, SEWA has been harassed in various ways: false claims are made claiming that SEWA is not providing good vegetables; in the jail, the delivery men refuse to come out to the gate to get the orders so the women have to carry the heavy loads in on their own; in the civil hospital, at one point payment to SEWA was held up for several months so that they were owed over Rs.100,000. However hard the organizers pressed the accounting bureaucracy would not move. They threatened to stop delivering vegetables at one point; however, the clerks said fine, they would gladly go back to their original contractors. The women refused to give up. Finally, they threatened a procession and an article appeared in a local newspaper detailing their problems. A meeting was called between government leaders, hospital officials,and SEWA. One government official was supportive to SEWA and issued a regulation requiring payment within one and a half months of receipt of the order.

Similarly, SEWA arranges orders for Rs.5000 worth of brooms each month from government organizations. Although the broom makers are not yet organized into a cooperative, the individual producers are provided a more regular market for their goods and do not have to spend as much time hawking them in the streets. Although they get about the same price as when they sell their brooms individually, their earnings have increased as the volume of sales has expanded and stabilized.

Through the papad unit SEWA also helped to link women producers to public institutions buying their products.

E. The Role of the SEWA Bank in the Development of the Economic Wing

To date, the SEWA Bank has served an important role in supporting the development of the Economic Wing. It has provided an institutional mechanism for Oxfam, U.K., to establish a revolving loan fund for women in the chindi project to purchase sewing machines. Moreover, it has financed several of the projects during their initial stages, including the vegetable unit and the Bavla Marketing Center. The Bank staff also assists in the accounting and financial management of the projects. It is anticipated that as the Economic Wing grows the Bank can establish a cell to provide systematic management, accounting,and financial services to the projects and cooperatives. As the members of these cooperatives have extremely limited experience and skills in this area, such a cell could provide an extremely valuable and necessary service in strengthening the economic viability of these units.

F. Issues Emerging from SEWA's Experience in Organizing Supply, Production and Marketing Units

As most of the supply, production,and marketing cooperatives are still in their formative stages, no single pattern or model has yet emerged. As such, while it is quite early for "lessons" several questions and issues

have surfaced in the course of the work. How SEWA responds to these issues will lay the path for the future development of the organization.

1. Are cooperatives an effective organizational form?

Perhaps the most fundamental questions SEWA faces as it expands the Economic Wing is what organizational form the economic units should take on. Should they be organized as cooperatives? Or should they take on some other organizational form (e.g. trusts, non-profit businesses, development corporations, worker self-managed businesses)?

Some argue that cooperatives, while equitable in distributing earnings, are not economically efficient. They point to the failure of many cooperatives to compete effectively in the market. Others point out the vulnerability of cooperatives to outside political influences and factions. They also cite the frequent breakdown of cooperative decision making processes.

Despite these problems, there are many advantages. Cooperatives provide a democratic organizational form with a great potential for workers to actually control their work environments and take part in decision making. They provide a meaningful alternative to the existing relations of production. Cooperatives in India also have the advantage of access to a wide range of valuable external supports, such as credit and banking services, supplies of raw materials, marketing channels, and other benefits. These types of supports can be quite valuable for young organizations.

SEWA's goal in organizing production, supply, and marketing units is for members eventually to form cooperatives. They have found, however, that in the beginning an interim organizational form is often necessary to prepare the women to run the cooperatives on their own. In several cases, they have started out by establishing non-profit businesses which are managed by SEWA organizers. Because the members are inexperienced in making their own work related decisions and in working together (particularly among home based producers) they need time to develop the skills and mentality first, to make their own decisions and second, to make joint decisions. The non-profit businesses introduce women to the experience of working together and offer them an opportunity to gradually take on more responsibilities from the organizers such as securing raw materials, keeping the books, distributing work, and selling the finished products. Through this process, the women develop the capacity to manage the cooperative and participate in joint decision making.

2. What role should SEWA play?

A related question is what short term and long term role SEWA as an organization should play in the development of the cooperatives. Should they perform only a short term role in mobilizing the women and preparing them to operate the units on their own? If so, at what point should SEWA pull out? Or does SEWA have an obligation to play a longer term role in supporting the units? With so many occupational groups in need of assistance, organizationally how can SEWA most effectively allocate its resources? Should they organize a special cell which provides managerial and technical assistance to these units? If so, should organizers who are familiar with the women run this cell? Or should experts be hired from outside?

Maintaining the economic viability of the embryonic units has been a challenge for the SEWA organizers, who although educated have little experience in business. During the formative stages they learn as much as possible about the business and perform an important role in making contacts, establishing necessary links with the business community, and teaching members while they learn. In general, the units have been fairly stable and well established before cooperative shares are sold. Not all the cooperatives have started this way, however. The bamboo and hand-block printing cooperatives, for example, were formed immediately following the skills training course. Unfortunately, it is still too early to compare the experiences of these two groups.

To date, the SEWA organizers continue to play a central role in all the cooperatives. They all agree, however, that ultimately the cooperatives must be run independently by the members themselves. It is too early to predict when the SEWA organizers will withdraw, but when they do they anticipate that SEWA's involvement will continue indirectly through representation on an advisory board or a similar forum. SEWA is also beginning to discuss the formation of federations of various trade groups, of which the cooperatives will be a part. The Gandhi Peace Foundation recently provided a grant to plan for re-organization of SEWA's Economic Programs into three trade federations: one for home based producers, one for sellers and vendors, and one for laborers and service workers. The programs and staff of these federations will assist women in organizing cooperatives and economic units and in working to address their specific trade related problems. As the problems of each of these groups are quite different, the organizers feel the Federations could perhaps be more responsive to the member's needs than a singlular Economic Wing. One idea being considered is for the Federations to be based on a model similar to that of Community Development Corporations.

3. Should current occupations of new ventures be the focus of organizing?

Another issue is whether SEWA should limit itself to organizing only around women's existing occupations and skills or venture into new areas. Given the limited range of low level occupations that self employed women are now in, it seems that for SEWA to be a catalyst for structural change it is necessary to provide support for women to enter into new occupations. For example, this is now being done with women working as wastepickers. On one hand, SEWA is working to improve existing working conditions and earnings for women in this trade by improving supplies of wastepaper. However, it will always be one of the lowest level occupations. Some argue that left at this, SEWA's efforts merely reinforce women's position in these low level jobs. In response to this criticism, the Economic Wing is working to bring the wastepickers up the occupational ladder by helping them to organize enterprises related to recycling paper (such as box making, papier mache crafts, and so on). Moreover, many of these women are migrants from villages where women traditionally work as weavers. The Economic Wing has initiated a weaving class for a small group of these women, drawing on existing government supports for the handloom industry. Following the training, the women will organize a production cooperative. In this way SEWA is attempting to provide a vehicle not only for collectivizing women's work, but for effecting occupational mobility.

4. Is organizing cooperatives a legitimate labor union activity?

Another issue SEWA is faced with is whether the organization of economic units is a legitimate activity for a trade union. Some argue that actively organizing production and linking workers to supplies of raw materials and markets are not jobs for a trade union, but for businesses or the cooperative movement. SEWA has come under a fair amount of criticism from labor organizations for entering into these activities. However, they argue that the needs of the self employed are different from workers in wage jobs in the organized sector. At present, the only way some of the fundamental problems of self employed workers can be addressed is through these developmental activities.

The organizers, in fact, have found that organizing trade unions and organizing cooperatives are quite different. In many ways the two activities take very different skills, personalities, mental attitudes, and relationships. Renana Jhabvala, the head of the Economic Wing, reflects:

> "We have found several reasons why it is difficult to organize a trade union and cooperatives at the same time. For one thing, the skills required for organizing a trade union are very different than those for organizing a cooperative. A trade union organizer must be very mobile and on the move, always aware and alert, capable of having her mind in a thousand directions all at once, and always ready to struggle. In contrast, organizing a cooperative takes business acumen and skills and a compromising nature. And compared to cooperatives, trade unions also have a very different type of relationship with traders and merchants. Trade unionists generally oppose them and struggle against them -- in short, they want something out of them. Cooperative organizers and members must learn to work with them, in a sense be one of them, especially in the initial stages when it is necessary to build up business relationships. The members of trade unions must focus on building unity and courage, and think of themselves as workers struggling against owners. Members of cooperatives, on the other hand must learn how to take on more and more responsibilities and begin to think of themselves as 'owners'. These are some very fundamental differences.
>
> "Nonetheless, the two can work very well together. For example, to form a strong trade union, courage, awareness and solidarity are needed. Among the self employed, women are in such a weak position to begin with, they really cannot talk about solidarity at the very beginning. A cooperative can be an entry point into the community and serve as the center of contact for a union. It also provides a base on which to build up organizers and local leaders. For example, when we were struggling against the chindi tax, 2/ if SEWA had not already been a part

of the community in Dariapur, we never would have gotten the wage increase. You have to be there to grab. You can be there through a cooperative."

(Interview, August, 1981)

5. Who do SEWA's economic units displace?

Another issue is the fact that supply, production, and marketing units generally compete with someone, somewhere -- middlemen supplying raw materials or selling finished products, traders, even other self employed producers. SEWA has to be aware of who its competitors are and who it displaces. It must be prepared to face a lot of pressure and fight to establish itself. It also must be careful that by expanding or upgrading employment for its members it does not unknowingly displace other poor workers.

To a large extent, the real challenge for SEWA's economic units is to break into institutions and systems that have been going on for years and years. SEWA's members have demonstrated a fighting spirit to do this and through the Economic Wing are moving towards a better working life.

Table 8.1. Data on SEWA's Economic Wing as of July 1981.

ıe of Unit	Date Began	Total Persons Involved	Ave. Mo. Earnings of Women from Unit (Rs.)	Supplementary or Primary Earnings	Activity	Suppliers	Buyers	Total Annual Turnover (Rs.)	Initial Investment Capital Required (Rs.)	Initial Working Capital Required (Rs.)
ndi	1978	60	60 - 250	Primary	Supply, Production, Marketing	Textile Mills Contractor	Rural & Urban Poor Consumers	200,000	30,000	30,000
ıboo	1980	30	?	Primary	Marketing	Artisans	Gov't. Services	20,000	10,000	10,000
;etable	1980	60	250	Primary	Supply Marketing	Wholesale Market	Gov't Hospitals & Jails	400,000	10,000	10,000
ad	1979	6	50	Primary	Supply, Prod'n, Mrktng	- -	Public Institutions	10,000	5,000	5,000
tepaper	1979	130	4-20/ day	Supplementary	Supply	Textile Mills, Banks, Gov't Offices	Merchants	- -	- -	- -
d & Scrap al Supply	1980	10	Erratic	Primary	Supply	Textile Mills	Rural & Urban Poor Consumers	12,000	?	?
dblock nters	1981			(in planning stages)						
e & Bamboo duction	1981			(in planning stages)						
ıning Svc.	1981			(in planning stages)						

CHAPTER 9: SEWA'S RURAL WING

SEWA's rural work began in 1975 in a cluster of villages about 50 kilometers from Ahmedabad. Together with the Agricultural Labor Association (ALA), a union associated with the TLA, SEWA began organizing both men and women agricultural laborers. Gandhian strategies for rural development which emphasize the promotion of labor intensive activities and involvement of women largely inspired SEWA's rural programs.

A. The First Steps

In 1975 the minimum wage for agricultural laborers across India was raised from Rs. 3.50 to Rs. 5.50. The ALA organized over 1800 rural laborers (over half women) to press for enforcement of the new minimum wage law. Unfortunately, because the workers had few alternative employment opportunities their bargaining position was weak and many of their employers denied their demands. The ALA subsequently expanded its activities to include efforts to activate government agencies to address the villagers' needs for roads, irrigation, transport, housing, credit, cattle breeding, and agricultural extension services. Through local banks they also arranged loans for 13 unemployed youths to purchase cycle rickshaws.

At the same time SEWA slowly was gaining a foothold in one village by establishing a creche, teaching a sewing class, and arranging working capital loans for weavers. One of SEWA's original organizers, Mahalaxmi, moved into the village to run these activities. By becoming a resident of the village she learned about the lifestyles, problems, and needs of the rural women. Over time she gained their trust and respect. She has been an important link for SEWA in the development of its rural activities.

B. Background of the Villages

As one of their first steps the ALA and SEWA organizers conducted a survey of 25 villages in Dholka Taluka to identify the major problems and needs of the people. 1/ The survey found that an inadequate water supply is a severe constraint to the development of the taluka. Average rainfall is somewhere between 4 and 10 inches per year. Droughts are frequent and the soil is extremely saline. Without access to alternative sources of water there is only one crop per year. Agricultural production is low and most agricultural laborers are unemployed for over half the year.

Consequently, seasonal unemployment is one of the biggest problems for both men and women in the village as there are few non-agricultural employment opportunities. Only a handful of small-scale units produce such goods as handloom textiles, clay tiles, bricks, ready made garments,

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1/ Information in this section is from Bhatt, Ela, n.d. "An Approach to the Rural Poor." mimeo.

and shoes. Moreover, there has been a gradual loss of traditional craft skills over the past several decades which could provide an alternative source of income. Dwindling markets and shortages of both working capital and raw materials have contributed to the loss of these skills.

The response of the villagers to these conditions is a common one. Most men in the villages migrate to Ahmedabad or other nearby towns in search of employment. The women stay behind to support their families with the meager resources at hand.

Landlessness is also an increasing problem. A majority of villagers own no land and among marginal farmers landholdings average only .75 hectares. Moreover, many are forced to mortgage their holdings during drought periods in order to survive. Thus, they lose control over their most valuable assets and landholdings become increasly concentrated.

Very few other productive resources exist within the villages. The survey estimated that there are about 200 camels used mostly for transport and 600 sheep and goats used largely for their wool. They also found between 700 and 800 cows and buffaloes, but unfortunately only 40% give milk.

Not suprisingly, incomes in the villages are extremely low. Agricultural wages average Rs. 3 per day, far below the minimum wage. Household incomes among marginal farmers average Rs. 2000 per year and among agricultural laborers Rs. 1800. Both are well under the official poverty line.

Limited access to public services is also a problem. Although the villages have government subsidized service cooperatives and fair price shops for consumers, poor management, corruption, and control by vested interests have yielded inefficient and inequitable service. Banking services are available in nearby towns but access by the poor is restricted. They seldom have enough information to make use of banks and even when they do they find that they are not eligible for conventional loans or are simply treated rudely (See Chapter 7 on the SEWA Bank). Schools exist in every village but the children's attendance and teachers' performance are poor. The lack of creche facilities forces women laborers to take their younger children with them to the fields or keep their older children out of school to care for them.

Health services also are inadequate. No health facilities or clinics exist and there are no trained local personnel to treat the malaria, skin diseases, respiratory infections, eye infections, and coughs which abound. Malnutrition among children is common and infants are fed cereals more often than milk. Women suffer from many maternal health problems and everyone suffers from contaminated drinking water. With limited access to health facilities, villagers seek medical aid only for the most serious illnesses.

All of these conditions exist against a background of social discord. Caste tensions and conflict are acute. There is a predilection toward wife beating and drunkenness among men. Moreover, it is considered inappropriate for women to speak out in the presence of men in the villages, and custom requires them to obey their fathers and husbands without question. As such, women are severely limited in their physical mobility and their ability to control their social and economic environment. These social restrictions naturally affect women's self perceptions.

These villages are some of the poorest in Ahmedabad District. After several years of gradual involvement, SEWA initiated a larger scale effort to respond specifically to the needs of the village women with regard to income generation, training, health, and the development of local leaders. The evolution of the activities of the Rural Wing is described below.

C. The Early Years (1975 to 1978)

1. Gaining a foothold

When asked how SEWA first got involved, Mahlaxmi laughed and said:

"Oh, there were lots of problems. Over lunch one day Elaben was saying how SEWA did not have anyone to work in the rural areas. Spontaneously, I volunteered myself. As a widow, I am one of the few organizers not tied to a family in Ahmedabad.

"The next day I went to Zamp. It was a shock to see the village. All I could think is, 'Do I really have to live here?' Well, I did.

"The first job I had was to organize a weaving class. Along with several artisans, I went into the village to set things up. Of the team, all were Harijans (the lowest Hindu caste) except one other man and myself. We were all supposed to stay with one higher caste Hindu family, but when we arrived they refused to offer food to the Harijans. So we all refused food from them. We were also refused provisions and services from the shopkeepers in the non-Harijan areas. So we went to stay in the Harijan area. I had many problems in trying to establish myself in the village. For one, when I went to draw water from the Brahmin well, I was jeered and taunted for living with Harijans and told not to touch their well. I did not want to show weakness by speaking out in protest. I realized I would rather live in the Harijan area than anywhere else.

"At that time there were two things going on in the village, a weaving class during the evening for men and a sewing class during the day for women, which I taught. There were many problems in attendence in the sewing class as getting women from other

villages to come to the Harijan areas where the classes were held was a real problem.

"The ALA weaving classes were held at night and I would sit and talk with the men. Women used to scoff at me for this too. They thought it was scandalous for a single woman to sit alone with men. I told them that if they did not come to visit me, I only had the men. Gradually they began to accept me."

(Interview, March 1981)

In addition to teaching sewing, Mahalxmi distributed some medicine and generally served as a village social worker. To a large extent her influence has been through example. Her lifestyle and habits all have had an influence on the local women. Her religious devotion further helped her to gain the trust of the villagers.

2. The first creche

SEWA also established a creche in Zamp which Ela Bhatt ran during the initial stages. According to Elaben, the children were visibly undernourished, dirty, listless, and covered with boils the first day the mothers dropped them off on their way to the fields. The children ate, bathed, napped, and played in the creche, and after the first week there was a visible difference in their health and energy levels.

It soon became obvious to the organizers that infant and maternal mortality were serious problems in the villages. The unsanitary practices of the village midwives who rarely sterilize the crude instruments they use contributed to the complications and infections that are common following delivery. SEWA organized a training class to teach the midwives how to sterilize their instruments and other hygenic techniques. Since then the village women stand a better chance of delivering their children without complications. Encouraged by the positive results of this program, SEWA extended its maternity benefit scheme to the rural areas. This scheme provides training in prenatal and postnatal care, medical check ups for pregnant women, and cash stipends at the time of delivery to compensate the women for their loss of income. (See Chapter 6 for further discussion of SEWA's Maternity Benefit Scheme.)

3. Banking in Gyaspur

During this early period SEWA also attempted to organize women in Gyaspur, a village of about 500 households on the outskirts of Ahmedabad. A local leader among the women, Jiwatben, was recruited to work for SEWA. She is somewhat unusual in that she is divorced and lives alone in a house she inherited from her father (she claims she had nothing against her husband personally, she just did not like married life and convinced her husband to marry another woman). She also inherited land which she rents out as a source of income. She devotes her time to organizing and leading the village women and commands a great deal of respect from them.

Most of the village women raise buffaloes and cows for milk, sell vegetables, or work in the fields. SEWA's major activity in Gyaspur has been recruiting members for the SEWA Bank. About 40 women have opened savings accounts and seven loans have been advanced. Jiwatben acts as an intermediary by collecting savings and loan repayments and seeing that the money is used for the stated purposes. Most of the loans have been taken by women who own cattle to purchase grass (many of these women previously grew their own grass, but in the mid-1970's the government built a dam which has reduced their supply of irrigation water). Although they have not increased their earnings with the loans, the repayment record of the women has been excellent.

The attempt to organize a milk cooperative in the village met with less success. A cooperative was set up to collect and market the milk but according to Jiwatben it did not work because the women did not cooperate. They had been selling to one middleman for years and were under pressure to continue doing so.

D. An Integrated Approach to Rural Poverty (1978 to the present)

In 1978 SEWA stepped up its activities in Dholka Taluka by introducing income generating projects for women. One of the thrusts behind this was a six week seminar on rural women organized in early 1978 by the Institute of Development Studies, Sussex. Ela Bhatt attended the seminar and SEWA built on many of the ideas of an "Action Program for Rural Women" which eminated from the meetings.

1. Income generation through khadi production

With the support of the International Confederation of Free Trade Unions (ICFTU) SEWA initiated its first rural income generating project in khadi spinning in August 1978. Khadi is hand spun cotton thread which is made on simple hand spinning machines called amber charkas. The promotion of khadi spinning has been a major activity of Gandhians in India and since independence the government has supported khadi as part of its employment policy. The Khadi and Village Industries Board facilitates production through the supply of raw materials, equipment, and government markets.

SEWA's project started with ten amber charkhas (costing Rs. 750 each) and 15 women trainees from one village. A local ALA organizer learned how to use the machines and taught the women. After five weeks of training in their use, repair, and maintenance, the women took the charkas home and all of their family members began spinning khadi. Processed cotton for raw materials was initially transported from Ahmedabad each week. However, recently four units to process locally grown cotton have been introduced into the village as a step towards making the project self sufficient. The thread is sold to the Khadi Board at a standard piece rate for labor of 30 paise per bundle. On the average an individual can earn Rs. 9 for eight hours of work. The women are paid every two weeks according to their output.

During the off-season spinning khadi is the only source of income for these families. The amount they earn is directly proportionate to the amount of time they spend spinning. With the government's support supplies of raw materials and markets have not been a problem. Average earnings are Rs. 150 per month for the rural households. Many of these families were previously earning no more than Rs. 20 per month. The income is spent primarily on food and clothes.

The project has gradually expanded and today there are 200 charkhas in use in seven villages. The SEWA building at Devdholera serves as the project's distribution and collection point. However, traveling to Devdholera is a problem for women, so local men have assumed the role of project managers. Unfortunately, identifying capable and willing men to deliver the raw materials and keep accurate accounts has been a challenge so there have been some management problems. Another problem is that the distances between the villages leads to communication problems, and it is not always easy for the organizers to keep track of local happenings.

Khadi weaving also has begun in Devdholera where there is a tradition of weaving woolen blankets. Building on the traditional skills of the villagers, several have been trained in khadi weaving and six looms have been introduced into the village. While the earnings are potentially higher than from merely spinning, the weaving project has not been readily accepted by the women. One reason is that the weaving teacher, a skilled craftsman from south Gujarat, did not believe women could learn weaving. He argued that it was impossible for a male teacher to deal one-on-one with the women trainees because it was necessary for him to touch the women's hands. This was very unacceptable to him as well as the women's husbands. Ultimately he taught the village men, and the only women who learned did so through their husbands.

The village spinning and weaving projects led to an expansion of the sewing classes. Local women have been trained as teachers and young girls recruited as students. Orders for clothes are taken from the village and other goods are marketed through SEWA's Rural Marketing Center.

2. Income generation through women's milk cooperatives

Through their work in both rural and urban areas the SEWA organizers increasingly have become aware of the important role women play in cattle care. Although ownership of cattle is most often in the name of the men, women largely are responsible for tending, feeding, and milking them.

At the time SEWA was expanding its rural income generating activites, Ela Bhatt was invited to address a National Dairy Development Board (NDDB) training class in Ahmedabad. The NDDB is a government board which has established an extensive network of dairy cooperatives throughout

Gujarat and the surrounding states. In addition to organizing local milk cooperatives, they have their own dairies and distribution networks. They also sponsor training courses, link villagers to loans to purchase cattle, and assist in the management of milk cooperatives. Ela Bhatt learned that no women had received training of any kind from the NDDB and there were no women's cooperatives in Ahmedabad District. The NDDB's training programs and cooperatives were oriented entirely toward men.

When asked why, the NDDB officials explained that illiterate village women could not possibly understand their sophisticated training techniques or their written training material (much of which is in English). SEWA suggested that they might develop a non-formal education curriculum for women to upgrade their skills in cattle care. The NDDB officials argued that it would be impossible to convince the women to come to their headquarters in Ahmedabad for training. However, SEWA organizers felt that such an experience would be extremely useful to the women. An agreement was finally reached that if the NDDB provided the training, SEWA would come up with the women. According to the organizers this was the first course that opened SEWA's eyes to the importance of skills training.

SEWA launched a campaign to recruit 25 women for the training. At first the organizers went to the Rabari community of urban milkmaids in Ahmedabad. They had been tending cattle their whole lives and did not feel they had much more to learn. Besides, if they went for training there would be no one to look after their cows, buffalo, children, and husbands. Another problem was that the women were requested to stay over night at the Ashram where the NDDB held their course and, as the NDDB trainers had predicted, their husbands and families objected to this. The men even feared that their women would be "sold". The women also said they would not come without receiving a stipend. Political forces were also working against SEWA within this group. Opponents of the TLA campaigned among the women to have nothing to do with SEWA. The women became somewhat hostile to the organizers, who in turn became disenchanted with their adamant lack of interest.

Despite this set-back, the organizers did not give up. Instead they turned to the rural women from Dholka Taluka. With the support of SEWA's local field workers they were able to pursuade a group of 25 women from Zamp to come to Ahmedabad for the training.

The first course provided training in cattle care, a tour of the famous Amul Dairy, and a visit to some local religious centers. It was quite successful and the NDDB agreed to continue training women. To date, 35 groups of 25 women have participated in the three day training course through SEWA.

According to Anila Dholakia, the Chief of the Rural Wing, the NDDB realizes that the training has been useful, but a male bias nonetheless has crept in. The NDDB trainers feel that rather than have

the women come to Ahmedabad, they should go to the villages with their charts and graphs so that all can benefit from the training. SEWA, on the other hand, feels that having the women come out of their villages to Ahmedabad has been very important in exposing them to new experiences and people and wants the urban based courses to continue. A compromise has been reached for the time being with some programs in the villages and others in Ahmedabad.

Possibly the most significant benefit of the NDDB course has been the interest it has generated among several groups of women to form their own cooperatives. With the support of the NDDB and SEWA and an uphill struggle against local interests, 17 women's milk cooperatives have been organized to date.

Establishing the cooperatives has been extremely challenging. Political problems, caste barriers, lack of women leaders, vested interests, and corruption have all found their way into the process. However, through perserverance and commitment the villagers and the SEWA organizers together are confronting these problems and building the cooperatives.

The first cooperative took over a year to get off the ground. A group of local leaders who had emerged through the activities of the ALA and the khadi project organized several meetings in Devdholera in 1979 to discuss the cooperative. Shares for Rs. 25 and entry fees of Rs. 1 were collected from 31 women. SEWA's organizer, Hirabhai, completed and submitted the requisite paperwork to the district Panchayat to register as a cooperative. However, at the time the head of the Panchayat was associated with another dairy so there were unending delays in gaining official approval for the cooperative. Finally, after almost a year there was a change in government and subsequently a change in leadership of the Panchayat. The new leaders supported the SEWA cooperative. Unfortunately, by this time the stacks of paperwork which Hirabhai had submitted had disappeared mysteriously. SEWA's local organizers were forced to go through the painstaking procedure of preparing the forms a second time. At long last, in March of 1979 the first women's milk cooperative in Ahmedabad district was formally registered.

This was only the beginning of the struggle. The local power structure also resisted the women's cooperative. Following registration the members -- comprised of both caste Hindus and Harijans -- held a meeting to select a secretary and chairperson. These are central figures in the coop: they collect the milk, measure the fat content, send the milk to the Ahmedabad dairy,and pay the members. With these responsibilities at least one educated person must be chosen. In the meeting a man from one of the most powerful local Brahmin families enrolled his wife in the coop and through her appointed himself as the leader. There was no dissension by the Harijan members, more out of fear than anything else.

The following day this man took a Rs. 500 loan from a local bank in the name of the coop without discussion or consent from the members. When word of this came back to Ela Bhatt, she called a meeting for the following day. She describes it:

> "It was really the first time we had to confront a situation like this. I was totally inexperienced in dealing with the villagers. As an outsider I was quite unfamiliar with the local power structure and the villagers' ways of dealing with such problems. But something had to be done so I just went on my instinct. In the meeting I started speaking very slowly and had no idea if what I was saying was right. But as I talked, I gradually became more and more incensed at the nerve of that man and I made direct accusations against what he had done. He shouted back at me and his wife ran away and it became quite a heated battle. Such a thing!
>
> "We finally ended up by dismissing the Brahmin man and appointing an educated Harijan man as the secretary in his place. Unfortunately, there are no literate women in the village for this job. But during the entire meeting, the Harijan women did not utter a single word. I had no idea whether we had done the right thing or not. I kept looking at them for some clue, some little reaction, but there was nothing. After the meeting I walked with a group of them back to their section of the village and as soon as we got away from the caste Hindus their words of support came spilling out. 'Yes, Ben, you did right,' they said. They were grateful that someone had spoken out for them. I said to them, 'Why did you not speak?' But of course by now I realize, as Harijans, they could not.
>
> "A few days later the tensions were still high and a Harijan youth was beat up by some of the local Brahmins. A very threatening situation was in the offing. But over time many of those tensions have worked themselves out. The coop has been working successfully for some time now."
>
> (Interview, May 1981)

Since 1979 sixteen additional coops have been organized in surrounding villages. Many of the coop members initially did not own cattle and so SEWA has assisted in linking them to loans from the rural branches of the nationalized banks. However, this also has been a struggle, as related by Anila Dholakia:

> "The banks are under pressure to lend to the poor in the rural areas, so they were quite willing to give loans for the purchase of cattle through SEWA. After going through all the negotiations and identifying cattle for purchase, we thought evertything was set. But just a few days before we all

were to formally sign the papers, we found out they planned to give the loans to the women in their husband's names. We said nothing doing. They tried to tell us that the women did not have property and had no steady income, while the men did. We told them that the cows would be property, the milk would give the women income, and after all that's the whole purpose of the loan! We said we would only take the loans if they were given to the women in their own names. They finally agreed. With the first batch of loans we arranged payment directly through the coops. The women's installments have been absolutely on time. Each month the secretary deducts from the earnings and makes deposits in the bank. Now the banks are quite willing to advance loans to women in other milk coops on the same basis."

(Interview, July 1981)

The secretaries of the coops play an important role in managing things. However, those who have assumed these roles are all men and in a few cases they have not been entirely honest. In one coop there were accusations that some of the milk was being taken and then watered down before being sent to the dairy, thus reducing its fat content and value. In another, the secretary was not paying the members regularly. This is not to say that similar problems would not have occurred with women secretaries. Nonetheless, some of the organizers insist that by nature men are more mischievous than women, if only because they have more opportunities.

One of the goals of the cooperatives is to develop women leaders who will take on the role of secretaries. Several of the programs of the Rural Wing are designed to develop this leadership. However, the organizers find the men unwilling to give up their power to women. Thus, while there are few alternatives initially to working through male leaders, problems arise in attempting to transfer this leadership to women.

There also have been pressures from the private dairy which previously collected milk from the women in the villages. Now that so many village women supply their milk to the cooperative dairy the private dairy is losing profits. The owners have been pressuring the cooperative secretaries to sell the milk to them by offering higher prices. The organizers suspect that some of the other problems in the coops may be due to the influence of these private dairy interests. Nonetheless, despite the many problems and challenges, the cooperatives have continued to develop and expand. They have given women ownership of cattle, a regular income, direct control over this income, and a forum for participating and organizing together.

3. Maternity protection scheme for agricultural laborers

SEWA's efforts to combat the serious problems of infant and maternal mortality continue to expand in the rural areas. With the success of its experimental maternity benefit program in Ahmedabad,

SEWA lobbied the National Labor Ministry to initiate a series of pilot projects around the country. (See Chapter 6.) The National Ministry sent letters to all the State Labor Ministries in India and at present three states have started pilot maternity benefit programs for self employed women. The Gujarat State Labor Ministry has supported the expansion of SEWA's program by providing benefits to 500 rural members each year.

4. Cooperative management training for crafts workers 2/

The past several decades have witnessed a decline in the production of rural crafts in India. This trend contributes to the growing problems of unemployment and under-employment among agricultural workers in rural areas who need more opportunities for non-farm employment.

Several government programs to revive rural crafts exist. These programs seek to facilitate the supply of raw materials, provide markets, and organize producer cooperatives. However, implementation is a problem due to a lack of trained organizers and managers who can link the rural artisans to these governmental resources.

To help overcome these problems, SEWA garnered the support of the All India Handicrafts Board to sponsor a six month organizer's training course for rural craftworkers. The purpose of the course was to develop leadership qualities in the trainees and build their capacities to organize craft workers into cooperatives.

Twenty young craft workers from throughout Gujarat participated in the course. They included weavers, potters, bamboo workers, hand-block printers, garment makers, carpenters, and others. Three quarters were men and one quarter women; and three quarters were from rural areas and one quarter from urban areas. In general, they were educated and all received a stipend of Rs. 150 per month during the training.

The course was run in three phases. The first five weeks included orientation and theoretical training at SEWA's headquarters in Ahmedabad. Sessions dealt with a broad range of subjects including critical issues facing crafts workers, how to motivate and organize workers, how to organize and manage cooperatives, and how to conduct surveys and write proposals. The trainees also had sessions on the development of communication and evaluation skills.

The second phase involved four months of field work in the rural areas where surveys of the socio-economic and working conditions of crafts workers were conducted. The purpose of these surveys was to idenfify crucial problems, develop the ability of the trainees to establish rapport with the villagers, and strengthen their leadership qualities. The trainees worked toward organizing the craft groups they studied into cooperatives.

2/ This section summarizes Dholakia (1980).

During the third phase twenty men and women reconvened in Ahmedabad during the final two weeks to evaluate their field work, discuss how various development agencies could coordinate their work for crafts workers, and draw out a future plan of action.

Following the course the instructors observed that the urban trainees did well in the theoretical session but had problems in the field work. Conversely, the rural participants fared much better in the field work compared to the classroom phase. Three trainees dropped out during the field work, and half of the remaining group completed their surveys. Several made headway in organizing villagers into production cooperatives. Most of the trainees are now working with development agencies doing related work.

This training program led into SEWA's two crafts training classes for urban artisans, one for hand-block printers and one for bamboo workers. (See Chapter 8.) Both are sponsored by the All India Handicrafts Board. As another follow-up activity many of the trainees attended a four day camp in Delhi to discuss the needs of the self employed craft workers with the Chairman of the AIHB and members of the Planning Commission.

5. Development center for rural children in Baldana

In early 1980 SEWA opened a children's center in the village of Baldana. Twenty young boys are being trained in carpentry and ten girls are learning khadi weaving. Expansion of the center to include training in pottery for out of school youth is anticipated. To complement these activites the center provides a creche for the younger siblings of the youth and an evening literacy class for women agricultural laborers.

The objectives of the center are to provide vocational skills in non-farm activities to children of the area, revive crafts in the area, and open up opportunities for future economic stability. A village carpenter and weaver teach the children to produce small working stools, kitchen goods, dish racks, toys, household utility goods, and colorful mats and rugs. These goods are purchased by SEWA's creches and sold through the SEWA Rural Marketing Center. While there is a primary school in the village, most parents cannot afford to send their children outside to high school. Thus, the project was developed to teach these out of school youth vocational skills for income generation. As Baldana is the junction of several bus lines, children from the surrounding villages can more easily commute to the training center.

At first over 50 young boys readily signed up for training but there was difficulty in recruiting young girls. Their parents needed them for household chores and to look after younger children. Only after three months of carpentry training for the boys did parents begin to realize the potential benefits of sending their female children and the weaving class was then initiated.

An attempt also was made to introduce khadi spinning in the center, but the children consistently showed indifference to this activity. The organizers felt that the work was too monotonous and sedentary for the children so the program was discontinued.

The activites of the center have received a good response from the village community. The carpentry class led into the weaving class for girls, and from there evolved the creche and literacy class for women. When SEWA offered to expand the village programs, the village Panchayat readily donated a piece of land on which to construct a building.

6. Legal aid

An important supportive program for rural women has been SEWA's legal aid service. Darmista Bhatt, a local lawyer, donates her services to SEWA for two days each week. Any member who has a complaint may visit her in the SEWA Reception Center in Ahmedabad. A majority of the women taking advantage of this service are from the rural areas. Their most frequent complaints relate to marital problems -- primarily against husbands who have deserted their wives and left them no property or means of support. Other complaints relate to wife betating, forced marriages, and charges of police harassment. In most cases, Mahlaxmi first visits the women to see if any settlement can be reached between the concerned parties. If not, a legal case is filed. To date there have been over fifty such cases. The organizers also make an effort to inform the women of social and labor legislation which protects their rights.

7. The Jaago Project

Since March of 1981 most of SEWA's rural programs have been joined together under the Jaago Project. Jaago means 'awake' in Gujarati, symbolizing the aim of the project which is to create a new consciousness among rural women, policy makers, and the community at large. Through this integrated effort the activities of SEWA's Rural Wing will be systematically coordinated and expanded to cover more women and villages. It aims to reach 3000 women and children in 30 villages over 3 years.

One of the major goals of the project is to raise the consciousness of rural women. The idea behind this is that rural women's self concepts of their roles and status must change if they are ever to take their rightful place in development. The attitudes of policy makers must also change. To them, women too often are invisible or at most seen as 'targets' or 'beneficiaries.' The SEWA organizers see that they must look beyond this and recognize women as valuable contributors to the economic and social system. There also must be a change in the attitudes among men in the community, especially male employers who discriminate in paying lower wages to women. A major theme behind the Jaago Project is that women's behavior will change only when the attitudes, emotions, and values of society as a whole change.

The project has four major components: an organizer's training program, an income generating program, a vocational and health training program, and creches.

a. Organizer's training: One way the project is attempting to create consciousness among women and the community is by developing local women leaders. To do this a program will be launched in 1981 to hold meetings in all 30 villages. During the meetings four women leaders from each village will be identified and invited to a meeting in Devdholara where 60 women will be selected to attend a more intensive leadership training program. A three day program will be held in SEWA's new activities building in Devdholera where 30 women -- one from each village -- will be chosen to manage the activities of the Jaago Project.

b. Income generation programs: In addition to the ongoing income generating activities, several new programs will be developed in the coming years. There are plans to establish a revolving loan fund in the SEWA Bank for the purchase of cattle by women in the milk cooperatives. The present loan program for cooperative members through the State Bank of India has been quite successful. The revolving loan program will build on this experience.

The khadi spinning and weaving project also will be expanded under Jaago. The poorest families in the villages will be identified and provided charkhas and training in their use. As with the earlier project, raw materials and markets will be provided through SEWA and the government Khadi and Village Industries Board. At present, charkhas have been provided to 200 families in 7 villages. Weaving khadi carpets will also be introduced as an income generating activity in more villages. The Jaago Project has retained a local woman weaver to train and upgrade the skills of 35 Harijan women in the village of Kesardi.

A major thrust of the rural income generating activities will be the revival of rural crafts such as spinning, weaving, carpentry, and other non-farm activities. Building on the previous cooperative manager's training program, crafts revival is seen as an important component of rural development in providing landless laborers a steady income throughout the year.

c. Training: In addition to the ongoing vocational training in spinning and weaving, the Jaago Project also will emphasize health training. Village meetings will be organized to discuss family planning, mothercraft, nutrition, and family and maternal health. This builds on the training component within the maternity benefit program. Trained health workers from the Bavla Health Center (a government operation) have offered their help in running health workshops. At the May 1981 inauguration of SEWA's Activity Center at Devdholera, a team of doctors from Bavla vaccinated 65 pregnant women. There also are plans to hold eye clinics.

In a related activity, the All India Radio Station in Ahmedabad plans to record a weekly program on rural health from the SEWA center in Devdholera. A question and answer format between the villagers and medical workers will be used. SEWA bargained with the program promoters for more than just a talk and they have agreed to provide medical check up and services for the villagers in addition to the question and answer sessions. The program is planned for one year.

d. Creches: When the Jaago Project began SEWA had three creches located in Zamp, Devdholera, and Baldana. By July of 1981 five additional creches had opened, and there are plans to open a total of 30 creches in the surrounding villages within the next three years. Expansion of creches is a major emphasis of the project and is seen as an entry point into the villages and lives of the rural women workers. It is anticipated that the creches will be a forum for health education and for unionizing women laborers.

In addition, the State Labor Ministry is launching a pilot scheme for agricultural laborers and opening four additional creches in the villages.

The biggest problem faced so far in establishing the child care centers relate to tensions between caste Hindus and Harijans. In the villages these groups live in their owns segregated areas. One of the most difficult questions facing SEWA in each village is where to locate the creche. On one hand, the dominant caste Hindus consistently have refused to send their children to the Harijan areas. On the other hand, if the creches are located in the caste Hindu areas they are inaccessible to Harijan children.

The solution to this problem so far has varied in different villages. In some cases the creches are run in the Harijan areas and are open to all who want to send their children. In others, they have been set up in neutral areas such as public schools or other buildings. Two creche teachers, one from each community, are appointed to run them. Problems still remain as non-Harijan parents object to their children being fed food cooked and served by the 'untouchable' teachers.

8. Staff resources

As the rural activities of SEWA expand the local women leaders will take more and more responsibility for running the activities. At present there are already over twenty men and women villagers taking an active role in running the various activities, serving as creche managers, cooperative chairpersons and secretaries, trainers, managers, and local leaders. In addition, five SEWA organizers are overseeing the organizing activities.

E. Major Challenges of SEWA's Rural Activities

The problems of organizing in rural areas in many ways are quite different from those in the urban areas. The conservative nature of the communities and the strong tradition of male domination is one challenge.

Another is working through the politics inherent in the village Panchayats. Caste barriers are very rigid and ensuring the equal participation of all castes in the projects has been a struggle. Unfortunately, vested interests and male leaders have a way of dominating. Getting institutions such as the rural banks and the NDDB to respond to the needs of rural women also has been a challenge. And the physical distances between SEWA's headquarters in Ahmedabad and the villages and among the villages themselves sometimes makes communiciation a problem.

The organizers recognize that developing leadership among the local women and bringing about positive change takes time and a long term commitment. It has taken several years for the villagers to believe that SEWA's intent in organizing is not motivated by political ambitions or self interest but by sincere interest in the villagers.

Although many of the projects are still young, the organiziers have seen several visible impacts of SEWA's efforts in the villages of Dholka Taluka. According to Anila Dholakia:

> "We already have seen many impacts on the women in the village. Foremost, our activities have created a strength among the women to face poverty and unemployment. The Rs. 100,000 generated through khadi production in Devdholera alone have brought many positive changes for the villagers. There is no longer starvation and the women are not forced to sell their bodies for Rs. 2 a night. The people now have an alternative source of income to agricultural labor and can bargain with their employers for higher wages. The women in Devdholera have told us they don't really want loans for cattle because the charkhas are enough. This is an indication of the success of our khadi project.
>
> "The status of women also has gone up. One of our local sewing teachers, Laxmi, has always been dominated by her husband. But now that she is earning something, he has agreed to move from Baldana to Devdholera so she does not have to waste so much of her time traveling to the SEWA center.
>
> "The women now own charkhas and own cattle. The flow of income through their hands has given them status.
>
> "The women also have access to legal aid, so if their husbands leave them they have some protection and recourse.
>
> "Of the 150 families in Devdholera, over 50 homes now have a steady income every two weeks from spinning khadi. If they are willing to work on their charkhas, they can earn. There is no shortage of raw materials or problems with marketing.
>
> "We also have seen an impact on the community. Most important, the women now have a door to knock on when they have a problem. Through SEWA the women also have a new visibility within the community. When Hirabhai, our organizer and manager, goes to the Taluka headquarters for SEWA business he is immediately recognized and given prompt attention.

"We've also been able to influence policy. Our Maternity Benefit Program attracted the attention of the State Labor Ministry, which is now funding it. It also is being used as a model for the government to provide maternity protection for the self employed in several states. And a pilot creche project is being run by the same ministry in the villages. We have also changed the policy of the local banks who previously only lent to men.

"Before we came along the NDDB never thought about having a women's training program or women's cooperatives. SEWA organized the first women's milk coops in Ahmedabad District.

"Another change is that the district hospital at Bavla is now running more health programs for women."

(Interview, July 1981)

Mahlaxmi, who lives with the villagers, also recounts the changes she has seen:

"At first, the women did not practice proper hygiene while cooking. Now they do. Also they now send their children to school while before they did not. And cleanliness of their infants has improved. When SEWA first started it was a big effort for us to get the women to come. Now they come by themselves."

(Interview, March 1981)

Laxmiben, a local leader, also talks of changes in the village:

"Before I was paid in-kind with grain in return for sewing. Now I am earning cash income which I use for clothes and other things besides food. The extra money in Devdholera from the spinning has brought changes too. Before everyone used to be in debt and had loans from ages back. That is improving. One man used to work as a door-to-door musician and was paid in-kind in the form of grains for his family. Now his family has two charkhas and one cow. He is gradually paying off his debts.

"There also has been another change. The Veghari community used to fish and sell fish in the villages or in Bavla. Other castes would not intervene in this. Now every Veghari household has at least one charkha so they have switched from fising to this and another caste has taken over their former work. Today, if the Vegharies want to fish, they are hired as laborers."

(Interview, March 1981)

SEWA's work with rural women and their families began by building on their urban activities and working together with the ALA. Recognizing the pressing problems of poverty facing rural households, SEWA has accelerated the pace of involvement in recent years. Where governmental policies, programs, and resources are available SEWA takes advantage of them. Its income generating activities have been supported by the Khadi and Village Industries Board and the National Dairy Development Board and governmental programs to provide credit to the poor. Several of the creches and maternity benefit programs have been supported by the State Government. An integrated approach to involving rural women in the development of their community has evolved. Moreover, through practice and experience SEWA's planning capacity has improved. While in the past many things have been taken up on a piecemeal basis, the Jaago Project attempts to more systematically plan and manage activities.

As one organizer says:

> "Everyone acknowledges that the real work in India is in the rural areas. But how do we get started? There is a lot of lip service given to rural development but the real challenge is just getting started. And even then, once you start you realize how much things are disturbed. Especially since we are city people."

With the upcoming expansion of the Jaago Project the potential for continued change in the lives of rural women is promising.

Table 9.1 Members Reached So Far by the Activities of SEWA's Rural Wing, February 1981.

Income generation (khadi)	500
Milk cooperatives	500
Loans for purchase of cattle	40
Maternity benefits	315
Legal aid	10
Social security benefits	50
Baldana project	103
Training	
NDDB training in cattle care	620
Organizers training	20
Craft worker organizers training	20
Managers' training	15

Source: SEWA records on the Rural Wing

CHAPTER 10: SEWA'S EXPERIENCE IN ORGANIZING CHINDI WORKERS

One of SEWA's most interesting attempts to promote the joint action of labor and cooperatives is its experience in organizing chindi sewers. A large number of Muslim women in Ahmedabad work in this occupation, sewing kohls (patchwork quilts) out of chindi (scraps of waste cloth) from the local mills. The women are hired by traders who supply them with raw materials and pay them on a piece rate basis to sew at home.

A. Background of the Trade

Ahmedabad is one of the largest textile centers in India. As the base of the city's economy the textile industry provides employment to a large portion of the labor force who work either directly in the mills or in activities which are linked in some way to the industry. Various forms of waste are produced by the mills including metal barrels, wooden crates, paper, scraps of rope, thread, and cloth. Many self employed workers are involved in recycling these waste materials and use them to produce goods sold to the poor.

Much of the ragged and dirty scrap cloth from the mills was simply thrown away until several years ago when a local entrepreneur began salvaging it to produce low cost patchwork quilts. He collected free sacks of the waste cloth and after sorting out the reusable pieces hired Muslim women to sew them into quilts. Because these women were extremely poor they were grateful to have any work at all and accepted very low piece rates. The entrepreneur was able to sell the utilitarian kohls at a cheap price to poor consumers and still make a healthy profit.

As the demand grew for the low cost kohls other merchants began recognizing the potential profits and the trade expanded. There was a ready pool of laborers to produce the quilts among local Muslim women who are restricted from working outside their homes. As demand for the dirty chindi increased, the mills began to charge for it. Although this caused a rise in the production costs and in the price of the quilts, it remained a viable enterprise as poor consumers lacked any affordable alternatives.

Today there are close to 150 traders and middlemen -- all men -- dealing in chindi in Ahmedabad. They employ between 3,500 and 4,000 workers -- all women. The annual turnover in the trade is estimated to be between Rs. 20 million and Rs. 25 million. Although the production of kohls continues to be dominated by private male traders and middlemen, SEWA began a small cooperative production unit in 1978 which today includes about 50 chindi workers. Before describing the project in more detail, it is perhaps useful to discuss briefly how the chindi trade operates and how the production unit came about.

1. The supply of chindi

All 65 mills in Ahmedabad sell waste cloth which generally falls into one of three categories: chindi, rags, and fents. The latter two groups are higher quality waste consisting of larger sized scraps of clean cloth. In general, this higher grade waste is used to make cloths, pillow covers, and bags. Chindi is the lowest quality waste and includes only small scraps less than eight inches in length. Within the category there is a further distinction between clean chindi and dirty chindi. Clean chindi is typically used to make inexpensive children's frocks, pants, or shirts. Dirty chindi is the lowest grade and least expensive waste cloth and includes old oil stained rages and shredded and torn scraps. It is used to produce kohls and is the category of waste used by SEWA's chindi project.

The sales departments of the mills market chindi in one of two ways, either through contracts or competitive bids. While the government owned mills are required to sell on a competitive bid basis, the private mills can make their own policies. There are three basic groups of buyers: large-scale contractors; middle-level merchants; and small-scale traders.

a. The contract system: There are three large-scale cloth merchants in Ahmedabad who regularly buy chindi on a contract basis from the privately owned mills. They usually trade in a variety of textiles with chindi as a small side line in relation to their overall business. They have well established relationships with the mills due to the scale of their businesses so contracts are offered which guarantee them a consistent supply of chindi. They are given first priority in the supply of chindi and their supplies are more regular than those buying on a tender basis. These merchants, who are all caste Hindus, do not enter into the actual processing of chindi but merely its resale. They buy bulk quantities and resell it to smaller traders. The mills offering contracts generally deal only with a single merchant.

b. Competitive bidding system: All of the middle and small-scale traders buy raw materials directly from the mills on a competitive bidding system. After registering and making a deposit with the mills they are sent a list of the amounts and types of chindi which are available each month. They then submit competitive bids. In order to get good chindi from the mills through this system the merchants must establish good relations with the mill salesmen.

The government mills sell only on this basis and are required by regulation to give first preference to social organizations (like SEWA) at tender prices. Private mills also sell to social organizations primarily to build up thier public images. However, when there are shortages of raw materials both the merchants and social organizations must turn to the large-scale contractors who sell their supplies in the open market.

Competition in the bidding among the middle and small-scale merchants sets the market price of chindi. Per kilogram, prices range from Rs. 2 for oily chindi, to Rs. 3 to 9 for dirty chindi, to Rs. 14 to 80 for clean cotton, terricotton, or polyester chindi. While the prices of the clean chindi have remained relatively constant over the last four or five years, the price of the dirty chindi has risen exceptionally fast. There has been a 100% increase in price over the past two years alone. A major reason for this is the large number of traders currently competing to buy this grade of chindi. Originally, five or six traders controlled its entire market and the prices were kept low. However, the healthy market, potential profits, and (most importantly) low entry costs have encouraged small traders to enter the trade and heavy competition has led to higher prices.

From the perspective of the mills the chindi trade (and waste cloth in general) generates a very small portion of overall sales but it is almost pure profit. The only cost involved is for labor which totals well under Rs. 1 per kilogram. This large profit margin makes selling chindi well worthwhile.

There are between 10 and 15 middle size chindi merchants in Ahmedabad. They either resell their chindi to smaller traders or hire women to produce kohls. The largest merchants within this middle group employ about 200 women in-season and about 50 women in the off-season (summer and monsoon months). The others employ somewhere between 10 and 15 women. These merchants are relatively wealthy members of the Muslim community. Most are self-made men who started out poor, hired neighbors and relatives to produce the kohls, and eventually worked their way up the ladder. Many have expanded their trades to diversify into readymade garments (where raw materials and more expensive and profits are higher). Most have their own shops where they sort the chindi and sell the finished kohls produced by the women.

A growing number of small-scale Muslim traders also are involved in the kohl trade. They purchase supplies of chindi either from the larger Muslim merchants or through tenders. Most of these traders employ 4 or 5 women -- often relatives or neighbors -- to sew for them. The number of small traders in the market fluctuates, with new people regularly entering and the unsuccessful leaving. A rough estimate of their number is somewhere between 100 and 150. Some of the small traders have tiny cabins or shops but most work out of their homes. Their greatest constraints are shortages of raw materials and work-space, as rents are extremely high in the crowded Dariapur area.

A very small number of small-scale traders purchase chindi to sew themselves. This group is almost always from the Harijan community.

2. The production of kohls

Almost all the 3,500 to 4,000 women who work sewing chindi in Ahmedabad are Muslim women from poor families. They are supplied chindi from merchants and traders and are paid on a piece rate basis to sew the kohls. Each kohl consists of somewhere between 70 and 100 pieces of chindi. A single woman can produce between 5 and 6 kohls in an 8 hour day -- assuming she is not interupted (which at home she often is). For each kohl produced she is paid Rs. 0.75 by the merchants. However, after deducting the cost of the thread and machine oil, her earnings work out to be somewhere between Rs. 0.40 and Rs. 0.50 per kohl. Thus, in real terms the women can earn at best Rs. 3 for a full day's work. It is common for two or more women in a family to work together sewing kohls.

The women are supplied the chindi from neighborhood merchants who generally keep their shops open until late in the evening so the women can come after finishing their cooking and cleaning. It is common for them to work for more than one trader so they are somewhat more flexible than other groups of home-based producers (hand-block printers, for example, are tied to a particular merchant). If one trader is short on raw materials the women are free to go to another for work. However, when chindi is scarce the women face shortages of work despite this flexibility.

3. Marketing the kohls

Two groups are involved in selling kohls: first, the above mentioned group of Muslim merchants (who also are involved in the supply and production process); and second, a group of Sindhi merchants (who are strictly involved in buying and selling). Both groups operate out of shops in Dariapur. Occasionally, small traders sell directly to consumers out of stalls, however, most often they sell to these two groups of merchants. In turn, these merchants sell to a few retail customers, but the bulk of their business is in wholesale selling to middlemen and petty traders. The middlemen are generally from out of town and place orders with the merchants in advance. Hawkers and petty traders typically purchase four or five bundles of kohls from the wholesalers and hawk them to poor families in urban neighborhoods or nearby villages. When the kohls finally reach the consumer it is usually through these neighborhood hawkers. The final selling price of the kohls averages Rs. 5.50 and ranges from Rs. 3 to Rs. 12 depending on size and quality.

4. Constraints within the trade

a. Domination by large scale merchants: As illustrated above, wholesalers, merchants, and middlemen dominate the chindi trade on all levels, from the supply of the raw materials to the production and sale of the kohls. The hard labor of the women sewing the kohls supports all of these traders. The group which consistently profits at all levels is the group of 10 to 15 middle-scale merchants who are linked to almost all those involved in the trade: they buy raw materials from

the mills and large contractors; they sell raw chindi to small-scale traders; and they sell the kohls to wholesalers and small vendors. For these few merchants, the kohl trade often is a stepping stone for entry into the production and sale of higher quality goods, such as readymade clothes, pillow covers, and bags. However, a majority of those working and investing in the trade remain poor.

b. Increasing competition: The relatively low entry costs in the kohl trade means that many small entrepreneurs can move easily into the business. As mentioned above, however, stiff competition among buyers of dirty chindi is driving the prices ever higher. But as kohls are bought only by the poor, the selling price cannot exceed a certain threshold. As a result, profit margins of the traders are narrowing (and many are forced out by losses) and the potential for increasing the current exploitative piece rate wages for the producers is limited.

c. Seasonal employment: During the summer and monsoon months the market for kohls is slow and many of the producers are unemployed. Even those few who continue production gnerally are not paid until sales pick up again. Several months without earnings is a strain on these women and their families.

d. Problems in the supply of raw materials: Corruption is perhaps too strong a word for the behind the scenes finagling which goes on in securing supplies of chindi. However, there clearly is a degree of nepotism in the dealings between the private mills and the large contractors. The strong influence of these merchants gives them a great advantage over the small traders and merchants who must compete among themselves for whatever is left. Moreover, since chindi is exempt from sales tax, it is probable (although unconfirmed) that some of the contractors may be getting high quality taxable cloth in their orders under the name of chindi. It also is well known that anyone expecting to win bids on chindi or have their orders filled with decent quality chindi must establish "good relations" or alliances with the mill salesmen. It is not always clear what form these take.

The scarcity of chindi from the mills is something that adversely affects everyone involved in the trade. The merchants lose profits, the marketing middlemen and hawkers lose sales, and most importantly, the women producers lose work and earnings.

B. Background of Women Employed as Chindi Sewers

Almost all the chindi workers in Ahmedabad live in a crowded area near the center of town called Dariapur. The husbands of many of the women are millworkers. However, they often are debilitated with occupational health problems by the age of 40 or 45 and lose their means of livelihood. Male and youth unemployment is well over 25% and the families in this area are some of the very poorest in the city. Rents are extremely high and people crowd into small, dilapidated flats. Violent riots between Hindus and Moslems in 1940 and 1969 have created an atmosphere

of fear and tension in the conjested area. Since the 1969 riots, in particular, there have been many economic constraints on Moslem workers and merchants. The SEWA organizers describe the area as a pressure box where much of the tension turns inward. As one organizer comments, "...there is a lot of anger and tension in people which often breaks out in violence. This violence usually explodes in the home." Women and children are often the victims of abuse and divorce and dissertion are common.

Because of low family incomes, illness or death of their husbands, or divorce, many women must work to support their families. Unfortunately, there are numerous constraints which make this difficult. Jobs are scarce; lack of training opportunities forces women into unskilled or semi-skilled trades; and there are strong social pressures within the Moslem community against women who work outside their homes. The few who leave their homes work as domestic servants, sew burlap bags in a local cement factory, or work in printing shops. Most women, however, work within their homes for local traders or manufacturers processing raw materials on a piece rate basis. Some women have paper cutting machines and make boxes, envelopes, and book covers; others have string winding machines; and many make toys, kites, bangles, sweets, cigarettes, or buttons. The largest number have sewing machines and make ready made garments, quilts, bags, and pillow covers. A ten to twelve hour working day is quite common and the jobs often are physically straining and hazardous to health. Chindi sewers, for example, suffer backaches, eye problems, swollen legs, and respiratory ailments. Moreover, wages are extremely low and employment is irregular. Extreme poverty and crowded housing conditions intensify the strains of managing the dual burden of family and work for the home-based producers. Nonetheless, with lack of alternative employment opportunities, women are forced to accept whatever low wages and difficult working conditions they are offered.

C. SEWA's Involvement

In 1978 SEWA organized over 600 chindi workers in Dariapur in a strike for higher wages. With the help of the local TLA representatives the SEWA organizers went house to house in Dariapur and talked to women about demanding a guaranteed minimum wage. At the time, chindi sewers were paid Rs. 0.60 per kohl (which takes approximately one and one half hours of labor). However, after deducting the cost of thread and oil the women were making well under Rs. 0.40 per kohl. The workers decided to demand a rate increase to Rs. 1.25 per kohl.

Several mass meetings were organized. For many of the women it was the first time they had participated in this type of activity. Five women were elected as representatives of the workers and made a list of the women, the traders they worked for, and how much they were paid. They approached the traders with their demand for a rate increase but were turned away. Subsequently, SEWA filed a case in the State Labor Court on behalf of the chindi sewers and the Labor Commissioner arranged a series of meetings between the traders and representatives of the workers.

Negotiations went on for well over a month. During this period the very poorest women strikers were finding it nearly impossible to withstand the loss of income. As a small relief effort, SEWA arranged to buy chindi from the mills and provided work to five or six of the poorest women.

A compromise agreement was finally reached between the merchants and workers: the women would get paid Rs. 1 per quilt. However, within 24 hours the merchants broke their end of the deal by refusing to pay the agreed upon rate. Moreover, they began harassing many of the women who had been involved in the strike by giving them bad materials to sew, less work,and in some cases no work at all. Some members found themselves in a worse position than when they had started their protest.

1. Chindi workers form their own production unit

Soon after the unsuccessful strike a group of SEWA members decided to expand the small chindi supply project into a production unit of their own. SEWA's organizers knew very little about the chindi trade and managing a production unit. So for the first year the unit struggled along in a disorganized state -- supplies of chindi were irregular, proper sorting and efficient distribution of the materials were lacking, and many of the kohls were of poor quality. Hundreds of members were coming to them asking to be part of the unit but there was not enough work. Those who got work were not getting enough. Many of the women became quite disaffected with SEWA and questioned the usefulness of the union. The strike had not worked and now the production unit was not offering them viable alternatives to working for the merchants. During that year, there was a high turnover of women involved. All told, irregular work was provided to approximately 80 women who were paid a piece rate of Rs. 1.20 per kohl.

Eventually,with a lot of effort on the part of a core group of members and organizers the project settled into a fairly stable operation providing work for about 50 women. A small shop in Dariapur was rented from the TLA where the chindi is sorted and distributed to 40 project members who sew at home. Ten women work at the shop where they collect and sell the finished kohls and manage the books. In addition, two hand cart pullers are employed to transport the chindi from the mills and 60 small vendors market the women's products. In 1980 nearly Rs. 200,000 worth of chindi was purchased by the project from twelve mills and a total of Rs. 100,000 was paid in wages. The overall management and responsiblity for the project is shared by several SEWA organizers (all of whom work in other activities as well). There has been a slow and uphill effort to train the members to take over more of the management and decision making responsibilities.

The basic goals of the project are to provide chindi sewers with secure employment, increased earnings, and higher visibility and status as workers within the community. The production unit is organized on a cooperative basis and eventually will grow to be self managed by the workers.

2. Background of the project members

A sample survey of 26 women in the chindi project shows their average age is 33 years and average household size is 8. Many of the women are household heads as indicated by their marital status: 54% are married; 11.5% are single; 23% are widowed; and 11.5% are divorced(Table 10.1). Compared to the female population of Ahmedabad district, there are many more widows and divorced women in the SEWA group (the 1971 census figures show that 6.5% of women aged 15 to 59 are widows and 0.5% are divorced in Ahmedabad district).

Table 10.1 Demographic Characteristics of Women in SEWA's Chindi Project, 1981.

Average age	33 years
Average number of household members	8
Marital status	
Married	54.0%
Single	11.5%
Widowed	23.0%
Divorced	11.5%

Source: Sample survey of members

Most of the women (85%) worked before joining the chindi project in 1978, either for local chindi merchants or as domestic servants. On the average they have been sewing kohls for 10 years. More than one fourth of the women currently have a second job with other chindi traders. When supplies of chindi are abundant they work an average of 10 hours per day. Over three fourths of the women work with other female family members in sewing kohls (Table 10.2).

The average number of working members in households is 2.4. However, many of the women are the primary income earners. Husbands are not present in 35% of the households; unemployed in 31% of the households; irregularly employed in 27% of the households; and retired in 4% of the households. The husbands or fathers of only 23% of the women are regularly employed (Table 10.3).

Table 10.2 Employment Characteristics of Women in SEWA's Chindi Project.

Worked prior to joining the SEWA project?	
Yes	85%
No	15%
Average number of years sewing kohls?	10 years
Second job?	
Yes	27%
No	73%
Average number of hours of work per day?	10 hours
Work with other family members?	
Yes	77%
No	23%

Source: Sample survey of members.

Table 10.3 Family Employment Status of Women in SEWA's Chindi Project, 1981.

Average number of working members in household	2.4
Husband/father's employment status	
Regularly employed	23%
Unemployed	27%
Retired	4%
Not present	35%

Source: Sample survey of members

Household earnings average Rs. 411 per month and ranged from Rs. 150 per month in households where women are the primary earners to Rs. 628 in households where men are the primary earners. Women's earnings averaged Rs. 104 per month and men's Rs. 406 per month (Table 10.4). Given the large family size, per capita earnings in the best of cases are very low.

Survival is a challenge for most of the chindi workers, particularly those who are primary earners for their families. Their coping strategies vary: some borrow money from relatives and friends when they become desperate; some work at several jobs; some widows supplement their incomes with life insurance payments; some move in with relatives; and

most rely on some earnings from their children. In all cases, however, the women's earnings from sewing chindi are not sufficient to support their families. Additional sources of income or in-kind support are necessary.

Table 10.4 Household Earnings of Women in SEWA's Chindi Project. 1981.

Average monthly earnings of women	Rs. 104
Average monthly earnings of their husbands	Rs. 406
Average monthly earnings of their households	Rs. 411
Average monthly earnings of households where the primary earner is a woman	Rs. 150
Average monthly earnings of other households	Rs. 628

Source: Sample survey of members

3. Challenges in organizing

SEWA has been faced with many challenges in organizing the chindi project. According the organizers, in addition to the many structural problems within the chindi trade, a major challenge has been getting the women the think of the production unit as their own. The chindi sewers are perhaps the poorest and weakest group of workers within the city. Most have no experience outside their homes and are illiterate and unskilled. They are from an extremely conservative community where women have very low status and mobility. They have learned to be subservient to men and others with higher status. Rarely have they had the opportunity to speak out or make decisions for themselves, particularly with regard to outside work. The are unaware of available public resources and channels to institutional supports. Moreover, they lack contacts with influential people which are so important in operating businesses.

SEWA's organizers have found it extemely difficult to get the women to take on decision making responsibilities in running the project. For the women the notion of going outside their homes, working with others, making cooperative decisions, and running their own cooperative is alien, even frightening. An entire shift in their thinking and behavior is required to develop the skills to create a self managed cooperative. The organizers have worked hard to build the women's self confidence and train them in these skills. They also have spent a lot of time mediating disputes between the women. Nonetheless, the members are gradually beginning to see the production unit as their own through this process.

In addition to these internal constraints, many external pressures exist. The entire chindi trade is structured at present to maximize the profits of the middlemen, not the producers. SEWA's organizers have found it challenging to create a new structure where untrained workers both control production and maintain a competitive edge within the trade.

Another challenge relates to the conservative nature of the Muslim Community in Dariapur which restricts women's mobility on all levels. It is unacceptable for women to participate in the outside community, particularly when it involves interacting with strangers or men. Bilkish Banu, a leader among the chindi sewers, has commented,

> "Women in Dariapur have to break through chains to come outside their homes. Most women don't because they are afraid of what everyone will say and going against convention. I am alone and have no one to answer to, that is why I can come out and see the outside. The women in the project face much negative pressure from their families and neighbors for participating."

As women, SEWA members face an additional problem. The chindi business is largely conducted on a personal basis and it is essential for those charged with buying chindi from the mills to develop cordial relations with the male salesmen. The SEWA organizers are the first women ever to do business with these men and have had difficulty establishing the necessary relations without being suspected of flirting. For both sides it has been difficult to develop the proper balance of acceptance and courtesy because women -- especially working class women -- do not typically deal with men in business. Rumors of scandal periodically surface and must be put down tactfully.

Another challenge is deciding which members can participate in the project. There are many more women who want to join than there are places. As outsiders, the organizers initially did not know who the most needy women were and ended up giving work to the most vocal and agressive women. About a year after the project started, Bilkish Banu joined the project and emerged as a local leader. She has struggled with abject poverty for many years as a single household head and very strongly believes that SEWA should reach the neediest women. As an insider in the community she is in a good position to know who they are. Largely due to her efforts and conscience the project now involves the very poorest women within the community. She has firmly resisted the attempts of better off women in the community to take over.

Despite these constraints, the project has gained support from several quarters. Some mills have guaranteed their supplies of chindi at tender prices to SEWA as a social service. The project has also benefited from the support of Oxfam (U.K.) which provided start up capital for the project, a rotating credit fund to help women purchase new sewing machines, and a rental deposit for the project's new shop in Dariapur.

4. Impacts of the project

a. Increased earnings: A sample survey of women in the chindi production unit shows their earnings averaged Rs. 19 per week prior to joining the SEWA project. Their current earnings have increased to an overall average of Rs. 26 per week, with an average increase per woman of Rs. 10 per week. While this remains quite low, the women have increased their earnings by an average of 97%. Of the 26 women surveyed, 3 are earning less than before and 23 are earning more (Table 10.5).

Table 10.5 Impact of SEWA's Chindi Project on Women's Earnings

Previous earnings ($\bar{x}$)	Rs. 19/week
Current earnings ($\bar{x}$)	Rs. 26/week
Average increase	Rs. 10/week
Average percent increase	97%

Source: Sample survey of members

b. More secure employment: Before joining the chindi project most of the women were unemployed during the summer and monsoon months when the production and sale of quilts comes to a standstill. However, the SEWA project continues to buy chindi and provide work to the members during the off-season. This provides them a steady source of earnings throughout the year.

c. Learning management skills: Over the past three years members have assumed more and more of a role in actually managing the production unit. They accompany the organizers to the sales departments of the mills to purchase raw materials; they keep project accounts; they sell out of their shop; they distribute the work; and they hold meetings to resolve problems which arise. While the SEWA organizers still work with the women, they are gradually handing over more and more responsibilities to the women.

d. Increasing women's self confidence and status within the community: As the women gain experience in the outside world and increase their understanding of the various aspects of the chindi trade, they have become more self confident and assertive in talking with local chindi traders and other outsiders. Some also have gained more status within their own homes. By keeping the project alive despite the many pressures operating against it, the members have won the respect of many in the community. The women are still considered renegades by some but their success is recognized by many who now deal with them more as equals. The SEWA project has been a vehicle for dignity for many of the women.

f. Developing community leaders: Several women in the project have developed leadership skills through their participation in the chindi project. They have used these skills in meetings with the State Labor Commissioner, the State Finance Minister, and with other leaders of self employed women in Ahmedabad and Delhi. Women from the community approach them with their problems and seek their help in finding public resources and services which are available to the poor. Within the chindi unit the local leaders mediate disputes, preside over meetings, and serve as a link betweeen the SEWA organizers and project members.

g. Creating a presence in the community: The SEWA project, although small, has gained increasing visibility and influence in Dariapur and in Ahmedabad as a whole over the past three years. In 1981 a group of chindi merchants approached SEWA and asked their support in a protest against a new sales tax on chindi. They were petitioning the government to exempt chindi from the tax on the basis that it would hurt the poor consumers and producers. SEWA offered conditional support: several members and organizers met privately with the State Finance Minister and requested he not lift the tax until the chindi traders agreed to raise the piece rates paid to the women sewers. The Finance Minister agreed and after some heated battles in his office, the chindi traders also agreed. The tax was lifted and the merchants began to pay the workers Rs.1.40 per kohl. (See Chapter 12 for further discussion of this.) The production unit has provided SEWA an entry point into the lives of those in the community. Their influence was used to secure higher wages for the chindi workers in general, not just their members.

h. Women now see the production unit as their own: For years SEWA's organizers struggled to get the chindi workers to think of the production unit as their own and to assume the responsibility for operating it. The women previously had always produced for an owner and it was difficult for them to see themselves in relation to SEWA as anything but laborers. With no well defined boss and lack of experience, the women turned to the organizers to make all their decisions. Eventually, the organizers were blamed for everything that went wrong and the women complained they were being treated as employees. At this point the organizers played on this dissatisfaction and told them if they did not like the way things were running to take over themselves. This was an important step in getting them to see the production unit as their own. At first, the members went through a confused stage where they saw themselves as neither employees nor owners. Gradually they are beginning to consider the chindi project as their own, as illustrated by a recent incident.

The chindi project was run out of a small shop in Dariapur rented from the TLA until 1981. After SEWA was requested to leave the TLA in late April, the chindi women received a notice from the TLA that they needed the space back to set up a complaints desk for local union members. The women became belligerent at the idea of being thrown out of their shop and felt it threatened their project. During a meeting called to discuss the situation the women decided to write a letter appealing to

the TLA to let them stay. This did not work, so they decided to resist eviction. Five women began sitting in the shop around the clock and were prepared to resist if the TLA people came to throw them out. A few of the women were ready to resist actively if necessary. A SEWA organizer tried to dissuade them, but their response to her was, "You get out. We will take care of ourselves now." In the end no physical confrontation took place. However, it became quite clear the the TLA was not going to let them stay so the women began to look for a new shop to rent. Several took vows not to eat certain foods until they found one.

Despite the increasing pressue and harassment from the TLA, the chindi women stayed in the old shop during the search period. They were ordered to vacate the shop by 4 p.m. each day so that the TLA ward inspector could use the space to receive complaints from the local union members. The women refused to leave until their regular closing time of 5:30. The inspector came anyway and they shared the shop each day for over an hour. This was the first time in years that a TLA official had been available in the shop and after the first week not a single complaint had been registered. Perceiving this as an excellent opportunity to get even for the injustice of their eviction, the women decided to register their own complaints. First, they all registered grievances that they were not getting enough chindi from the mills. Next, they convinced their husbands and relatives who worked in the mills to come in and give complaints. They all complained that their wives were being treated unfairly. The inspector refused to write any of these complaints down, so the following day, all the men came back to complain that the inspector was not writing down their complaints. This all was done for its nuisance value.

After two months, the women found another rental space where they now have their shop. This action was taken collectively and constitutes a crucial, if belated, first step in the direction of self management. While in most respects, the dispute with the TLA has been costly to SEWA, at least in terms of stimulating the chindi women to take initiative on their own behalf, it has been positive.

5. Room for improvement

While the chindi project has had many positive impacts for both the members and the community, several limitations remain. Perhaps the biggest problem is the insufficient supply of raw materials for the women to process and their consequent under-employment. The women claim they could sew two or three times as many kohls and thus double or triple their earnings if more raw materials were available. Given the present low level of their incomes, this is much needed. While some of the women still can get supplementary work from local merchants, others claim their participation in SEWA has marked them as disloyal to the community and prevents them from securing outside work. A related problem is that with limited supplies, the women distributing the chindi are accused of giving more raw materials to their friends. This dispute has created many tensions among the women.

An important aspect of the supply problem relates to the distribution of the available chindi. The larger-scale middlemen who know the rules of the chindi buying game are often given priority in receiving supplies. SEWA's challenge is learning these rules and breaking into a long and well established trade where personal relationships play an important role.

One example of SEWA's problems in securing supplies of raw materials is its experience with a government owned mill. They are supposed to follow a government policy of supplying waste materials to organizations working with the poor. In keeping with this policy the managers of the mill informally agreed not to put the types of chindi SEWA buys out on tender, but to sell it to SEWA at a fixed price. The man in charge of the waste department -- a close friend of a big chindi trader -- personally was not well disposed towards SEWA. He continued to put out SEWA's chindi on tender and each time the price went up. A higher level salesman in the mill was a supporter of the women's project and on several occasions reprimanded the manager of the waste department for breaking the mill's agreement with SEWA. However, he soon found himself accused of standing up for SEWA because of an alleged affair with one of the organizers. With this unjustified attack threatening his reputation, he was forced to pull back his support of SEWA.

In another case, SEWA's painstaking efforts to build up good relations with the sales department staff paid off. When the chindi project started, a high level mill manager agreeed to sell all the chindi from his mill to SEWA at a 10% discount. The lower level manager of the waste department and his workers were unhappy with this as they were friends with the traders who previously bought the chindi. The SEWA women visited the waste department regularly, bought tea for the manager and workers (who had to sign receipts for it under order from the SEWA project accountant), and gradually became friends. In the meantime, the mill manager had a falling out with SEWA and began selling the mill's chindi on a competitive basis. However, SEWA's good relations with the workers in the waste department has paid off. Although they pay higher prices and now get only half the mill's supply of chindi, their friends in the department see that they get the best half of the lot.

Another shortcoming of the chindi project is its limited scope. There are over 3,000 women chindi sewers, but only 50 women in the SEWA production cooperative. All the workers have benefited from the recent rate increases following SEWA's lobbying efforts but they are still exploited by the traders who hire them. The SEWA organizers and members hope to expand the project eventually to involve more women. They believe it is possible for the women producers to control the entire trade in dirty chindi in the future by organizing cooperatives. The next few years promise to be an important and challenging time for the chindi women of Dariapur.

CHAPTER 11: TOWARDS DECENTRALIZATION: DECISION MAKING WITHIN THE ORGANIZATION

The following section attempts to describe and analyze the decision making patterns which have evolved within SEWA, focussing on the role of the leaders, organizers, and members.

A. The Official Decision Making Structure

The official decision making structure of the SEWA Union is patterned after that of many major trade unions. Members are organized into groups according to trade and geographical location and each group consists of 60 to 65 members. Group leaders emerge from each trade and participate in a Representative Council. There are roughly 100 Council members. The group leaders are further divided into seven section committees which represent the interests of members in major occupations. Each individual trade group also has a Trade Committee made up of group leaders, organizers and the Union's General Secretary. A SEWA organizer is assigned to each trade group by the leaders.

The Union's Executive Committee is the highest level decision making body. It is composed of trade group representatives, SEWA organizers and (pre-1981) TLA leaders.

The SEWA Bank is run by a Board of Directors which includes representatives from various trade groups, SEWA, and the TLA. The President and General Secretary of the SEWA Union serve as the Executive and Managing Directors, respectively.

In theory the members and group leaders should play a major role in decision making through this structure. In reality, however, the primary decision makers have been the president A.N. Buch (until 1980) and general secretary Ela Bhatt. The organizers play an important, if lesser role. The Representative Council, Trade Committees and Executive Committee of the Union have been relatively dormant. The Bank Board of Directors meets regularly each month and its members vote on all decisions of the Bank. However, in practice the major decisions are initiated by the President and General Secretary.

When the meetings are held the participation of the women members, group leaders, and organizers has been limited in past years. Their limited involvement partially reflects their inexperience in participating in such forums and in speaking out when men are present (i.e. the TLA leaders). The members have participated in SEWA's various activities and have interacted with the leaders, but decision making rests largely with the President and General Secretary.

As SEWA activities have been expanded -- and its formal association with the TLA dissolved -- the above pattern has been changing. There is now a concerted effort to activate the executive and trade committees

and to allocate more responsibilities to the organizers. However, it is too early to discuss the new patterns which are emerging. The following sections review the period prior to the split, some of the problems, and suggest some of the new decision making patterns which are emerging.

B. The Role of the Leaders

The role of SEWA's leaders cannot be discussed without first mentioning the role of the TLA leaders. Until April, 1981 SEWA was part of the TLA's Women's Wing, and from the beginning the TLA leaders played a central role as decision makers within SEWA. For the first eight years the president of the TLA, A.N. Buch, was also the president of SEWA and the SEWA Bank. He assumed an active role in overseeing the policies and day-to-day activities of the organization. Other male TLA leaders were also active within SEWA, serving as the vice president and treasurer of the Union and on the Board of Directors of the Bank (the current by-laws of the Bank require at least two TLA representatives to sit on the Board). Ela Bhatt, who is the general secretary of the Union and the managing director of the Bank, was an employee of the TLA for eighteen years and head of its Women's Wing. In fact, SEWA occupied offices in the TLA building. The leaders of the TLA, therefore, had a profound influence on the growth of SEWA as an organization and on the decision making patterns which have since evolved.

The patterns of decision making within the TLA are top down. Almost all of the major decisions are made by a small group of five top leaders. Several of SEWA's organizers have described it as "feudalistic" with the leaders assuming powerful individual roles and expecting loyalty and obedience from those beneath them. These same leaders were also the leaders of SEWA and tended to run SEWA the same way.

Mr. Buch played a central role in forming SEWA. He used his influence in the community and within the labor movement to fight for SEWA's acceptance as a part of the TLA. He was instrumental in initiating SEWA's credit program and supporting the Bank, the Economic Wing, and many of SEWA's other activities. In addition to initiating programs, he was also active in overseeing the everyday affairs of the organization. He decided which groups to organize and what issues to take up and made staffing and financial decisions. He assumed the final authority in most matters. He has been an active spokesperson and public representative for the organization, successfully using his oratory skills to mobilize the membership.

Manharlal Shukla, a TLA secretary, was SEWA's president from February to May, 1981. Rather than involve himself in managing SEWA, Mr. Shukla played more of a supporting and advisory role within the organization.

Both Mr. Buch and Mr. Shukla carried out their roles as president in close association with the general secretary of SEWA, Ela Bhatt. As the heart and soul of SEWA, she has grown into an exceptionally charismatic and respected leader among the self employed workers, feminists, trade unionists, Gandhians, and public officials throughout India. She was a major force in initiating programs, managing the ongoing operations, recruiting organizers, identifying issues, mobilizing members, conducting surveys, and representing SEWA in public forums and official circles. Because she was head

of the Women's Wing, Ela Bhatt has devoted more of her time to SEWA than the other leaders and has maintained a closer relationship with the organizers and the members. Since the resignation of Mr. Buch she has become the final arbiter; and since the split with the TLA, she has assumed ultimate responsibility for running the organization. While she remains the central figure in SEWA, Ela Bhatt has tried to decentralize the decision making, particularly over the past year.

As SEWA's leader she deals with a broad range of problems and issues: listening to the problems of women beaten by their neighbors or fired from their jobs; sitting in the market alongside vegetable vendors trying to protect their selling space; advising organizers on how to help members run their programs; meeting with local police officials or merchants to resolve conflicts between them and the members; or visiting state and national government officials to lobby for the interests of the members. She is also an active participant in national and international meetings and conferences of women's groups, trade unions, and development specialists.

Elaben describes her involvement in the decision making process:

> "I try to remain very conscious that no decision is taken without the members' approval. When I know a major decision is coming up, I will talk about it with as many women as possible for months beforehand. I take in their views and base the decision on what is best for SEWA. So when a decision is taken it is woven with their expectations and feelings.
>
> "I feel we are sisters and our differences should not be emphasized. We may be better placed socially and better educated but we do not have the answers; they do. Although they are not literate, and castewise and economically they are low, they have strength. The cause is women's cause for social and economic uplift. We are like two sisters coming together, trying to bridge a gap. Most middle class women have hardly any connection with working class women. Their attitude is that they will always remain behind. I am better placed and they are strong, so we come together for a common cause. Some criticize that I make decisions and they follow, but this is not always so. In many areas they know better, for example in running our Bank."
>
> (Interview, May 1981)

As the organization has grown and expanded its scope of activities, it has been necessary--and desirable from Elaben's perspective--for the organizers and group leaders to assume more responsibilities and make more of their own decisions. There has been an effort to distribute more power to various organizers by designating them chiefs of the Rural Wing, Economic Wing, Complaints Section, and as directors and coordinators of programs and activities. While the major decisions still are largely made in consulta-

tion with Elaben, they are gradually becoming more independent. The weaning process has been slow and at times frustrating, but considered to be a crucial element for the organization's continued development. (The resignation of the former president related, in part, to this effort to expand the decision making role of the organizers to which he strongly objected.)

There recently has been an effort to encourage more active participation of the members in decision making through activation of the Executive and Trade Committees. In May, 1981, a standing committee composed of five organizers was established to address the day-to-day problems of SEWA; and in August a series of lectures on "How to Run a Movement" was initiated for organizers, group leaders, and executive committee members. They will cover such topics as capitalism, socialism, trade unions, cooperatives, and industrialization.

These modest first steps to prepare for decentralized decision making are important for several reasons. The sheer number of decisions which need to be made in SEWA are more than one or two individuals can handle effectively. Centralized decision making also tends to make an organization vulnerable to the absence and/or shortcomings of individuals, as well as inhibit the emergence of local leadership and the process of democratization.

There is ample evidence to suggest that SEWA can make the transition to a more decentralized and democratic association of workers. While the organizers and members have not acted as final decision makers, they have played important roles in the decision making process. The following sections attempt to describe these roles.

C. The Role of Organizers in Decision Making

SEWA organizers have been instrumental in developing the organization. Over the years, their experiences in decision making have become increasingly important, particularly as SEWA has expanded. Their assumption of stronger leadership roles and more power has not been without its conflicts, both for the organizers and for SEWA. In early 1980, for example, there was a clash among the leaders of SEWA over the decision making role of the organizers. The dispute occurred between the president and the general secretary over whether to discipline a staff member for "indiscipline", and the organizers supported the general secretary in her defense of the woman. As a result, the president charged them all with indiscipline for interfering in the "decisions of leaders". He argued that as "employees" and "staff" they had no right to do this and should apologize. The organizers jointly decided to stand firm, and the President resigned. This was one of several issues which contributed to the eventual split between SEWA and the TLA.

This incident sparked a lot of internal debate over how much and what kind of a role in decision making the organizers should take. While their roles were somewhat restricted before 1980, the organizers have since acquired more opportunities to participate. No longer are distinctions made between "staff" and "leaders": all are considered to be organizers. Decisions will be made on a consensual basis through weekly meetings. As far as possible, individual organizers will make everyday decisions on their own. As the programs and activities of SEWA expand, this devolution of authority has become increasingly necessary.

At present, the organizers participate in decision making at several levels.

- They make many day-to-day decisions about union activities. When the members approach them with problems and complaints, they have to decide whether to deal with them directly and, if so, how. If they decide to refer the problem to some outside authority they must decide which one and how to follow it up. In some cases they make decisions independently; in others they consult with Elaben, the group leaders, or other organizers. Neeruben Jadav, an organizer, says,

  > "By now I have a set routine of responsibilities and decisions. As new things come up I must coordinate activities. Sometimes I consult Elaben, but mostly I decide on my own. When members come with complaints of harassment, for example, I have to decide which municipal authority would be best to approach."

- The organizers also make decisions about initiating new programs or activities or organizing new trade groups. Often these are in response to a problem or need expressed by members. Through their close contacts they are in a position to know what particular types of activities might be most useful.

Ideas for new activities are usually shared with other organizers and Ela Bhatt before they are put into action. SEWA's chindi unit is one example of a program initiated by several organizers. Mahalaxmiben gives another example:

> "Through my work in the Bavla Rural Marketing Center, I know of a nearby Harijan area where the women need to develop savings. I have identified a local leader from the community who is helping me to link the women to the SEWA Bank. Immediate decisions I make on my own. In making longer range decisions, I consult Elaben."

The organizers are also charged with running and managing specific programs of the Union, the Rural Wing, the Economic Wing, and the Bank. They have to make decisions regarding the structure of the programs, finances, and other management issues as they arise. These types of decisions initially are made in consultation with Ela Bhatt, but as the programs evolve the organizers become increasingly independent. Leelaben gives an example of this independence:

> "I have become more independent over time. I make my own decisions about when to go to the mills to get supplies of wood and scrap iron for the members. I have to decide which mills to go to and how to organize the women to get the supplies."

Ranjanben, one of SEWA's original organizers, says,

> "Each day new decisions face me which have to be made on the spot. For small problems or issues I take the decisions myself. For example, if the funds for the maternity benefit scheme are late then I have to decide how to deal with the expectant mothers. In some cases I will take the money from my purse. Even with regard to changes in the programs I have taken decisions on my own. In the maternity benefit scheme it was my independent decision to change the policy regarding medical checkups."

The organizers also deal with the ongoing activities of SEWA. Regular Saturday meetings are held in which the organizers discuss the events of the past week and any problems or new ideas they have. They also decide on the allocation of duties and responsibilities. A different organizer chairs the meeting each week, and all have an opportunity to gain experience and develop confidence in participating in public forums. These meetings are attended only by organizers. This allows them to air any problems openly, including interpersonal conflicts, tensions, and other delicate issues. These problems are thrashed out by the organizers -- with their share of shouting and tears. Together, the group looks for solutions. All decisions are made through consensus.

In addition to these regularly scheduled meetings, the organizers periodically participate in workshops or special meetings to discuss more general policy issues facing the organization and to evaluate their past performance. The purpose of these meetings is to develop the leadership qualities of the organizers, facilitate internal communication, and develop the effectiveness of the organization. Through these meetings the organizers make decisions on such policy issues as membership targets, how often to hold trade group meetings, office hours, etc. In March, 1981, a two day organizers' training workshop was held to evaluate the past year's work and to set out a plan of action for the next five years. Everyone actively contributed many ideas. In May, following SEWA's split with the TLA, a special meeting of the organizers was called to discuss the immediate future of SEWA -- assessing the implications of the split and how to regroup to move ahead. The organizers are all vocal in their participation at these meetings. Moreover, once a year each one submits a work plan setting out their personal goals.

It should be mentioned that not all of the organizers have assumed an equal role in shouldering responsibilities and making decisions. The more educated have been more assertive and have tended to emerge in stronger positions. Some internal tensions have been created by this fact; still, all are aware of the problem and consciously work to resolve it.

In sum, the organizers participate in decision making in the course of their everyday work, informally through their contact with Elaben and other organizers, and formally through established forums (e.g. weekly meetings, special workshops, and as participants in the executive and trade committees, and the Bank Board of Directors). While some decisions are made independently, many are made jointly in consultation with Ela Bhatt, other organizers, group leaders, and members.

D. The Role of Members in Decision Making

The role of members in decision making is largely affected by the nature of their participation in the organization. This has varied because of shifts in SEWA's activities and programs. However, there are two basic levels of participation -- the general membership and project participants.

1. General membership

For a majority of members, SEWA is not a substantial part of their daily lives. Their participation involves coming to SEWA or approaching a SEWA organizer or group leader when they have an immediate need or concern. It offers them a forum for action or support in dealing with police harassment or family problems and provides banking services and other benefits. Most of these women have little time for regular participation, thus limiting a more direct role in decision making. Periodic general meetings are held where the women are given an opportunity to express their ideas and concerns. However, neither these meetings nor these members play an active part in initiating programs or activities.

The members are, however, indirectly represented by group leaders who work more closely with the organizers and leaders and serve on the various official decision making boards of the Union and the Bank. Still, there are limits to the actual power and representativeness of these leaders. Group leaders are not democratically chosen by the members. Instead they "emerge" from the ranks of the membership. The women who are more vocal and assertive and who appear to be respectable are selected as group leaders by the organizers and leaders. This is not to say that they do not sincerely represent the members. In fact most do. But the members do not directly elect them.

The members who serve on the executive and trade committees also are appointed by the leaders. They are recommended by the organizers and are subject to the approval of the general membership. They often are women who have served as group leaders and have demonstrated leadership qualities. However, although these committees have significant power on paper, in reality they have played only a limited role in influencing decisions. Within the past few years these committees have been relatively dormant, and meetings have been irregular. When a major issue confronts the members, however, meetings are called and resolutions passed to recommend action (for example, a resolution appealing for peace was passed during the 1981 riots in Ahmedabad).

To some extent the previous participation of the male TLA leaders in these meetings inhibited the women. Most members are not used to public speaking or participating in formal settings. As such, this committee often has passed decisions which de facto have been taken by the leaders.

The Board of Directors of the SEWA Bank is somewhat different. It meets more regularly, and the representatives from the trade groups play a more significant part in certain decisions, such as who receives loans. However,

the general policies of the Bank (the amount of funds to lend, where to invest the funds) are formulated primarily by the leaders and voted on by the directors.

The power of the group leaders to influence decisions rests largely with their frequency of consultation with the organizers and the leaders. They have regular and direct contact with both groups, often on an informal basis concerning the day-to-day operations. The members frequently bring ideas to the group leaders who, in turn, take them to Elaben or the organizers. This is not an insignificant role, and their instincts about and knowledge of certain issues are valued and considered. Ultimately, however, they alone do not make the major policy or operational decisions of SEWA.

In part, the limited role of the group leaders in decision making is due to their own narrow views of their roles and potential power. Ela Bhatt has observed that there is no real sense of competition among the women to be a leader. They have not yet taken advantage of the opportunities which already exist to make decisions within the organization. Many do not attend meetings regularly. Those who have emerged as the strongest leaders tend to be from relatively well off families which allows them to take time off from work to devote to SEWA. They also tend to be older, as age plays an important factor in the ability of women to move around and speak freely. Younger women, especially daughters-in-law, are not free to do so for fear of being "spoiled". They cannot make their own decision within their families about how to spend their time and are expected to concentrate on work and child rearing.

Some of the organizers and group leaders have described the role of the general membership in decision making as follows:

> "Meetings are often held before anything happens. Elaben comes and asks us questions. The more vocal women get up and voice opinions. Those illiterate like me stay quiet."
> (Laxmiben)

> "Village women talk when they come to meetings organized by SEWA, but in their homes they are pretty much dominated by men. The ideas for SEWA's activities may not be their own, but once the ideas are planted, the decisions taken by the leaders and organizers are made with the women."
> (Mahalaxmiben)

> "The women are so lost in their work that some don't even know where Lal Darwaja (the central bus station) is. If they can't lift their heads from their work, how can they take part in decisions?"
> (Taraben)

Thus, the direct participation of these members in decision making is limited on one hand by their time constraints and inexperience in assuming responsibilities in making decisions. On the other hand, the de facto

power structure which has evolved within the organization -- largely influenced by its association with the TLA -- also has limited the past decision making roles of both members and group leaders. Basically, the role of the general membership in decision making is indirect -- through group leaders who consult the organizers and leaders.

2. Project participants

A second group of members are those who are in more direct and frequent contact with SEWA through their participation in training classes or other activities of the economic units. For most of these members -- numbering somewhere near 500 -- SEWA is more a part of their daily lives. Because the nature of their participation is different, so is their role in decision making. While they do not make the decisions which run these units, they contribute to the decision process. The programs are designed to develop their capacities and create the structure for them to play a primary role in the future.

The goal of SEWA's training courses and economic projects is to create the means for workers to cooperatively control production. Implicit in this goal is increasing women's role in decision making. There are several initial constraints to organizing these units. First, they must be run along business lines in a highly competitive market. This takes a good deal of skill and management which the women do not have. In addition to possessing limited management and business skills, most of the members have limited knowledge or experience beyond their homes or past work environments. They are illiterate and lack information on many of the aspects of buying and selling which are necessary to fully control production. Moreover, many are inexperienced in working cooperatively with others and, due to their past relationships, have difficulty breaking out of an employer-employee mentality. Given these conditions, there are immediate limitations to their ability to control the production units completely on their own.

There are additional questions relevant to the issue of participation. Are the women willing and able to learn the managerial skills necessary to run the production units? How long will it take? In the interim, is it necessary to bring in more skilled managers from the outside? Can or should SEWA organizers play this role? If so, how can the members themselves maintain their control over the production unit and not fall into the role of mere "employees"?

Because most of the projects are still young, it is too early to expect any of the units to be self managed or controlled fully by the members. In practice, the organizers have assumed a major role in running these units. However, the members have assisted in their initial formation. SEWA's production units and training were largely started in response to the women's demands.

In each unit, group leaders are appointed by the organizers. These women gradually assume more and more of the responsibilities from the SEWA organizers. As problems inevitably crop up in running the units, meetings are held for the members to discuss and decide what actions to take. As the women assume more responsibilities in running the units (e.g. buying raw materials, keeping accounts, deciding on production levels, wages, hours of work, and selling), they begin to think of the units as their own.

In the training classes, in addition to developing skills the women learn to take on more responsibilities and to work together. One of the members of the hand-block printers' training class states,

> "I dream of making decisions. At home I think of what designs to make and then do them when I come into the class the next day. In many decisions in the class we consult each other. If we cannot decide among ourselves, then the group leader talks to Lalita (the organizer in charge) and reports back to us. At first many of the women in the class wouldn't do anything on their own. Now they are more willing to take initiative and make their own decisions. The group leaders don't have to show them every step of the way."
> (Saira)

The economic units offer the women the opportunity to develop skills and to participate in a structure which gives them a role in decision making. Not least of all they have generated the excitement of learning. This has been made possible by the relatively small size of the groups. It also has been made possible by offering them the "structure" to participate by building their understanding of the ultimate goals and objectives of the project, the problems confronting it, and participatory skills. It is not easy and there is a long way to go before the women actually control these units. But they are off to a good start.

CHAPTER 12: SHAPING THE INSTITUTIONAL ENVIRONMENT: INFLUENCING POLICIES

As one of the few organizations representing poor self employed workers in India, SEWA has been in a unique position to influence policy. Lobbying for the recognition of the needs of self employed women in the spheres of social and labor policy continues to be part of SEWA's work. To a large extent these efforts have been directed by SEWA's general secretary, Ela Bhatt, who has become an articulate and influential spokesperson for the interests of poor self employed workers at the local, state, national, and international levels.

A. The Policy Environment for Women

In letter, women are guaranteed equal status under the Indian Constitution. Social laws governing marriage, divorce, and property ownership generally reflect equality for women; labor laws, at least those which apply to workers in the organized sector, are progressive and guarantee women equal rights as workers; and equal political status also is granted to women under the constitution. These laws are largely due to the spirit of the nationalist movement, in which women actively participated, and to the influence of Gandhi, who supported women's entry into the mainstream of political and social life. Unfortunately, despite the progressive ideals reflected in these laws, the principles of equality which they embody are not always practiced. In some ways, they even act as barriers by disguising the de facto powerlessness of most women.

Public policies, as distinct from legislation, are deliberate attempts to address specific social and economic problems by directing national resources to certain sectors or groups within the population. For policies to have an impact, they need not only legal backing but the support and commitment of government officials, financial resources, and effective implementing mechanisms.

Since independence, national development policies in India have been set forth in the five year plans. There are formulated by the National Planning Commission in consultation with national level ministries which serve as the implementing bodies. Various governmental departments are individually responsible for planning policies and programs for women. However, in the past the social welfare sector has been the most active, and a majority of resources earmarked specifically for women have been channeled through the Social Welfare Ministry. The emphasis has been on health, education and welfare activities. The assumption has been that governmental programs and policies in such areas as employment, housing, transportation, and social security would automatically benefit women without special attention. Unfortunately, this has not been the case, and women infrequently participate in or benefit from programs in these sectors. Perhaps the most important shortcoming of this approach is that the declining status of women workers -- which is a particularly pressing problem for the poor -- consistently has been overlooked. Women have been seen more as welfare recipients than participants in development.

The latest five year plan has a more progressive approach to women by placing greater emphasis on enhancing their economic roles and increasing their opportunities for income generation. The plan includes for the first time a chapter on "Women and Development" which lays out a broad mandate for involving women in national development. It recommends that the government improve women's employment status by:

- o encouraging the employment of women in governmental programs;
- o modernizing women's traditional occupations and developing their skills for alternative employment;
- o implementing the Equal Remuneration Act;
- o identifying the problems and needs of self employed women and taking steps to extend appropriate supports;
- o establishing special cells for increasing women's participation in district level manpower planning and employment programs;
- o expanding family aid services such as day care centers;
- o promoting research on women's employment problems;
- o increasing women's education and training opportunities; and
- o improving the data base on women and using it to evaluate the impact of governmental programs on women's economic and social status.

The latest five year plan also proposes to support women by:

- o giving joint titles to husbands and wives in development activities involving the transfer of assets;
- o strengthening grass roots level organizations and voluntary action groups;
- o setting up committees to advise on the adequacy of implementing machinery for various social legislation (e.g. dowry laws);
- o providing functional literacy programs for women;
- o focussing on maternal and child health needs and providing minimum health facilities;
- o developing integrated programs for family welfare and nutrition;
- o continuing emphasis on health, nutrition, education, and other programs.

While a specific chapter on women in the plan and a policy focussing more on employment are steps forward, the policy for the most part remains very general and lacks a coherent ideology. Moreover, implementation is a weak point in the planning process. The structure and specifics of many programs are left up to those charged with implementation, and in many cases it is not clear who is in charge. No one ministry has been given the mandate to administer women's programs; at the national level alone, six different departments are involved and there is no clear system for coordination or administration. Fluctuations in priority areas within each of these departments cause further confusion. National level programs are implemented through state level agencies where there also is a lack of coordination, administrative capacity, and conceptual clarity in running women's programs.

In addition to the above problems, there have been a lack of resources for women's programs. For example, the social welfare sector (where women's programs to date have been concentrated) receives a relatively small proportion of budgetary resources. Moreover, the relative share of national resources invested in social services in terms of actual allocation has steadily declined with each successive plan (Mukophadhyay, 1980).

During the past decade, voluntary agencies largely have been charged with implementing women's programs. These organizations are thought to be more flexible and sensitive to the changing needs of people and more capable of reaching women at the grass roots level. The government has taken two approaches. The first has been to organize local women's clubs (Mahila Mandals). Unfortunately, within many of these groups, leadership has been assumed by women from dominant sections of the community and the programs often serve to reinforce existing class hierarchies. The second approach has been to work through the many existing women's organizations which were formed following independence. In the early 1970's, they played an important role in experimenting with different strategies and approaches to implementing women's programs. Since then, however, many have become increasingly dependent on government funding and turned into little more than service delivery organizations. Conceptually, many do not relate the position of women to the root causes of poverty and, in some cases, are controlled by people with urban middle class backgrounds and a social welfare approach to working with the poor. Not all women's organizations are like this; some differ in the quality of their leadership and focus on organizing women within their class or economic category. Members of these organizations have a better opportunity to view their individual problems in relation to broader forces of exploitation within the society. Unfortunately, their numbers are too few to effectively carry out governmental programs to all women. But given governmental support of programs to develop women's work roles and to invest in those sectors of employment where women are concentrated, these organizations can play a central role. 1/

1/ Much of the above discussion borrows from "Public Policies and the Role of Non-Governmental Organizations in Women's Development," a chapter in Women and Development: An Indian Perspective by M. Mukhopadhyay, 1980.

The policies for women in the current five year plan are more progressive than ever before; however, the machinery to implement these policies need more development. Until this happens, the current gap between policy and reality is likely to remain.

B. The Unorganized Labor Sector in the Sixth Five Year Plan

Past governmental policies have been somewhat scattered and unfocussed with regard to the unorganized sector of the workforce (in particular, self employed workers). However, the Sixth Plan does pay more attention to workers in this sector in its policies for the development of village and small-scale industries, employment, and labor. 2/

1. National policy for development of small-scale industries

Village and small industries are defined by the government as small-scale manufacuring and repairing units with investments less than Rs. 2,000,000. The labor intensive production processes characteristic of these units have made them the focus of policies to increase employment. The policy objectives of the Sixth Plan for the development of these industries are first, to generate large-scale employment opportunities on a dispersed basis; second, upgrade skills; third, improve the quality of products; and fourth, step up production for both domestic consumption and export. The policy also seeks to promote the development of entrepreneurship. These objectives are backed by a package of consultancy services geared to improve production techniques, increase the supply of credit and raw materials, support the organization of cooperative production, and provide rebates on sales of khadi and handloom products.

a. Institutional finance: Small-scale industries have been given priority for lending by commercial and cooperative banks over the past decade. To date, however, the benficiaries have largely been the larger units within the sector. The availability of finance to tiny and artisan units has not been commensurate with their needs and levels of production. Of the total lent to this sector, about 4 percent has gone to entrepreneurs and craftsmen (largely self employed) and 10 percent to 'tiny' units. To increase the flow of credit to the smaller units, the present plan extends the Differential Rate of Interest Scheme (providing government guarantees and subsidies for loans to small-scale enterprises through the nationalized banks) to cooperatives and other financial institutions. Cooperative Banks have also been directed to finance individual artisans and small scale industries. Special windows in banks have been set up for this purpose.

b. Supply of raw materials: At present, there is an underutilization of the capacities of producers in the small enterprise sector due to the poor quality, fluctuation in prices, and irregualr supplies of raw materials. The present plan proposes a scheme to build buffer stocks

2/ This section summarizes several chapters of India's Sixth Five Year Plan, 1980-1985, published by the National Planning Commission.

of essential and scarce raw materials and to set up a National Small Industries Corporation and a series of Small Industries Development Corporations at the state level. These bodies would assess raw materials needs and arrange for distribution. The overall goal is to spread scarcity evenly among the units. Moreover, the present policy earmarks specified quantities of raw materials from major suppliers to the small-scale sector and artisans. Selective relaxation of import policies in favor of certain raw materials used in the small-scale sector is also planned.

c. Marketing: The major marketing problems in this sector, according to the Sixth Plan, are related to the small-scale of operations, lack of standardization, inadequate market information, competition from large scale units, and insufficient storage capacities. Most small-scale producers depend on middlemen for supplies of inputs and marketing outlets, which substantially reduces their profits.

Information on markets in the past has been provided to a limited extent by several government agencies (such as the National Small Industries Development Corporation or the Khadi and Village Industires Board). Some marketing support has come through government purchase based on a policy which reserves 379 items for exculsive purchase from small-scale enterprises and gives a 15 percent price preference to small-scale producers for all other items. However, governmental efforts to develop markets for small-scale producers have been piecemeal.

The Sixth Plan proposes to organize producers of the same goods to market their products under one label to more effectively compete with large-scale industries. The plan also proposes to evolve an integrated system of supplying raw materials and marketing products through cooperatives, identify more items for exclusive purchase from the small-scale sector, develop systems to enforce the exclusive purchase and price preference regulations, and set up Export Promotion Councils for products.

d. Other programs: The Sixth Plan further promotes the establishment and revitalization of labor intensive industrial cooperatives as a means to improve the viability, productivity, and earnings of small-scale producers. It also calls for continued development of the Khadi and Village Industries program, the handloom industry, silk production, the coir industry, crafts development (particularly for export) and rural marketing centers. It also proposes to review subsidies provided to the small-scale industry sector and to develop monitoring and evaluation systems to assess the impact of governmental programs on this sector.

2. National employment policy

Projections show that the work force in India will expand by 2.43 percent between 1980 and 1985, with 34 million new workers entering the labor market. The urban female labor force is projected to be the fastest growing sector at a rate of 3.61 percent. The Sixth Plan

emphasizes the need for employment oriented growth and a reduction in underemployment and unemployment. As the self employed are a major portion of the labor force (64 percent according to conventional definitions) the Sixth Plan emphasizes ventures to increase self employment in agriculture, village and small industries, and other non-farm activities.

Development projects with higher employment potentials are slated for priority. Preference for meeting production quotas through labor intensive processes and tax incentives to encourage labor intensive production also are proposed. Several large-scale programs in the plan are pointed out as having the greatest employment potentials, including several integrated rural development programs, a fisheries project, schemes for development of village and small industries, flood and dairy development programs, and several others.

One of the major employment programs set out in the plan is the decentralized strategy for manpower planning and employment generation. Through this program, district councils will assess the opportunities for employment within their districts, list opportunities for employment, work out the employment implications of government schemes and programs, and prepare employment impact statements for public and private sector development projects. The councils will also launch a one job per family program, monitor wages, and promote group self employment. The chapter on "Women and Development" stresses the need for promoting women's participation in this program.

The plan's employment policy also includes a section entitled a "New Deal for the Self Employed" (taken largely from SEWA's note to the Planning Commission -- see Appendix V) which spells out a specific plan for reducing poverty and unemployment through the promotion of self employment. The main areas of proposed assistance include training, credit, marketing, and guidance concerning the availability of supportive facilities to those interested in starting their own ventures. Specific mention is also made of the problems of self employed women.

3. National labor policy

While in past plans, labor policy focussed on workers in the organized sector, the present plan claims to give more attention to workers in the unorganized sector. However, in the policies which it spells out, almost no specific mention is made of unorganized workers. While the fact of a "dualism in the labor force" is acknowledged, emphasis in most sections of the policy remain focussed on workers in the organized sector. No clearly defined set of objectives and strategies for the unorganized sector emerges.

Similarly, with regard to labor policy for women, past plans have focussed on workers in the organized sector, emphasizing prohibition of employment in underground coal mines and other hazardous occupations, provision of some welfare facilities, day care centers, and maternity

benefits for wage laborers. Past plans also have called for equal remuneration.

Unfortunately, labor policy in the present plan is very general with regard to women and offers little in terms of specific programs for women working in the unorganized sector. It calls for:

- basic amenities in working and living conditions such as housing, water supply, hospital and medical services, sanitation, etc.
- maternity leave benefits and family planning incentives;
- care and education for all children of the family;
- opportunities for education, skill training and upgrading, and advancement in order to widen areas and avenues for women's employment;
- alternative employment schemes for off-season employment.

While the current labor policy for women workers is a step forward in going beyond merely protective labor laws, it remains very general and, again, lacks a mechanism for implementation.

4. Summary

Despite the emphasis which the Sixth Plan gives to workers in the unorganized sector, limitations remain in the potential for implementing these policies. One constraint is that the relations of production for workers in the unorganized sector are largely outside the scope of traditional mechanisms to implement policy. The variety of occupations, the frequent lack of fixed work places (or in the case of many women, the fact that their work place is the home), irregular hours of work, multiple jobs, and lack of institutional affiliation make it difficult to reach unorganized workers with governmental programs.

A second constraint is that the lack of protective labor laws (or information on the few laws which exist) for workers in the unorganized sector limits their bargaining power and the potential effectiveness of unionization.

Lack of commitment on the part of government officials to implement exisitng policies is another constraint. The problem lies not so much in the ideology of national policies, but in the failure of these ideals to be implemented. To a large extent this reflects a distance between those formulating policies and those charged with implementing them. At the highest levels, policy makers, law makers, and intellectuals all profess a strong commitment to the concepts of equality and the eradication of poverty. These concepts are embedded in many national policies. However, at the lower levels, their actual implementation is impeded by strong pressures, such as longstanding traditions which reinforce

feudalistic and paternalistic attitudes in social relations or vested interests which are threatened by change.

Another problem is that implementation programs invariably are disrupted by political changes and shifts in power between political parties. Certain programs often are associated with a particular political party and, as the fortunes of power shift, they often die. This further adds to the confusion and problems in implementing the existing policies supporting women workers in the unorganized sector.

Despite these limitations, the organizers of SEWA are committed to doing as much as possible to create policies more responsive to self employed women, direct national resources to back these policies, and devise implementing mechanisms which reach poor women workers. Although it is only one part of the process, a supportive policy environment is essential to bring about change in the status of these workers.

C. SEWA's Involvement at the Policy Level

Although SEWA has no explicit policy program, it plays an active role in lobbying for labor and social policies which benefit its members and other self employed women. Moreover, as a non-governmental organization, it has been in a position to take advantage of certain governmental programs and policies directed to the poor and has served as a link between its members and development resources.

1. How SEWA takes advantage of existing public policies

a. Credit: Improving working women's access to credit has been a major organizational focus of SEWA since 1972. In the early 1970's the Congress (I) government mandated the nationalized banks to set aside a portion of their funds to lend to the poor. The banks were under a great deal of political pressure from the government to carry forth the program, but were not in a strong position to identify poor borrowers or disburse the funds on their own. Because SEWA had many poor members in need of credit, they agreed to play an intermediary role between the women and the banks. After several years, the credit program encountered some political problems which affected the loan repayments and it was discontinued in 1977 (see Chapter 7). Nonetheless, through the experience, SEWA learned a great deal about the banking needs of its members and about providing banking services to them. As an outgrowth of the government program, SEWA established its own cooperative bank in 1974. Since then, the Bank has provided both savings and loan services to thousands of poor women workers. A small portion of its lending funds are from a low interest loan from the State Department of Cooperatives, which makes credit available to members at a concessionary rate of interest.

SEWA also has taken advantage of nationalized bank credit programs for the rural poor. The Rural Wing has linked over 50 members of its milk cooperatives to government loans for the purchase of cattle. There are plans to expand this program in the near future.

b. Training: SEWA has benefited from several programs sponsored by the government for training in income generating activities. The All India Handicrafts Board has a program to provide training in traditional crafts, with the purpose of supporting handicraft workers in occupations which are being displaced by modern industries. Skills upgrading training courses for 100 SEWA members who are bamboo workers and hand-block printers have been supported by this government agency. Following the training, the women will be assisted by this agency in obtaining supplies of raw materials and marketing their products.

Several other government agencies have sponsored SEWA training programs. The Gujarat State Small Scale Industries Board supported a training class to upgrade the skills of carpenters and junksmiths, The Adult Polyvent Education Center of Gujarat University offered functional literacy and simple accounting courses to vegetable vendors and ready-made garment sewers, in addition to several other courses.

c. Income generation: SEWA has taken advantage of several policies which require government institutions to give priority to women's or voluntary organizations in sales of raw materials and purchase of goods. Through these policies, several groups of SEWA members have enhanced their incomes. The SEWA chindi project regularly purchases raw materials from government owned mills in Ahmedabad; vegetable vendors are linked to bulk orders from government run hospitals, hostels, and jails; and broom makers supply government institutions with their products through SEWA. The Handloom Development Corporation also supports a small training and income generation program in weaving for 25 urban women.

d. Rural programs: The increasing focus of national policy on rural development has led to a growth of governmental programs for this sector. SEWA's Rural Wing has received support from several of these programs.

The National Dairy Development Board (NDDB) sponsored its first training course for women milkmaids in 1978 through SEWA. Since then, seven hundred members have received training in cattle care and milk production. Many of these women have organized milk cooperatives in more than twenty villages. Through the NDDB and SEWA the women have access to equipment, marketing channels, and credit for the purchase of cattle. This is one of the largest training and income generating programs for SEWA members.

The Khadi and Village Industries Board supports SEWA's oldest rural income generation program. Hand spinning machines (ambar charkas) were introduced to 25 poor families in one village in 1978, and the Khadi Board provides supplies of raw materials and markets for the

hand-spun thread they produce. This program has expanded and now provides 200 SEWA members a steady source of income throughout the year.

e. Social security: The State Labor Department supports SEWA's rural maternity benefit program as part of a national pilot scheme to deliver maternity benefits to self employed women. The program provides 500 women training in prenatal health care and cash benefits to compensate for loss of employment during the period before and after delivery.

The government of India's Life Insurance Corporation is delivering affordable life insurance to the self employed through SEWA. The program was initiated in 1981 through the SEWA Bank and, to date, hundreds of women have enrolled.

f. Health: Several years ago a welfare fund for cigarette workers was established in Gujarat through the State Labor Ministry. As one component of this program, health centers for the workers were set up in several parts of the state, including Patan where there is a group of SEWA members who work at home rolling cigarettes. SEWA led a struggle of these home-based workers to gain access to the services of the health center. Under the original rules of the fund, only factory workers were allowed to take advantage of the health scheme. However, in Patan there are only 50 factory workers and over 500 home-based workers. SEWA appealed to the Factory Inspector, who governs the rules of the fund, to allow the home-based workers to use the health centers, but he failed to respond. So the organizers approached the State Labor Commissioner, who called a meeting with three rural unions, doctors from the health centers, and the cigarette factory owners.

To use the health service, an identification card with a photograph of the worker is required. In the meeting, the discussion soon degenerated into an argument over whether or not the husbands of the cigarette workers would allow their women to be photographed. As a diversion, the factory owners centered the debate on this rather than the question of whether the women workers had a right to the health services. After more meetings and several months, it was finally agreed that the women should be provided with identification cards and allowed to use the health facility. However, the signature of their employer was required on the card. The factory owners refused to sign because they feared that by signing the cards of the home-based workers, they would be bound by all the labor laws covering factory workers. Arguments went back and forth for some time, until the Labor Commissioner finally agreed that the signature of SEWA would be enough to qualify the women to use the health facility. This struggle took ten months.

g. Housing: SEWA is attempting to link its members (most of whom live in severely inadequate shelter) to a housing scheme sponsored by the Gujarat State Housing Board. Over 800 women opened accounts in the SEWA Bank and began saving Rs. 30 per month to contribute to the scheme. Unfortunately, the State Government -- and consequently the chairman of the Housing Board -- has changed four times since the scheme was

initiated. Although the housing units were built several years ago, because of political problems, they have not yet been distributed. In the meantime, termites have feasted on and destroyed the wooden doors and windows. Several years ago one of the Housing Chairmen arranged for new woodwork but still did not distribute the housing. At present, squatters are inhabiting the buildings.

Most of the above governmental programs have not been designed specifically for women. However, through pressure, SEWA links its members insofar as possible to general resources earmarked for the poor. Without an organization such as SEWA, it is most likely that these resources would not have reached self employed women.

2. How SEWA influences policies

SEWA's involvement in governmental programs actually goes beyond mere implementation. As one of the few organizations of poor self employed women, SEWA has been active in lobbying for social and labor policies supporting the self employed at the local, state, national, and international levels.

At the local and state levels, the SEWA organizers keep abreast of happenings within the community and government agencies. When a particular event, policy, law, or regulation threatens the status of SEWA's members, they launch campaigns to rally public support and mobilize members to defend their rights. This is done through the press, demonstrations, or direct contact with government agencies.

At the state and national levels, SEWA is instrumental in influencing government agencies to enter into credit, skills training, or income generating schemes specifically for the self employed. While the national plan establishes the general priorities and the budgets of these agencies, they usually must design and implement their own schemes. SEWA involves itself at the early stage of the planning process by working with various governmental agencies in devising programs and projects which directly benefit self employed women. This is done mainly through personal contacts and the participation of Ela Bhatt on several governmental advisory and decision making boards. SEWA sometimes submits proposals to carry forth these schemes. Its basic thrust in lobbying at this level is to promote the creation of practical systems and mechanisms to get government resources to the poor.

Internationally, SEWA maintains a dialogue with development agencies, women's organizations, and trade unions through participation in conferences, correspondence, and meetings. In addition, the leaders and organizers of SEWA regularly write papers highlighting particular areas of concern and recommendations for action which are forwarded to relevant individuals, agencies, or conferences. Lobbying is also done through direct meetings between policy makers and members.

Several factors have contributed to SEWA's influence in official circles: its international reputation; its affiliation with the TLA; and perhaps most importantly, an articulate and respected leader in Ela Bhatt. However, SEWA's greatest strength in influencing policy is its direct contact with poor women and its vocal representation of a heretofore silent constituency. SEWA's attempt to maintain itself as a non-political body -- even while they were within the TLA -- has also enhanced its credibility.

a. Influencing labor policy through trade unions: As one of the first organizations of self employed workers to seek trade union status in India, SEWA had to push vigorously to broaden the definition of a union. When they applied to register as a trade union with the State Labor Commission, there was no precedent of a union of self employed workers and officials claimed that workers without specific employer-employee relationships could not be unionized. SEWA argued that the self employed, like other groups of workers, are a legitimate sector of the labor force, with rights to organize for fair wages, protection with regard to hours and conditions of work, and other benefits (e.g. social security, health and life insurance, and legal protection). Moreover, as the largest group within the labor force, the self employed had a right to be recognized as part of the labor movement. Against a good deal of resistance, SEWA was finally allowed to register as a trade union. This precedent in the interpretation of the Trade Union Act was the beginning of a continuing series of efforts by SEWA to bring self employed workers -- who make up a major proportion of the labor force in developing countries -- into the labor movement. Even today, however, most unions are still cold to the idea of organizing the self employed.

SEWA also has campaigned for the interests of self employed workers with the International Labor Organization (ILO). After several years of lobbying by SEWA's General Secretary, the ILO agreed to change its definition of worker to include the self employed. This is one means of pressuring national governments (including India) to improve their data collection on the self employed, which is an important step in bringing greater visibility to women workers. It may also encourage national labor movements to focus more energy on organizing this sector of the labor force.

b. Influencing labor policy through government agencies: SEWA also has carried forth an active campaign to influence governmental labor policy.

(i) Local level: At the local level, meetings have been held with Ahmedabad's Municipal Commissioner, the Police Commissioner, and the Chief City Planner to bring forth the concerns of its members to these officials. With some success, SEWA has encouraged local planners to provide supportive facilities for self employed workers, such as covered market areas and water and sanitation facilities near the markets. However, its greatest efforts at the local level have centered on defending the members' rights to work. SEWA continues to petition the

Municipal Corporation (Ahmedabad's city governmental body) and the police to establish fixed and licensed selling places for street vendors and producers. This would protect those working in public areas against police harassment and displacement which is perhaps the most immediate problem facing many poor self employed workers. While SEWA has had some impact in this area, much work remains to be done in changing the attitudes of local officials and the corresponding policies of local agencies.

(ii) State level: SEWA has been most active in influencing labor policies at the state level. The organizers have struggled to establish fixed wages for headloaders, hand cart pullers, chindi sewers, and papad makers through the State Labor Commission, where by now SEWA is well known. Efforts are made to get the Commission to enforce the few existing minimum wages laws for self employed workers (e.g. cotton pod shellers) and to set guidelines for self employed workers in the many occupations where no minimum wage laws apply.

Along these lines, after years of frustration in fighting for fair wages for headloaders and hand cart pullers, SEWA convinced the State Labor Ministry to establish a board to oversee the working conditions and payment of wages to self employed laborers in Ahmedabad's cloth market (a similar board has been operating for the past ten years in the state of Maharashtra). The State Board of Unorganized Labor was first enacted in 1980 through an ordinance and later a State Act. The board was initiated through the past Janata government but actually came into being during the present Congress (I) government. According to SEWA's organizers, this is encouraging in that it suggests the needs of unorganized labor transcend the political vulnerability of so many programs to changes in the government.

The board consists of seven members -- three representing the workers (including Ela Bhatt), three representing the merchants, and the Labor Commissioner himself. The board plans to register the self employed workers in the market and oversee the payment of their wages (workers will be paid twice a month through the board). In addition, they will institute a benefit package which ensures that the workers receive paid vacation days, sick leave, and social security benefits. It is the first attempt by the State of Gujarat to create a protective labor board for the self employed.

The actual implementation of the program began in July of 1981. SEWA began registering women workers in the cloth market, and an advertisement came out in the local paper stating that all employers and employees must be registered by a certain date. Unfortunately, several problems have arisen since then. The board representatives from the Cart Puller's Union (SEWA's counterpart) are not laborers, but labor contractors who fear the board may take away their hold over the laborers. The merchants have been against the board from the beginning and have made several behind the scenes attempts to sabotage it. Instead of actively speaking out against it, however, they are inducing the labor contractors

representing the cart pullers to undermine the board's program. Rumors have surfaced among the workers that if they register, they will have to pay income taxes (although none earn enough to pay any taxes). More recently, the Cart Puller's Union and the traders declared a strike and closed down the cloth market in protest against the board.

Despite these pressures, all of the women headloaders have registered with the board through SEWA, and some of the cart pullers as well. Moreover, many men cart pullers and headloaders have come to SEWA asking to be registered with the board through SEWA. This brought forth a major issue: should men be allowed to join SEWA? After a good deal of internal debate, SEWA agreed to register the men and thereby open up membership to them. At present it is still too early to assess the effectiveness of the board, but the coming year will be revealing. SEWA's role in implementing the board will be central.

The State Labor Ministry is also sponsoring SEWA's Maternity Benefit Scheme for agricultural laborers. SEWA's efforts began several years ago by pressing this state ministry to take up a broader program modeled after a small experimental scheme supported by the SEWA Trust and the Asian American Free Labor Institute. However, there was little response, so through the National Women Committee, Ela Bhatt approached the National Labor Ministry. After reviewing SEWA's maternity benefit program, this ministry responded positively by sending letters to all of the State Chief Ministers recommending they take up pilot projects modeled after the SEWA scheme. Each of the Chief Ministers then sent this recommendation to their Labor Ministries. Since then, pilot projects have been taken up in three states. In Gujarat a one year program for 500 agricultural laborers is supported by the State Labor Ministry through SEWA. Unfortunately, government red tape has caused delays in receiving the funds, and many women participating in the scheme have already delivered their children and returned to work with no benefit.

The State of Gujarat recently formed a Women's Development Corporation as part of the State Ministry of Social Welfare. SEWA's General Secretary, as a member of the State Social Welfare Board, and a group of women active in lobbying for women workers helped to gain approval for this body. The purpose of the corporation is to identify women or groups of women who are economically active (or potentially so) and to provide them with credit, training, and other supports. Many of SEWA's ideas are reflected in the structure and organization of this corporation.

SEWA also has taken a role in advising the State Cooperative Union on the design of its district level education programs.

Ela Bhatt further represents the interests of self employed women workers by participating on several state level boards. She is a member of both the State Cooperative Council and the State Labor Council where she serves on the Equal Remuneration Act Committee. She also is the the Manpower Training Board of the Industrial Training Institute. And

as a member of the State Women Committee during its tenure, she participated in advising the state government on employment programs for women.

SEWA's attempts to influence labor policy also have entered the legal sphere. At present, SEWA's lawyer is involved in a case which attempts to establish a precedent for self employed workers to qualify for workman's compensation when injured in the course of work. The case pertains to a woman hand cart puller who was disabled when hit from behind by a city bus while pulling her cart.

(iii) National level: At the national level, SEWA has worked to influence government policy on several fronts. It has had longstanding contact with the National Occupational Health Institute, which is located in Ahmedabad. The Institute, through SEWA, has documented many of the occupational health hazards which affect the self employed in various trades.

SEWA's General Secretary also served on the National Women Committee, chaired by the Prime Minister, Indira Gandhi. During its tenure, this body advised the Central Government of women's problems (it was through this committee that Ela Bhatt was able to push through the above mentioned matenity benefit scheme). Ela Bhatt also served as Chairperson of the All India Handicraft Board's sub-committee for organization and management. Moreover, she is an executive committee member of the Central Social Welfare Board, the ministry through which a major share of central funding for women's programs is channeled. She also has participated in a working group on National Adult Education Programs through the Central Ministry of Education. Unfortunately, as a legacy of the Janata Government, this program has been scrapped by the present Congress (I) Government.

In 1978, SEWA made a presentation before the Government of India Committee on Controls and Subsidies. This committee is charged with developing policies which increase employment and production and lower the costs of consumer goods. SEWA recommended actions which could be taken by this committee to support development of the informal sector, including facilitating workers access to credit, raw materials, and markets, and supporting research and development activities which benefit this sector.

SEWA also presented a note to the government's Life Insurance Corporation suggesting specific actions which could be taken to benefit the poor. SEWA recommended that the LIC:

- offer maternity insurance to poor women;
- speed up and simplify claims procedures;
- provide one premium insurance schemes as the poor have difficulty meeting regular periodic installments;

- o receive government subsidies to support insurance programs for the poor (subsidies could come from government funds for the poor and unclaimed funds within the LIC which largely are premiums due to widows and poor people).

After several years of lobbying, in 1981 the LIC instituted a life insurance scheme for SEWA members through the SEWA Bank. The members pay a yearly premium of Rs. 6 which provides them Rs. 1,000 worth of life insurance.

Perhaps the most direct effort by SEWA members to influence national level policy took place in early 1980. At the invitation of the All India Handcraft Board, a group of 35 SEWA leaders representing workers in various trades participated in a three day workshop in Delhi. The purpose of the meeting was to offer the women an opportunity to discuss their needs and to present recommendations to national level policy makers. On the final day of the workshop, the women participated in a role-playing exercise, where each women assumed the role of the chief minister of a state and was asked what she would do for the self employed. The Vice Chairman of the National Planning Commission listened to them and found this direct communication with the women very useful. Based on the experience of these three days, the participants put together a note to the Planning Commission which set forth their concerns. These recommendations have been included in a chapter in India's current five year plan (see Appendix V).

c. The challenge of influencing policy-- an example: One of SEWA's most recent involvements at the state policy level took place in April of 1981 through the Labor and Finance Ministries. This experience provides a glimpse into the complexities of influencing policies which support self employed women workers. The issue centered on whether or not the government should exempt chindi (waste cloth from textile mills used in the production of quilts and other goods sold to the poor) from a new state sales tax. The question came up at the instigation of a group of local chindi merchants who argued to the State Finance Minister that such a tax was regressive, as those who buy and sell chindi products are the poor. The merchants contended that the new tax would force them to raise the prices of their products and, as a result, the poor no longer would be able to afford the quilts. Moreover, with the drop in sales, the women home-based producers hired by the merchants to sew the chindi would be left without employment and a source of income. Both poor consumers and poor producers would be hurt by the tax (not to mention the merchants). The merchants insisted that the tax should be lifted.

Because of SEWA's involvement in the chindi trade through its production cooperative (and as the only union representing Ahmedabad's chindi workers) the merchants approached them for their support in lobbying for the exemption of chindi from the sales tax.

From SEWA's standpoint, the issue had several dimensions. The Union was well aware of the high degree of exploitation of the women workers and suspected ulterior motives benind the merchants' fervent drive to abolish the sales tax. For one, with the tax, the government would require them to keep accurate accounts of their business finances. Not only did they dislike the prospect of having to keep accounts, but there would be a public record of how many women they employ (with the corresponding implications of being subject to certain labor laws which apply to establishments employing over 10 workers), the piece rates they pay, and their profits. Moreover, SEWA did not completely believe that sales could be much more affected by a 5 percent tax increase on inputs than they already had been by the 100 percent increase in the price of chindi over the preceding years alone.

Nonetheless, despite these suspected motives, the merchants did have a point that both the women workers and the poor consumers ultimately would suffer from the tax. Thus, SEWA decided to support the merchants, but only on the condition that they agree to increase the piece rate of the women they hired. SEWA's chindi organizers and group leaders went directly to the State Finance Minister who also doubles as the Labor Minister. They presented figures on the depressed wage levels of the workers and requested the government to hold off on lifting the tax until the merchants signed an agreement consenting to a wage increase for the women they employ. Finally, after several rounds of negotiations, an agreement was reached and the tax was lifted.

In the two months following the agreement (as of this writing), a few of the merchants have honored it, but most, particularly the small merchants, have not. One reason is that because there are no minimum wage laws which apply to chindi workers, there is really no legal power of enforcement (In essence, the signed document was merely a gentle person's agreement between those involved.) Another reason is that the small merchants largely employ their relatives and, therefore, feel less bound to any formal agreement. Consequently, as a union SEWA has limited leverage to enforce the agreement. Perhaps its biggest constraint is that the members cannot afford the loss of work involved in a strike; even if they could, there are many other poor women anxiously waiting for work who would accept the present rates (see Chapter 10 for further discussion of SEWA's experience in organizing chindi workers). This experience reflects some of the structural and practical limitations SEWA faces in its attempts to influence policies.

3. Summary

Despite this full record of involvement in the policy sphere, SEWA does not really have a systematic policy program, nor does it have a particular individual on the staff to oversee this work. At present, the union lacks the human resources to cope with all the demands of working at the policy level. Unhappily, they have had to turn down requests to provide advice on particular issues related to women workers. For example, the state requested SEWA's advice on the design of

a women's employment component for a massive public works project being planned. Although there is a great deal of interest within the organization in the project,which is likely to impact a large number of women construction workers, there just was not enough time to do the work. SEWA does not have adequate resources currently to follow up on the many impoartant policy issues which need attention.

Nonetheless, the organization and its leaders have been drawn to policy makers in the course of their work. All things considered, they have done a remarkable job in creating an awareness of the needs of self employed women. They still feel, however, there is a long way to go. All of the above efforts ultimately center on SEWA's overall goals of first, increasing the visibility and recognition of poor self employed women; second, raising their incomes; and third, ensuring their control over this income. Policy efforts to date perhaps have been most effective in working towards the first goal.

Through the lessons of its past experiences, its visibility as an organization, its contacts, and its reputation, SEWA is in a position to play a greater role in influencing local, state, and national level policies. If it were to develop a well defined policy program which carefully establishes certain priority issues, focuses strategies of action, and assigns an individual to carry through on these efforts, it could perhaps have even more influence in the future.

CHAPTER 13: SEWA'S IMPACTS

The present study does not focus specifically on impacts nor is it intended to be an evaluation of SEWA's programs. This type of research would require time to investigate carefully the impact of selected programs on selected trade groups. 1/ What follows here is an impressionistic review of the effects of some of SEWA's programs based on the limited data available, observation, and interviews with those involved in the organization. It is an attempt to summarize many points which have been developed further in the preceding chapters.

A. Who Paricipates in SEWA?

A first step in assessing the impact of SEWA is to sort out who does and who does not participate in the organization. It is estimated that there are somewhere between 30,000 and 50,000 poor working women in Ahmedabad who fall under SEWA's definition of the self employed (see Chapter 4 for further discussion of this). Of these women, at least 12,000 have participated at one time or another in SEWA's activities -- with perhaps the largest number (over 7,000) in SEWA's banking programs.

Many of the women participating are from the very poorest families in urban Ahmedabad and the rural villages of Dholka Taluka. They work as wastepickers, chindi sewers, agricultural laborers, fish vendors, and in many other low return occupations. The members of their families depend on the informal sector for employment. Others are from working class families with husband's or fathers who work in the mills. They often work as home-based producers, making incense, papads, garments, and other products. About one fourth of SEWA members are household heads who assume the primary economic responsibility for their families.

The urban members are from areas dispersed throughout the city. Often clusters of women from a particular market or residential area join SEWA together. A wide range of communities and groups are represented -- Hindus, Muslims, and women from various castes and tribal communities. Typically, a particular occupation is dominated by women from a particular caste or community. The occupation groups most consistently active in SEWA include: vegetable vendors, headloaders, used garment dealers, wastepickers, hand-block printers, bamboo workers, jute bag dealers, chindi sewers, agarbatti makers, carpenters, junksmiths, garment makers, and agricultural laborers.

1/ The chapter on the SEWA Bank and the Chindi Project more systematically address the question of impacts.

Not all of the very poorest groups have been involved in SEWA, however. For example, Bhungis, who are the very lowest Harijan group within the caste system, have not been active. They typically work as sweepers or wastepickers. SEWA has developed the reputation of organizing other groups of Harijans, so the Bhungis (whose relations with these groups are strained) have been reluctant to join.

Several other groups have been involved erratically. Hand cart pullers and urban milkmaids, for example, participated in previous years but at present are inactive, largely because of the changing nature of SEWA's programs and activities. They were most active during the years of SEWA's loan program through the nationalized banks.

B. SEWA's Impact on Members

Members can participate in SEWA in a variety of ways, and, thus, the impacts of the organization vary accordingly. For instance, those participating in the activities of SEWA's Economic Wing and Rural Wing have different experiences than those active in the bank or in other union activities. While for some members, SEWA is a part of their everyday lives (e.g. women in the training programs, cooperatives, and other income generating projects), for others, their involvement in SEWA is sporadic. Keeping some of these differences in mind, the following sections discuss the impacts of various programs in relation to SEWA's three goals: increasing the visibility of self employed women; raising their incomes; and assuring them control over their incomes and property.

1. Increasing the visibility and recognition of women workers

A major problem faced by women is a lack of visibility and recognition for much of the work they perform. As household producers, family enterprise workers, and laborers in the unorganized sector, much of their work is unaccounted for in official statistics and unrecognized by policy makers, planners, and trade unions. Although they make up a substantial portion of the labor force, a common perception is that most Indian women are economically inactive. The absence of common workplaces means many women workers are isolated from each other and the larger community. Because labor organizations have not focussed on organizing women, they lack a common voice in defending their rights as workers. With such limited visibility, much of their labor is undervalued and unremunerated. Therefore, although they contribute a major proportion of the total working hours, they receive a small portion of total income and have limited control over property and other resources.

SEWA has been effective in bringing greater recognition to poor women workers in several ways. Many of the union activities involve mobilizing large numbers of women -- organizing meetings and protest marches, strikes,and demonstrations (see Chapter 6 and Appendix VI). These all have served to increase the women's visibility within the community, in their families, and among the members themselves. Through a workers' organization they have begun to be identified (and identify themselves) in relation to the broader economic environment.

Surveys of various trade groups within the membership which are conducted regularly by the organizers also have illuminated many of the characteristics and problems of self employed women. Survey results have been used by SEWA in developing organizing strategies (see Appendix VI). They also have been used to inform government policy makers, planners, and the public at large on the needs of the self employed (see Chapter 12).

The media has been used widely to highlight the working conditions and problems of SEWA's members. Timely issues of relevance to them and struggles of the organization have been reported in newspapers, magazines, and on the radio. Through these types of efforts within Ahmedabad and all over India, SEWA has become well known and synonymous with poor self employed women.

SEWA's lobbying efforts to influence policy makers within governmental and trade union circles also have increased the visibility of groups of women workers. At the local level, there has been a good deal of contact with the police, municipal authorities, city planners, and other public officials. Through these contacts public officials have begun to become more sensitive to the problems of poor women workers (see Appendix VI, Case 2). At the state level, the social welfare and labor ministries and high level government officials have had many meetings with the leaders and members of SEWA. Following these meetings, they have sponsored several governmental programs for self employed women through SEWA (e.g. training programs, the maternity benefit scheme, etc. see Chapter 12).

At the national level, through SEWA's efforts, the National Planning Commission has included a sub-chapter on the self employed in the latest five year plan (see Appendix V). SEWA also has worked to inform the All India Handicrafts Board and several other national level bodies of the problems and needs of self employed women. Following contact with SEWA, these agencies have begun to turn more attention to the needs of women workers and have developed programs and policies which are directed to them (see Chapter 12 and Appendix VI, Cases 3 and 4).

SEWA also has taken its campaign to increase the visibility of poor self employed women to the international level. The lobbying efforts of Ela Bhatt have contributed to the growing awareness of several international agencies to this sector of the workforce. The ILO has changed recently its definition of worker to include the self employed (see Chapter 12).

While there is still a long way to go in bringing positive visibility and recognition to the economic contributions of women workers, these are a few examples of the efforts made so far by SEWA.

2. Increasing the incomes of women workers

As mentioned in an earlier chapter, existing data on the trade groups involved in SEWA show that earnings of self employed women are lower than workers in the informal sector as a whole. SEWA surveys indicate that the average earnings for trade groups within the membership are Rs. 159 per month, while a study of Ahmedabad's informal workforce as a whole found average incomes to be Rs. 295 per month. Self employed women are over-represented in the lowest level jobs in the occupational hierarchy and they often earn less than men in similar occupations. Compounding these problems is the fact that employment is insecure and earnings are erratic (see Chapters 2, 3, and 4).

Many of SEWA's activities and programs ultimately center on the goal of increasing the income of members. The lack of systematic baseline data and information on current earnings precludes rigorous analysis of exactly how successful SEWA's programs have been in achieving this goal. However, at the least, many of the programs have served to regularize and stabilize employment. And for several groups there are indications that overall earnings have increased.

The programs of the Economic Wing (i.e. skills training programs, production and service cooperatives, and projects facilitating access to raw materials and markets) have been most effective in these areas.

Carpenters, bamboo workers, and hand-block printers have learned the skills to produce more refined products with higher profit margins. For example, twenty carpenters previously produced unfinished furniture such as raw wood tables which sold for Rs. 8 each. Through SEWA's training class they have learned to plane, sand, stain, and polish the tables which they can now sell for Rs. 15 each. The cost of the materials for staining and polishing are minimal -- about Rs. 0.40 per table -- thus, the women's profit margins have increased significantly. Similarly, fifty bamboo workers who previously produced crude baskets which sell for Rs. 2 to Rs. 4 have learned to make wastebaskets and other goods with more refined designs which use less raw materials. These products sell for Rs. 10 to Rs. 15 (see Appendix VI, Case 4, and Chapter 8). Twenty-five hand-block printers who previously worked on a piece rate basis for merchants and earned an average of Rs. 5 per day have now completed training which has taught them to produce modern designs for today's markets. The course also has prepared them to carry out all steps in the production of hand-block printed textiles -- from mixing the dyes, to printing the cloth, to fixing the dyes, to selling the final product. These new skills have prepared them to establish a production cooperative of their own. Because of the decline in the market for traditional designs, many of these women previously had been unemployed (see Chapter 8 and Appendix VI, Case 3).

SEWA's skills training class in plumbing for twenty women junksmiths was less successful. There were problems in attendance and discipline in the class and since completion of training the women have not been able to find jobs as plumbers (see Chapter 8).

SEWA programs to facilitate the supply of raw materials and link producers directly to markets have helped to reduce costs and increase returns by eliminating the middlemen. For example, SEWA has one project to directly link junksmiths to supplies of scrap metal from local mills. When the women buy from merchants, they must pay between Rs. 2.50 and Rs. 3.00 for 20 kilograms of scrap. However, when they buy scrap directly from the mills through SEWA they pay only Rs. 1.50 to Rs. 2.00 per 20 kilograms. Thus, their savings are quite substantial, allowing them a higher profit margin.

SEWA's project to link producers directly to markets also has helped to regularize employment. For example, broom makers who previously hawked their brooms in the streets or sold to small shopkeepers are now supplying them to governmental institutions through SEWA (see Appendix VI,Case 3). Although the prices are slightly lower through these markets, the volume of brooms sold has increased and, therefore, women's incomes have risen.

The production and service cooperatives have helped to regularize women's employment and also increase incomes for many. Most of the units are quite young, so it is still early to assess their full impact on incomes. The chindi unit has been operating for three years. Today, the 45 women in the project are earning more per quilt (Rs 1.20) than those working for traders (Rs. 0.75). However, shortages of raw materials has been a probem, so the women have been underemployed and not able to produce as many quilts as they would like. As a result, their total earnings are not that much more than women working for merchants. Nonetheless, the women in the cooperative, as individuals, are almost all earning substantially more than previously (an average of 97% percent more) and are assured regular employment throughout the year. They did not have this protection in working for the merchants (see Chapter 10).

In another project of the Economic Wing, wastepickers who previously earned between Rs. 2 and Rs. 4 for a full day's work are now earning Rs. 7 for three hours cleaning work each day through SEWA's cleaning service cooperative. This is a substantial improvement over their previous work lives, not only in terms of income, but also working conditions (see Chapter 8 and Appendix VI, Case 7).

Thousands of women have been involved in SEWA's banking programs through the years. All have opened savings accounts in the SEWA Bank which provides them a secure place to keep their money. Many women have developed the habit of saving and now have a cushion to fall back on during emergencies or times of need. The Bank has over 10,000 depositors and more than 8,000 women have taken loans through SEWA -- some through SEWA's program linking members to nationalized banks and others directly from the SEWA Bank. While there is a lack of

information on the impacts of the loans through the nationalized banks, a study of SEWA Bank borrowers finds that women use the loans productively and many have realized increased incomes. The repayment rates on the loans have been very good. Of all loans, 77 percent have been paid back with no problems, 6 percent have been one to two months late, 7 percent three to six months late, and only 10 percent over six months late. There have been no defaults. As reported in an earlier chapter on the SEWA Bank (see Chapter 7), within a small random sample of borrowers 60 percent of the women used their loans for development of their trades, 16 percent for social obligations (marriages, funerals, religious ceremonies, etc.) and 36 percent for other purposes (repayment of debts, health, etc.). Of those women investing in their trades, 48 percent realized increased earnings (ranging from clear profits of Rs. 300 to Rs. 1,000 to ongoing increases of Rs. 20 to Rs. 80 per month) and 52 percent did not. Increased earnings were used for reinvestment in their trades, repayment of old debts, household expenses and other purposes.

Those women using their loans to pay off debts to private money-lenders have helped to break their cycle of indebtedness which tends to cut into enterprise earnings. Therefore, indirectly, this use of the loan has had an effect on their incomes.

This micro survey suggests that although some women have not increased their earnings through use of the SEWA Bank loans, other have made wise investment decisions and have benefited through higher enterprise earnings.

The programs of the Rural Wing have also helped to increase and regularize earnings. A major emphasis of SEWA's rural activities is to create off-season employment opportunities for women agricultural laborers. Due to the seasonality of demand for their labor, the women and their families are often left without a source of income for over half the year. SEWA has provided skills training and organized income generating projects in khadi spinning and weaving, sewing, and carpentry. Women's milk cooperatives have also been organized by SEWA in more than 15 villages in conjunction with the National Dairy Development Board. Many of the cooperative members have arranged for loans through SEWA to purchase cattle. While income figures are not available for the women in the milk cooperatives, women in the khadi project (from over 200 families) now have regular incomes of Rs. 150 per month. Compared to their previous circumstances, with no income at all during the off-season, those in the project and their families are in a better position (see Chapter 9).

The organized struggles of the SEWA Union have also had an impact on incomes, if in a less direct manner. By demonstrating against police harassment and displacement -- in other words, defending the rights of sellers to sell, producers to produce and laborers to work -- the union has prevented the loss of income for many groups, including vegetable vendors, used garment dealers, and bamboo workers. Some

members who previously spent Rs. 25 to Rs. 30 per month on fines or bribes for selling on an unlicensed spot are now spared the expense (see Appendix VI, Cases 1 and 2). The union also has organized several groups of workers in wage strikes against merchants (e.g. chindi sewers, papad makers, headloaders, and cotton pod shellers -- see Chapters 6 and 8 and Appendix VI, Case 6). While some of these strikes have been successful and actually have resulted in higher piece rates and improved working conditions, most have failed due to the absence of minimum wage laws to enforce wage agreements with merchants and traders. This perhaps is one of the most difficult areas of struggle for the Union.

SEWA's social security programs -- such as the widowhood and death benefit schemes and maternity benefits -- supplement the incomes of the members. These programs compensate women for a loss of income they otherwise would incur during these crucial life cycle periods. For example, the maternity benefit scheme provides women a cash benefit of Rs. 50 to compensate for the income lost during the period immediately preceding and following delivery. The creches allow women more independence in carrying out their work; and the occupational health activities improve the working conditions and reduce the loss of work time (see Chapter 6). These programs indirectly enhance the incomes of members.

In summary, SEWA's activities have led to increases in the incomes of members in several direct ways: by training women for higher return occupations; by facilitating their access to cheaper raw materials and broader markets; by organizing cooperative production units which provide women a more secure and regular source of employment; and by providing them access to credit for investment in their trades through the SEWA Bank. Incomes also have been enhanced indirectly through provision of creche services and other social security programs. The struggles of the Union have further prevented a loss of income by defending the members' rights as workers.

A more systematic study of the incomes of women from selected trade groups who participate in SEWA's various programs is warranted for the future.

Ela Bhatt discusses the Union's struggle to increase wages for the self employed:

> "It has not been satisfactory although we have succeeded in raising wages of some categories, like headloaders, cart pullers, chindi workers, etc. ... In 1977 the (chindi) women used to be paid 50 paise per quilt: on an average she made six quilts a day ... we approached the chindi merchants and demanded that the rates be raised. They were very nice to us ... but no action so we went to the labor commissioner. A meeting was arranged by the commissioner, then they (the merchants) said we will talk to you but not in front of these workers. I refused.

"So for two or three days (the) matter remained stalled. Finally we talked and the matter was referred to a six member arbitration body. It was raised to one rupee by the end of 1977. In 1981 again it was raised to Rs. 1.40. But the point is about 40 women who were in the forefront of the struggle were not given work after that. Then we started collecting chindi ourselves and employed them.

"Then this male - female thing also arises. We strove so hard to raise the wages of the cart pullers, as soon as the rates increased, men took over the jobs and the women were pushed into headloading. And who were these men? Their own family members!" 1/

3. Increasing women's ownership of income and property

SEWA's programs have increased women's control over property and assets in two basic ways. First, the SEWA Bank has provided a safe place for the members to deposit their earnings and capital. This enables them to maintain direct control and ownership of these resources. Thousands of poor women now have access to a banking institution tailored to their particular needs. Second, loans from the SEWA Bank have allowed many women to purchase their own tools and equipment for use in their trades. Loans further have helped women to break out of the clutches of moneylenders, which indirectly strengthens their control over income and property (see Chapter 7).

Other SEWA programs also have promoted the transfer of assets into women's names. In the rural areas, women in SEWA's milk cooperatives have taken loans to purchase cattle in their own names. And women have gained ownership of the spinning machines which are used in the production of khadi (see Chapter 9). Women in SEWA's chindi project have been assisted through a scheme to replace their old sewing machines (see Chapter 10). These types of projects help women to gain ownership of their means of production.

4. Other impacts on members

The organizers and group leaders have seen several other impacts on and changes in the members since their involvement in SEWA. Perhaps the most frequently mentioned impact of SEWA is that poor working women now have a place to come with their problems or complaints. SEWA is well known within the community as an organization which represents their interests and responds to their needs. Many of the organizers feel the biggest change they have seen in the organization over time is that where previously they had to go out and work hard to pursuade the women to join, the members now come to them. They know about SEWA and have faith in it as an organization. Saira, the group leader of the hand-block printers recalls:

1/ Mukherjee, 1981.

> "At first we had to drag women out of their areas to come to the training classes. Now the women beg me to let them come. They now see the benefits of SEWA and have enthusiasm to come." (Interview, April 1981)

Many members also have increased their status vis-a-vis their husbands and families. They have become more assertive and confident in their behavior. Anila Dholakia, the Chief of the Rural Wing, tells the story of Laxmi, a tailor's wife who began working as a sewing teacher with SEWA several years ago. At that time she was very much dominated by her husband and put to blame for their failure to have children (although she was his third childless wife). Since her involvement in SEWA and her new role as a leader among the women, her husband's attitude has greatly changed. He has stopped harassing her for failing to have a child. He even agreed to move with her from their native village to another several miles away so that she would be closer to SEWA's training center where she works.

At first, many of the women were under pressure from their families not to waste their time with SEWA. However, over time their husbands and in-laws have grown to respect the organization and recognize the benefits of participation.

Almost all of the organizers talk about changes in the personal habits of the members since they started participating in SEWA. Many of the members used to chew pan, spit, smoke cigarettes, use snuff, wear dirty clothes, come to meetings with dissheveled hair, swear a lot, and constantly bicker. Now, according to many of the organizers, they have improved their language, are neater and cleaner in appearance, are more patient, have learned to work together cooperatively, and are less apt to quarrel. Many have given up their bad habits. These are some of the more visible changes.

The members also have gained experience in dealing with institutions and public officials. For example, they regularly come to the SEWA Bank to conduct their financial business and they meet with local officials to discuss cases of police harassment or other problems. They also discuss their legal problems with the SEWA lawyer. Women in the economic projects have learned to deal with mill managers and clerks, accountants, banking officials, merchants, and businessmen. Through these experiences they have become more confident in their ability to understand what goes on within these institutions and to conduct business with them. This is an important step for them in gaining more control over their economic environment.

Through the experience of coming together and working cooperatively with women from a wide range of occupations and backgrounds, the members have developed more positive self concepts and more confidence. Moreover, they have become better at discussing and articulating their needs.

The horizons of the members have been expanded in several ways. As Taraben, organizer of the incense makers, says:

> "The women come out of their houses now and have a chance to meet people from all over the world."

Leelaben, who organizes carpenters and junksmiths, comments:

> "The members have gained in confidence. Previously, they would never go out of their areas. The simple fact that the women now go out at all, given the almost purdah system they have been under is really a change."

Sontokben, a group leader of the carpenters, says:

> "I come to SEWA so I can learn to be with people."

As these examples show, the role SEWA plays for the members simply in providing them a place to go has been significant. Involvement in SEWA has provided the members a new awareness of the world around them and a new sense of control within their lives. Surajben, a leader of used garment dealers, relates:

> "Going to the office and seeing people I can learn from brings a peace of mind and calmness to me. There has always been a sense that there is something out there that we don't understand or have control over. By coming to SEWA we feel we can learn and experience control. We feel less agitated now."

C. SEWA's Impacts on Non-members

1. Positive impacts

One way that SEWA has had an effect on the outside community is through the members themselves. As discussed in previous chapters, many members are now producing goods more efficiently with supports from SEWA. This provides a valuable service to the community at large. Moreover, the increased incomes of many of the members -- to the extent that these increases are channeled to the household -- benefit their families. The women's savings in the SEWA Bank also are often used for household expenses or to fulfil family social obligations. Children of the members are more often put in schools or creches now than previously. And, as with Laxmi's husband, there have been positive changes in the attitudes of husbands and other family members towards the women and improved attitudes within the community about the self employed.

Another spinoff benefit of SEWA is that other groups of poor self employed workers within the community and in other cities see the potentials for action throught organizing and have formed similar associations. Men and women used garment dealers have formed a trade association; and several other women's organizaions similar to SEWA have been formed in other Indian cities. SEWA's experiences, its struggles, and its successes have made others more motivated and confident to organize themselves.

The visibility of SEWA also has had an influence on the attitudes of the "establishment". For example, the Millowners Association and the Bankers Association in Ahmedabad and similar types of groups within the community have developed respect for the organization and at various points have come to the support of SEWA's members.

SEWA also has had an impact on non-members by influencing national, state, and local policies which affect all self employed workers. These efforts have the potential for affecting changes for a broader mass of self employed workers and women workers in general. To date, SEWA has affected government policies in several ways: a chapter on the self employed is included in the latest five year plan; an unorganized labor board charged with overseeing the payment of wages and benefits to workers in Ahmedabad's cloth market has been established; the state and national level labor ministries have adopted SEWA's maternity benefit scheme; and the National Dairy Development Board has instituted training programs for women. These are only a few of the many governmental programs and resources which have been channeled to self employed workers following lobbying efforts by SEWA (see Chapter 12).

2. Less positive impacts

In a few cases, SEWA activities have had other, if less positive, impacts. For example, the wastepickers who have been organized by SEWA to collect waste from the mills in one case have displaced other poor women workers who previously collected from these offices. The members participating in SEWA's cleaning service cooperative who work at the National Institute of Design recently learned that they are replacing workers dismissed by NID for organizing a union and demanding better wages and benfits. In this sense, they could be seen as strike breakers (see Chapter 8).

In the rural areas, one local SEWA leader has reported that the khadi project has resulted in displacement among some workers. A group of the families in one village now producing khadi previously earned by fishing. Since their involvement in SEWA's program, the fishing trade has been taken over by another group. Now, if those in the first group want to fish they must pay the latter group for rights to use the ponds.

SEWA also has had an effect on the local business community. When SEWA members working as vegetable vendors fought with city officials and traffic police for the right to sell on the streets outside the central covered market, the merchants selling inside the market protested. After SEWA won, the merchants retaliated by setting up

their own small stands on the street as side businesses. So today, the women vendors must compete against these merchants for sales outside the market. In another case, a strike of papad makers organized by SEWA served to bring their employers together and now they have joined ranks against the women. Finally, SEWA's rural milk cooperatives have cut into the business of the private dairy which previously bought milk from the villages. In several instances, local interests backing this dairy have worked to undermine the cooperatives in the villages. These are a few examples of some of the indirect impacts of SEWA.

D. SEWA's Impact on the Development of Leadership

Dedicated leadership has been a critical ingredient in SEWA's development. The deep commitment of SEWA's general secretary, Ela Bhatt, has been an essential constant within the organization since its beginning. Vital to the organization has been not only her vision, guidance, and commitment, but her practical expertise in organizing, planning, and problem solving. These skills have developed primarily through her work with SEWA. Over the years she also has become more effective at public speaking and participating in advisory councils and working groups of the government. Through SEWA, Ela Bhatt has emerged as a highly respected spokesperson for poor working women within the labor movement, the women's movement, and development circles. There are few leaders like her anywhere. In 1977, she was recognized and honored by winning the prestigious Magsaysay Award for Community Leadership. This provided a great boost to the organization and has given its leader more status and weight in carrying forward SEWA's work.

Similar levels of commitment and dedication among the organizers and group leaders also have contributed to the vitality of the organization. Many of these women have grown into community leaders in their own right through their work with SEWA. They have developed many new skills in carrying out their wide ranging roles within the organization. Through a lot of foot work and personal contact with working women in the markets, their workplaces,and their homes, they have been able to build grass roots support for and trust in the organization. They deal with many problems and complaints of the women; they identify problems and courses of action; and they mobilize the members for union activities (i.e. meetings, demonstrations, training programs, etc.). A recent example of their effectiveness in mobilizing the membership on short notice is that on Sunday, August 16, 1981, SEWA was expelled from the National Labor Organization at the behest of the TLA. On the following Tuesday morning, the advisory council decided to call a general meeting for the following day. By 1 p.m. on Wednesday, over 500 members had gathered at the meeting hall. By word of mouth, the organizers and group leaders were able to call together hundreds of members on such short notice.

The organizers and group leaders also assume many other roles. As researchers, they have spent a great deal of time studying the socio-economic conditions of the members. They help the members resolve problems and mediate disputes within their families or with neighbors, businessmen, the police, or other public officials. In recent years they have played a central role in planning and implementing the income generating projects, training activities, creches, and the maternity benefit scheme. They have learned to manage accounts, take and deliver orders, and develop relationships within the business community. They also have assumed responsibility for training the members to assume more and more responsiblities in running these programs on their own. The organizers also have played a role in helping the women learn to work together. In some cases, this means intervening to mediate quarrels or disputes. In other cases, it means stepping back and letting those involved settle things on their own.

They have had to learn many new skills to carry out these roles. In almost all cases, they came to SEWA with no previous experience in these areas. Through their work with SEWA, the organizers and group leaders have developed personally in several ways. They are more confident in speaking out and acting:

Jaylata: (organizer of the bamboo workers): "Before I was so timid that I was afraid even to take a rickshaw. I thought they would drive me away somewhere. Since being with SEWA I can go anywhere in the city now at any time of the day or night without fear. In my own background I was never allowed to develop. But now through work I have been able to develop and use my brain to the fullest."

Ranjan: (coordinator of the maternity benefit scheme): I am now more confident in making decisions. I am bolder and argue more. I can now speak openly with others and am confident that I am right in my ideas."

Neeruben: (Chief organizer): Since I started working with SEWA I've really developed a lot. When I used to work as a sewing teacher for the TLA I had a one to four approach to work. After joining SEWA the windows and doors of my mind have been opened. This is largely due to Elaben who lets me work on my own and lets me develop while supporting me. I have become more self assured."

Mahalaxmi: (a young widow who is a rural organizer) "I have more courage and confidence now to go to the textile mills alone or to live in the village alone. I now have a strength in dealing with people."

The organizers and group leaders also have learned to deal with the outside world, public officials, and the business community:

Leela: (organizer of the junksmiths and carpenters) "Before I worked for SEWA I would just sit at home. I didn't know how to approach bankers, mill officers, or other officials. But now I can do this with confidence."

Suraj: (group leader of the vegetable vendors) "At first I thought outsiders were tigers who would devour us. But now I have learned to talk to anyone. We have even learned how to confront the police."

Veena: (organizer of hand-block printers) "I have learned a lot about where to go and who to contact to buy supplies for the block-printing class. I have learned how to talk to businessmen, how to move ahead in business, and how to keep the orders for the cooperative coming."

These women have themselves become leaders. They are known and recognized within the community and are approached regularly by self employed women with problems and new ideas. Their personal rapport with the women and the increasing effectiveness of SEWA in addressing their problems are an important part of SEWA's work:

Suraj: (group leader of the vegetable vendors) "The women come to me first and after discussing a particular problem with them I will take them in a group to meet with Elaben. The people in my community come to me with problems."

Sontok: (group leader of the carpenters) "People come to me with their problems."

Shanta: (organizer of the sweepers) "Women complain to me. I take up their complaints."

Developing leaders from within the community of poor women workers is an important aspect of building the organization. While many of the organizers have developed into effective leaders and some of the group leaders have assumed responsiblities within the organization, developing leadership from the ranks of the membership remains a challenge for SEWA. For the most part, given lack of previous leadership experience among the women, developing into leaders takes time. Only after several years of observing and working with other women leaders and assuming more and more responsiblities are many women in a position of strength to lead. In the meantime, many constraints inhibit this process. On the part of the women, most are uneducated and, in many cases, their self-concepts are limited to seeing a narrow role for themselves. Women generally are not socialized to think of themselves as leaders. The women also face external constraints. The time that SEWA takes away from their work and families is also a major limitation. Most women cannot afford a loss of income and, thus, they cannot devote a great deal of time to union activities. They also face pressures from their husbands and families for going out. Younger women, particularly those

in the status of "daughter-in-law" (who are expected to be modest, obedient, and always ready to serve their husband's family), do not find it easy to participate. With these types of constraints, those women who emerge as the most active local leaders typically are older women (mothers-in-law themselves) who have somewhat more freedom to move in outside circles. They also are from relatively better off families that can afford the loss of income. There are several exceptions to this, however (see Chapter 11 for further discussion of the development of leadership).

E. Some Areas Where SEWA's Impact Has Been Limited

Despite the broad scope of its accomplishments, there are several areas where SEWA as yet has had a limited impact. First, to date, SEWA's impact on women's employment has focussed largely on upgrading work for women already in the labor force. As such, there has been limited emphasis on actually expanding employment opportunities for more women workers. However, SEWA's recent push to organize production units and its efforts to promote off-season employment for women agricultural laborers provides more potential for increasing employment in the future.

Second, the occupational structure for women workers has not been altered significantly and SEWA's members by and large have not moved out of the lowest level occupations. This is perhaps less so in the rural areas where many women have been provided non-farm employment. With plans for the expansion of the activities of the Economic Wing and the organization of cooperatives there is now more possibility for this challenge to be met.

Third, the sexual division of labor both within the household and in the workplace for most SEWA members remains unchanged. Although women in the chindi, hand-block printing, and bamboo cooperatives have diversified their skills and taken on management responsiblities, their numbers are relatively few (less than 100 as of today). The mass of members have not yet broken into traditionally male-dominated trades and work roles. SEWA's one attempt to train women for a non-traditional occupation (i.e. the plumbing class) was not successful.

Furthermore, most of the members still assume primary responsibility for household production -- e.g. cooking, childcare, cleaning, and fetching water. Breaking down the sexual division of labor (which is related to occupational segregation) is perhaps one of the more difficult challenges in improving women's employment conditions.

Fourth, while earnings have increased for some SEWA members (primarily those involved in the economic units, the rural projects, and some taking loans from the SEWA Bank) wage rates remain low for most of the occupational groups within the membership. Most of the strikes for higher wages organized by SEWA have had limited success. A main reason is that there are no minimum wage laws or other points of leverage to back the women in their demands or to enforce wage

agreements. As such, strikes alone have had little impact as a tactic to increase wages of the self employed. The Unorganized Labor Board which has been set up by the Gujarat State Labor Commission as a result of SEWA's efforts has perhaps the broadest potential for increasing (or at least regularizing) wage rates in the future (see Chapter 12). Future emphasis on influencing labor policy could help to have a greater impact on raising wages and earnings.

Changing the occupational structure, breaking down the sexual division of labor, and increasing wage rates are some of the greatest and most difficult challenges facing SEWA in the future. Greater emphasis on organizing income generating projects and cooperatives and lobbying at the policy level, combined with the ongoing activities of the union and bank, have potential for impacting these areas in the coming years.

F. Summary

Despite the work remaining in these areas, SEWA has made remarkable headway in many respects. Self employed women workers have gained new visibility within the community and at the local, state, national, and international levels. Among the women this has raised their consciousness as workers and they have begun to see themselves in relation to the broader economic environment. Participation in SEWA also has made the women more aware of the forces of exploitation working against them and the possible avenues of action to fight against these forces.

SEWA also has recognized the need for changes in governmental and trade union policies to provide a more conducive environment for improving the work lives and incomes of self employed workers. The organization has identified many needs of the self employed in relation to policy and has played an influential role at this level.

Another important role SEWA assumes is providing a model of action for others to follow. The mere fact that the organization has survived ten years of struggle and has continued to grow and develop is a source of confidence to others interested in organizing.

Perhaps one of the most significant aspects of SEWA is that it continues to refine its organizational structure to become more responsive to the needs of self employed women. The specific benefits achieved by many members may not always be that identifiable or measurable. However, through a continual learning process characterized by experimentation and struggle, SEWA has developed into a more representative body. By organizing strikes for higher wages, campaigns against police harassment, banking activities, research on various trade groups, training programs, income generating projects, and cooperatives, those involved in SEWA have learned more about the constraints self employed women face in their home and work lives. More importantly, through trial and error they have learned about the possible avenues of action in overcoming these constraints. The initial focus on providing credit has expanded to include the organization of cooperatives, training programs, socio-economic research, and economic projects which improve

access to raw materials and markets. The members and organizers have assumed a more democratic role in decision making over the years. The recent break with the TLA will mean even more changes in decision making patterns in the near future. Moreover, those involved have learned how to exert pressure and lobby with governmental bodies and how to deal with other public institutions.

On the basis of its ever more refined organizational structure, SEWA continues to build and struggle for development among self employed women. Its achievements to date are vested largely in its evolution as an organization. Today, it is in a better position than ever to pursue its goals of economic regeneration and social uplift.

PART III: SEWA AT THE TURNING POINT

CHAPTER 14: SEWA AND THE TLA PART WAYS

The old and well established Textile Labor Association is the largest single trade union in India with a membership of over 130,000 textile workers and an annual budget of almost four million rupees. SEWA was formed in 1972 by the leader of the TLA's Women's Wing, Ela Bhatt, with the support of the TLA's president, A.N. Buch. In April of 1981, Ela Bhatt received a terse letter from the top leaders of the TLA advising her to vacate the office space she and SEWA occupied in the TLA Headquarters, move the SEWA Bank out of the TLA premises, remove the name of the TLA from the sign in front of the SEWA Reception Center, and leave the union. After several weeks of unsuccessful efforts to convince the leaders to reconsider, SEWA was forced to leave the TLA. 1/

Several reasons have been put forth for SEWA's ouster. The TLA publicly claims that it was simply an administrative adjustment; that SEWA had developed to the point where it was capable of surviving on its own, and it no longer needed the TLA's support. They initially refused to make further public comment, stating that it was an internal matter and a "family affair". Privately, several leaders talked of the lack of discipline of Ela Bhatt and SEWA's organizers, SEWA's feminist "fanaticism", and the inappropriateness for a union such as SEWA to organize production units and cooperatives.

Those involved with SEWA have been more open in discussing the reasons they believe are behind their ouster from the TLA. They describe an atmosphere of growing tension over the past several years between themselves and the TLA leaders. These tensions boil down to several underlying factors: first, the limited concept of SEWA as a union on the part of the TLA leaders; second, contrasting leadership and working styles between the organizations; third, jealousy on the part of the TLA leaders of the attention SEWA has received, particularly since 1977 when Ela Bhatt received the Magsaysay Award; and fourth, a limited commitment on the part of the TLA to organize women and workers in the unorganized sector. These tensions came to a head in a series of events in early 1981, which resulted in the split between the two organizations.

A. The Internal Politics of the TLA

To more fully understand SEWA's position vis-a-vis its parent trade union, it is perhaps useful to glimpse at the internal politics of the TLA. The union at present is controlled by five top leaders who have all been involved in the union for many years and have consolidated

1/ Due to my own close association with SEWA and the reticence of the TLA leaders to discuss openly their side of the story, the following account for the most part reflects SEWA's perspective on the events.

their leadership positions. Decision making is highly centralized and the leaders hold tight control over their members and employees. The union historically has been a strong political force at the local, state, and national level. The large working class membership and its prestige as one of the oldest and largest Gandhian institutions in India has provided it a good deal of political influence and power. As an indication of the extent of the TLA's political influence, during the years of the Janata Government in Gujarat -- the political party to which the TLA is most closely associated -- two TLA leaders held top level state government posts. N.M. Barot was Gujarat's Labor Minister and Shantilal Shah was the Housing Board Commissioner and at an earlier point also the Labor Minister. Moreover, in each election over the past years, the TLA has been given the responsibility by the Janata Party for putting up local candidates for parliamentary seats. In recent years, however, they have lost control of many of these seats to opposition parties, even in some labor areas dominated by their textile worker members.

Given the high stakes in controlling the TLA, the leaders have been embroiled in a continuing series of internal power struggles over the years. These struggles have taken on various forms and have centered around many issues. The major contenders have been the president, A.N. Buch on one side, and the secretaries, Mr. Barot and Mr. Shah on the other. The remaining leaders have variously aligned themselves with one side or another.

From its inception, SEWA was a bone of contention between the TLA leaders. Mr. Buch strongly supported the formation of SEWA in 1972, while his principal rivals were opposed to it. From the start, they thought it was a mistake for the TLA to organize self employed women or involve SEWA's leaders as decision makers within the union.

While no doubt Mr. Buch's original motivation for supporting SEWA related to a genuine concern for poor women workers, there appears to have been several other reasons. By building up a broader constituency of members loyal to him, he would strengthen his power base within the TLA. He also felt that a large membership from the weaker sector would provide the TLA a protection of sorts from any potential attacks by the Congress (I) government (opponents to the Janata Party) particularly during the years of the Emergency (1975 to 1977). It also helped to shore up the TLA's image as an institution committed to uplifting the poor.

The leadership of SEWA was shared by Ela Bhatt and Mr. Buch, and through the years Mr. Buch helped it in many ways to grow. As president of SEWA from 1972 to 1980, he defended it under steady pressure from both the other TLA leaders and outside forces. As SEWA grew and gained more strength and outside recognition, he was able to use it (as anticipated) as a base of power within the TLA and influence in outside circles.

Mrs. Bhatt attempted to stay clear of the persistent internal conflicts within the TLA isofar as possible, recognizing the energy it drained away from more constructive work. As a result she became somewhat alienated from the TLA.

However, as SEWA evolved, Ela Bhatt and the organizers began to gain strength as leaders in their own right and the organization started to build an independent status and power. As this happened, according to SEWA's organizers, Mr. Buch began to feel threatened and certain tensions emerged (which will be detailed in the following pages). This compounded the pre-existing tensions between SEWA and the other TLA leaders and eventually led to SEWA's ouster.

B. The Events

1. The Magsaysay Award

Mr. Buch's strong support of SEWA began to waver in 1977 with the announcement that Ela Bhatt had been selected to receive the prestigious Magsaysay Award for Community Leadership. 2/ Following this, SEWA found itself under increasing pressure from both camps within the TLA. Neeruben Jadav, SEWA's Chief Organizer, describes the aftershocks of Magsaysay:

> "I could see the TLA leaders were shocked that Elaben had received the Magsaysay Award. They felt it was not right that the TLA had been working for 60 years and had not received an award but after only five years, SEWA received such recognition. Naturally, they couldn't say publicly that SEWA does not deserve it, so they took it out on Elaben. For every small thing they harassed her. Finally, it just became too much." (Interview, August 1981).

Ela Bhatt has also described her receipt of the Magsaysay Award as one of the turning points in the relationship between SEWA and the TLA:

> "See, in these women's organizations what happens is that it is naturally the women who get the credit. So ultimately since SEWA was an offshoot of the TLA maybe some people in the Mantri Mandal (leadership) felt they were not getting due recognition. Specially after the Magsaysay Award... When the news came, the photographers followed and it all started. One of the members of the Mantri Mandal was also the president of SEWA. So perhaps he felt left out... the

2/ The Magsaysay Award has been described as Asia's equivalent of the Nobel Prize. The recipients receive $20,000 and a gold medal. Ela Bhatt donated her prize money to the Mahila SEWA Trust.

photographers, the television people would take only my pictures and interview. I couldn't tell them to take his picture also, -- it was not in my hands.

"Before I left to receive the award there were some ugly scenes. Fame came to me all of a sudden, I hadn't prepared myself. So maybe I did not always respond very correctly and when it came to making acknowledgements, perhaps I left out some names...

"When I came back from Manila I was asked why didn't you mention my name in the speech you made while accepting the award. I did mention the TLA, I mentioned Gandhi, but to mention an individuals name, I didn't think it right...

"Since then trouble has always been there..." 3/

2. Open confrontation

The tensions between SEWA and the TLA continued to grow but it was not really until 1980 that open controntation began. According to those involved, one of the SEWA organizers, who was quite domineering and difficult to work with, was a force behind these problems. Mr. Buch had a close working relationship with this organizer (often using her, according to many, as little more than a spy) so she enjoyed a certain degree of protection and power which intimidated the other organizers. This came out most noticably in her role as accountant, so in early 1980, to reduce the negative feeling among the other organizers, Ela Bhatt assigned another woman to head the accounts section. There were some hard feelings on the part of the first woman, and at one point, when Ela Bhatt was out of town, she instigated an argument with the new accountant. Following this, Mr. Buch called the new accountant into his office and angrily shouted at her. When she tried to defend herself, he refused to listen and told her not to come to work any more.

When Ela Bhatt returned, she met with the dismissed organizer and saw how disturbed she was by the injustice of her firing. Moreover, the loss of her job was a hardship on her family, as she was the sole supporter of her widowed mother and younger siblings. Mrs. Bhatt explained this to Mr. Buch, who agreed to take her back, but only if she submitted a letter apologizing for her behavior. The woman insisted she had nothing to apologize for and refused. Most of the other organizers felt quite disturbed by her dismissal. Ela Bhatt tried to mediate, but it was a standoff. Without Mr. Buch's approval, the accountant was brought back to work in the SEWA Bank and a new woman was assigned to keep the books.

3/ Exerpt from "Ela Bhatt an Interview." By Debashish Mukerjee in Debonaire, July 1981, p. 14.

A tense atmosphere prevailed until May 29, 1980 when open warfare broke out. Ela Bhatt recounts:

> "The SEWA President called me into his office and showed me an empty envelope. It had come from the Magsaysay Foundation. Somebody must have put it on his table, how it got there I don't know. He asked what the letter had been about. I didn't remember. I also felt quite hurt. But I got the file and showed him. It was just a routine letter acknowledging some printed material we had sent.
>
> "He asked, 'Why didn't you show me this letter? Don't I show you all my letters?' I said, 'How do I know?' I was feeling very bad. Then he got angry. He started shouting. So I said firmly, 'Please don't shout.' He kept repeating: "I will shout! I will shout!' About 17 times he repeated it. A small crowd collected outside the office. By that time it had got so ugly that I returned to my office. By the time I had had a glass of water, he had sent in his resignation as the President of SEWA.
>
> "The next day one of my collegues, Renana Jhabvala, went to him and said: 'We have not liked the way you behaved with Elaben.' He didn't lose his temper with her. But he wrote to me: 'The way Renana has behaved, I cannot tolerate. She has tried to reproach me.'
>
> "Then he resigned from SEWA Bank where has was the President as well as from the SEWA Trust where has was the Chairman. We tried hard to change his mind, but he took offense at everything we said. So Mr. Manhar Shukla (another TLA leader) became our president." 4/

Ela Bhatt called a meeting of the organizers and described the events blow by blow. As Manjulaben, one of the organizers, recalls:

> "We all felt it was just too much. So we wrote a two lined letter. It said, 'We are very pained. In a woman's organization such behavior is not proper.'"(Interview, August 1981)

This greatly disturbed Mr. Buch who was particularly piqued by the fact that Ela Bhatt had taken a matter which he considered to be strictly between SEWA's leaders to the "staff". The letter from the organizers was seen as a collective act of indiscipline. He countered by demanding a personal letter of apology from each organizer. The organizers again met and made a pact not to submit letters of apology.

4/ Mukherjee, 1981. op. cit.

3. A tense standoff

For the next 11 months there was great uncertainty within SEWA about their fate within the TLA. Mr. Buch refused to speak to anyone in SEWA (except Ela Bhatt for routine business matters) unless and until he received their written apology. On many occasions the organizers approached him and tried to mediate the dispute. However, he insisted it was a matter between leaders, and informed Ela Bhatt not to send her colleagues to deal with the problem. Thus, the channels of communication, for all practical purposes, were severed.

In Mrs. Bhatt's absence, this situtation led to many practical difficulties for the SEWA organizers. For instance, the manager of the vegetable unit was unable to get Mr. Buch's signatures for the project vouchers and payments to the women were delayed. He also refused to authorize her use of the SEWA van which was needed to make vegetable deliveries. There were several other problems. Every time Ela Bhatt requested permission to go abroad she was given trouble by the TLA leadership until the last minute. The head of SEWA's Rural Wing was denied permission by the TLA president to travel to the United States at the invitation of the International Communications Agency to study rural development. She went anyway with Ela Bhatt's blessing. Mr. Buch also applied indirect pressure through the organizers' friends and relatives to apologize or, in some cases, to quit SEWA.

Some of SEWA's foes within the TLA took advantage of the tension and uncetainty by pitting organizer against organizer and creating an atmosphere of mistrust. Through rumors and gossip there were many efforts to create a split between SEWA organizizers and those working with the Women's Wing.

SEWA's work was also undermined in other ways. With the TLA's influence in the mills, supplies of raw materials for SEWA's chindi project were disrupted. The TLA also used its influence in the mills to interupt supplies of waste paper to SEWA members. Several unfounded, yet damaging, rumors were floated. One contended that the SEWA Bank was going under -- a very dangerous allegation for a bank to face. Another insinuated corruption in some of the projects of the Economic Wing. SEWA was further charged with posting bogus membership figures. According to those in the TLA, SEWA in reality had only 500 members. They were also accused of becoming merchants by expanding the income generating activities of the Economic Wing.

4. The final months

a. Conflicts over the reservation issue: The atmosphere within SEWA was uncertain and tense in early February, 1981, when a violent caste agitation broke out in Gujarat. The issue at the center of controversy involved the reservation of seats in medical colleges for Harijans, the lowest and poorest group within the caste system. Higher caste medical students and their supporters launched an agitation to abolish the reservation system and this led to an outbreak of

of violent clashes between the two groups. As the trouble spread, Ahmedabad was consumed by stone throwing, bus burning, and mob violence. Many Harijans were beaten and stabbed, and their homes burned. Over 40 people were killed in the rioting and scores were injured. The army was called in to maintain control and the city was under curfew for almost three months.

During this long siege, economic activity in the city was severely disrupted as shops, factories, banks, and markets were frequently forced to close. The curfews prevented the free movement of workers through the streets. Most of SEWA's members, who survive on their daily earnings, were cut off from their means of livelihood. With no surplus resources to fall back on, many were forced into debt to feed their families.

The TLA leadership maintained complete silence during this period, claiming that it was not the role of a trade union to enter into a dispute between medical students concerning the number of postgraduate seats which should be reserved for backward classes. However, by late February, the issue obviously had gone far beyond just that concerning seats in medical colleges. Years of latent tension between caste Hindus and Harijans throughout the city and state had been unleashed. But, because the membership of the TLA is composed of both Harijans and non-Harijans, the TLA leaders believed that a public stand on the issue might cause a split in the membership. Moreover, the TLA represents not only millworkers, but other groups of workers who were in the forefront of the anti-reservation agitation (such as bank employees and electricity board workers). Thus, they did not come out in defense of the reservation system, despite the fact that one of the founding Gandhian principles of the organization is the removal of "untouchability" and support of the Harijans.

The primary concern of the TLA leaders during the agitation centered on keeping the mills open. For many, the idea that the TLA -- one of India's largest Gandhian institutions -- should remain neutral on the reservation issue was difficult to understand. The over 40,000 Harijan millworkers in the TLA felt betrayed by the failure of their union to defend the reservation system. In protest against the violence and in defiance of the TLA leadership, in March, they staged a wild-cat strike that shut down the mills for three days.

In the meantime, the members of SEWA were also pressing for some action. The Harijan members and their families lived in an atmosphere of constant fear and intimidation. For the most part, it was the Harijan slums which were being attacked with stones and acid bombs and many of their homes were burned. By the end of the first month almost all the members were suffering from a loss of income. Ela Bhatt has remarked:

> "...my own members who are self employed, who live almost day to day, buying food in the evening with whatever they have earned during the day, came to me. They were very much disturbed because there was a curfew: any time curfew was clamped the markets were closed. Since there was no business in the wholesale market, the headloaders and cart pullers had no work; since the banks were closed, since every third day there was a bandh (a call for businesses and offices to close in support of one side or another) and this and that, and suddenly there would be stone throwing followed by a curfew, the vendors and home-based producers too were affected, for they could not get any credit or raw materials. They were all losing more and more income." 5/

Peace became the main issue for SEWA. A group of members came to Ela Bhatt and suggested they organize a procession. However, the atmosphere was so full of violence, she felt a public march would be unwise. Instead, they decided to demonstrate more mildly by holding a prayer meeting. In the meeting, SEWA's leaders tried to explain the issue of medical seats and how this issue had become an excuse for a caste war. The members passed a resolution appealing to all sections of society to bring peace so that the self employed could resume their work and have something to eat.

The following day this was reported in a local newspaper. The TLA leaders strongly rebuked Mrs. Bhatt for allowing such a resolution to be passed and reported in the press.

Several days later, Ela Bhatt was asked to participate in a peace meeting called by several top Gandhian leaders. The meeting was attended by government leaders, medical students and faculty, journalists, and Harijan and non-Harijan leaders to discuss the reasons underlying the violence and ways to restore peace. Ela Bhatt warned the meeting organizers that she was biased in favor of the Harijans. They replied that they wanted some people with such a bias.

Mrs. Bhatt attended the meeting without asking permission from the TLA leaders. She admits she just did not think of it. During the meeting she spoke for less than ten minutes:

> "I asked for peace. I tried to describe what was happening around; how much the Harijans (e)specially were being attacked and then I said that those who are weak should be protected and helped to catch up with the others.
>
> "But ... I was also crazy. I then spoke about the medical problem. Perhaps I should not have but I am not sorry ... I meant it because I have had such bitter experiences

5/ Mukherjee, 1981. op. cit.

> with doctors.... We have been working on this Maternal Protection Scheme, we have seen the number of deaths, both of infants and young mothers, and the way the doctors behave in such a mercenary manner.... My bitterness overflowed. I said what you are agitating about is not the real problem. The real problem, and here I quoted the percentages, is these deaths, is medical care. Even today the umbilical cord is cut with a sickle and that sickle is not even sterilized in the fire, we have not yet been able to put a proper knife or scissor in the hands of the village dai (midwife)! So I said this is the condition in the country and what are you people fighting about, involving the whole state in your petty quarrels for your few seats and your attachment and your grant? What is this? It is so irrelevant!" 6/

As one of the few public figures to take such a firm stand against the leaders of the agitation, this statement was covered widely by the press, and used by the (Congress I) government to show support for their own pro-reservation position.

The repercussions for speaking her conscience have been harsh for SEWA's leader. Following the extensive media coverage, her house was stoned for several nights by anti-reservationists. After the third night her husband and son went out in the dark and discovered those throwing the stones were boys from their own neighborhood. They felt that calling the police would only aggravate the situation, so after the fifth night they left their home and moved to her father's house.

Not surprisingly, Mrs. Bhatt also found herself in strong disfavor with the TLA leaders, who considered it an extreme act of indicipline for one of their employees to speak out on such an emotionally and politically charged issue which they so carefully had been avoiding.

> "...at the office every day I was being scolded by the Mantri Mandal. Of course, many of our own members, the women in the labor areas were very happy. But the Mantri Mandal people kept saying, 'No! You cannot break the discipline!' And then that sentence which I hated the most: 'You are on the payroll.' Everyone is on the payroll, so what do you mean! They said if you want to leave TLA, leave, once you are independent we are not going to say anything to you. They kept on saying it. The atmosphere got very hostile." 7/

The TLA leaders stepped up their internal pressure on SEWA following this incident. However, they could not publicly act against Ela Bhatt as it would have assumed the appearance of being openly anti-Harijan. Instead, they quietly waited for the soonest excuse to force her and SEWA out of the TLA.

6/ Mukherjee, 1981. op. cit.

7/ Ibid.

b. Ela Bhatt goes to Rome and loses her phone: The opportunity came in early April when Ela Bhatt left Ahmedabad for five days to attend a Board of Director's meeting of Women's World Banking in Italy. During her absence, the wheels of expulsion began to turn. The TLA typist was informed not to accept any more work from SEWA and the service of Ela Bhatt's longest standing assistant in the Women's Wing was withdrawn. At Mr. Buch's instruction, the TLA suddenly withdrew Rs. 400,000 from the SEWA Bank, almost 15 percent of the bank's total deposits. The manager of the SEWA Bank, a close associate of Mr. Buch's, announced his plans to leave his bank post and rejoin service with the TLA. The TLA's khadi shop manager was advised not to accept any goods from SEWA's rural khadi programs. The service of the TLA accountant was withdrawn from SEWA's economic units. SEWA was denied further use of a TLA owned building space they had used to store raw materials for the economic units.

The TLA leaders spoke openly against SEWA to several groups of foreign visitors. One group was told that SEWA was reneging on a Rs. 500,000 government loan (the only government loan SEWA Bank has is not due until 1988 and amounts to only Rs. 50,000). A new wave of rumors surfaced in Delhi that SEWA had no more than 500 members.

To add to the drama, Mr. Buch sent a letter to the SEWA Bank requesting that his photograph be removed from the wall and returned. Finally, in a symbolic act of disassociation, the telephone in Ela Bhatt's office was unplugged and moved to the vacant office next door.

c. The TLA "advises" SEWA to leave: Ela Bhatt quickly returned from the Rome meeting to an obviously deteriorating situation. She immediately received a notice from the TLA leaders reprimanding her for leaving without their permission. A TLA rule states that whenever an employee receives an invitation to go abroad, they must be granted permisssion by all five top leaders before going. In several previous cases, Mrs. Bhatt had been granted permission only after a long drawn out struggle. To avoid this, she decided to use her personal leave time to go to Rome. Before leaving, she received permission to take leave from one TLA leader, as is standard procedure. However, when the other leaders learned of this "deception", they sent a notice informing her that her leave was not sanctioned, and that her salary would be cut. She wrote back a letter asking them to please reconsider. The TLA leaders sent a reply saying that she had not improved her behavior and "advising" her to:

- leave the TLA because her busy schedule with SEWA did not permit her time to look after the Women's Wing properly;
- move SEWA's offices out of the TLA;
- move the SEWA Bank out of the space rented from the TLA;
- remove the name of the TLA from SEWA's building.

After several attempts at conciliation, including a letter of apology for her foreign trip, Mrs. Bhatt's leave was finally approved and her pay was restored. However, the leaders refused to withdraw their "advise" and on the first of May sent a notice to her to collect her retirement fund and leave the TLA.

5. A gem cast into the street

While in many ways SEWA knew a split with the TLA eventually was inevitable, the harsh manner in which it came about shocked those involved and it has taken time for them to absorb the full impact of the separation. The initial weeks following May first were filled with the details of moving out of the TLA office and shifting operations to the SEWA Reception Center. By mid-May things began to settle down and the organizers and executive committee members were meeting regularly to begin the process of assessing the losses and gains of independence and planning the future.

During May the TLA's own executive committee met three times and passed a resolution to expel Ela Bhatt as an honorary member of the TLA and sever all ties with SEWA. By the end of the month, the TLA leaders had summarily resigned their executive positions in the SEWA Union and the SEWA Bank.

When the press learned of these events, Ela Bhatt was deluged with requests for interviews. She openly described to reporters what had happened, detailing the mounting pressures from the TLA since her public pro-reservation stand, and the many difficulties she and the other organizers had experienced working inside the male dominated TLA. Articles began appearing in local newspapers in early May, and as word of SEWA's ouster spread, over 60 articles appeared in newspapers and magazines throughout the country. The Hindustan Times and several periodicals wrote editorials condemning the action. One article appeared as far away as Great Britain in the Manchester Guardian. Most of the articles that came out portrayed the TLA in an unfavorable light. Several press accounts described their actions against Ela Bhatt and SEWA as anti-woman and anti-Harijan. A few referred to the TLA's decline in influence and power. Other damaging information emerged from the reporters' investigations -- including one report that some members of the TLA's executive committee were personally providing non-union contract laborers at cut-rate prices to the mills. Another report exposed the shortcomings of the TLA's internal labor policies by revealing that the TLA's workers earn less than the starting minimum wage of millworkers; the TLA leaders' success in breaking a TLA employees union in 1978; and the dismissal of one TLA worker for applying for a scholarship to study in England without their permission. The general tone of these articles can be summed up by one journalist's statement: "The TLA delivered itself a self inflicted wound." 8/

8/ Voluntary Action editorial, 1981.

During all of May, the TLA refused to meet the press, saying that it was a "family affair" which should not be discusssed publicly. However, with public opinion mounting against them, the leaders broke their silence on June 8. An article appeared in the Economic Times presenting the TLA's rebuttal to the charges against them. 9/ They claimed that:

- SEWA had not been ordered out of the TLA, but Ela Bhatt had gladly accepted their advise to leave. In any case, they claimed their advise to SEWA was no different than that towards other affiliated unions which had also been asked to move to their own premises. They had asked SEWA to move to its own building only after its "teething" problems were over. This weaning process was not unusual, especially since SEWA had its own building and no longer needed the TLA's support.

- Ela Bhatt's allegation that she was hounded out of the TLA was politically motivated.

- They were not male chauvinists. The fact that they had helped SEWA in the first place testified to this fact.

- Ela Bhatt's pro-reservationist stand had nothing to do with their advise. She had made it an issue to cloud the real issue: her trip abroad without their permission.

- Nonetheless, Mrs. Bhatt had violated a policy decision by the TLA that its leaders should not take a stand on the reservation issue.

- Since the Magsaysay Award had brought Ela Bhatt into the limelight, she had been straddled with engagements which left her with little time for the Women's Wing's sewing and knitting classes. She had been neglecting her work.

- Ela Bhatt and the organizers had a craze for foreign trips and were violating Gandhian modesty by taking frequent foreign jaunts.

- After being advised to leave, SEWA's leaders and organizers did not come to the TLA leaders to discuss the matter, but instead took it to the press. The TLA had maintained silence up to this point so women's activities in the trade union movement would not be adversely impacted by the controversy.

- The TLA leaders tolerated the indiscipline of those in SEWA for so long because they did not want to do anything to discourage women workers. 10/

9/ These statements had appeared earlier in the TLA's internal newspaper.

10/Rao, H. K. "Why the Mahajan sacked Mrs. Bhatt?" Economic Times. Monday, June 8, 1981.

C. Factors Underlying the Split

From the TLA's side of the story, the primary reasons for the falling out between SEWA and the TLA appear to be:

- indiscipline on the part of SEWA's leaders and organizers;
- too many foreign trips and particularly Ela Bhatt's trip to Rome without obtaining proper permission;
- Mrs. Bhatt's lack of time to attend properly to the routine work of the Women's Wing.

From SEWA's perspective, the reasons go much deeper and relate to four basic factors.

1. The TLA's limited concept of SEWA

While the TLA leaders give lip service to supporting certain developmental activities such as credit and training, in fact, they have never reconciled fully that a trade union should become involved in these areas. One reason for this is that it fundamentally changes the traditional relationships between the leaders and members. The TLA (and other unions as well) is a hierarchical organization and the leaders maintain tight control and power over their members and staff. As SEWA expanded its work into developmental activities -- so necessary in organizing the self employed -- this brought about a need for a more democratic organizational structure. As an upshot, this required a fundamental shift in the relationships between the TLA leaders and SEWA's organizers and members. Unfortunately, when the organizers and members became more involved in decision making, this became threatening to the TLA leaders. As their power became challenged by the process of democratization, they rejected these developmental activities as outside the scope of trade union work. According to one observer, "The TLA would help women, but not allow them to help themselves. It would always guide women but not allow them to think for themselves." (Pathak, 1981).

The TLA felt SEWA should limit itself to a more conventional approach to organizing workers. SEWA has learned, however, that a developmental approach is necessary to be responsive to the needs of the self employed. This is perhaps the most fundamental conflict between the organizations which led to the split.

2. Contrasting leadership and working styles between the organizations

The operating styles of the TLA leaders further limited SEWA's development. Many of the organizers felt increasingly constrained by what they considered to be a feudal environment. While the leaders contend the TLA is a family, the organizers feel that the family they have in mind is akin to a feudal lord and his vassels who are expected to display the qualities of homage, loyalty, obedience, and

service to the leaders. Under this system, they say, they feel weak, timid, and even fearful. However, in facing the challenges of organizing the poorest sectors of women workers, they know they need to be strong, forceful, and unafraid to speak and act. Most importantly, they must be dedicated to a cause, not a person.

Unfortunately, the behavior implied by such qualities was not tolerated by the TLA leaders, as evidenced by Mr. Buch's persistent demands for apologies from the organizers for asserting their beliefs. One organizer recounts:

> "The TLA looks at SEWA as a daughter, when she conforms to orders she is patted on the back. But when she grows up she is bound to think for herself and question. TLA could not take this." (as quoted in Pathak, 1981)

For many within SEWA, it was particularly difficult to overcome the domination of the TLA leaders because as women they have been conditioned to obey men. Moreover, the type of behavior expected by the leaders is reinforced by society. When the organizers attempted to assert themselves, they were accused of indiscipline, humiliated, and even threatened with dismissal.

According to one organizer, the TLA leaders do not allow anyone to express views, they never listen to any arguments, and never look to the other side of an issue. Orders are issued without explaining the reasons. Workers feel defeated and weak, which affects their work (Pathak, 1981).

Ela Bhatt's style of leadership contrasts sharply to this feudal pattern. She has tried to encourage the organizers and group leaders to take up responsibilities and decisions independently. She also has tried to bring about a more democratic system of decision making within the organization, despite pressures against it by the TLA. The Saturday organizers' meetings she started several years ago provide a forum for the women to openly air any problems or grievances and to plan SEWA's work. The TLA leaders disapproved of the meetings and bringing the "staff" into decision making. Mrs. Bhatt's contrasting view, however, is that the organizers in SEWA are not there because of their paychecks but because of their dedication to a movement (they have collectively decided never to use the term "staff"). They are not there to be ordered about as employees but all should be involved in the decisions of the organization.

Different leadership styles also have been exposed in meetings. SEWA members complain that the TLA leaders have a habit of talking <u>at</u> people and lecturing them on various topics. This approach has inhibited dialogue in the meetings and the development of leaders from within the

membership. In meetings of the executive committee and other SEWA decision making bodies, the TLA leaders often have dominated by giving long monologues to "educate" the women. They have not allowed discussion of serious issues and, despite attempts to resist this by the organizers, the meetings often have degenerated into frivolous chat.

The TLA's mode of operating is to solve problems which are brought to it by its members. These problems typically are dealt with under one roof through the mill managers. SEWA, however, has developed a style of going out to working women in a more aggressive way, and has learned to deal with new problems in new ways, often involving some form of confrontation. The TLA, in contrast, prides itself on the few strikes it has organized over the years. Their approach is to avoid confrontation and struggle and they wanted SEWA to do the same. From their standpoint, they failed to "discipline" properly the SEWA organizers to follow their lead.

In several of its confrontations, SEWA has found that those confronted are the friends of the TLA. As the TLA's operating style has been to develop close relationships with the millowners and public officials, SEWA often has found the interests of its members to be in direct conflict with the interests of the TLA. As an example, under pressure from the mayor, the TLA leaders tried to stop two SEWA protest marches in 1980 and 1981. In another case, the TLA supported chindi merchants in their drive to abolish a sales tax, while SEWA refused to support them unless they agreed to raise wages for their workers.

3. Jealousy on the part of the TLA leaders following the Magsaysay Award

There also has been an element of petty jealousy on the part of some TLA leaders towards SEWA since it has gained more recognition nationally and internationally. Some TLA leaders feel they have not always been given proper recognition for their role in SEWA. Their jealousy has been revealed in several ways: the ugly scences during Magsaysay; their reactive attitudes towards foreign trips; bitterness at not being invited to SEWA's March 1981 national workshop on organizing the self employed; and one leader's frequent reference to the fact that "she holds the gold" (meaning that Ela Bhatt has retained personal possession of the gold medal she received from the Magsaysay Foundation). 11/

11/ Personal interview with A.N. Buch. April 27, 1981.

4. The TLA's limited commitment to organizing self employed women

Those in SEWA believe there is a lack of serious commitment on the part of the TLA to organize the self employed. One indication of this is the unwillingness of its leaders to recognize that organizing the self employed sector requires new approaches and the expansion of the traditional concept of a trade union. The TLA's failure to support SEWA's organization of income generating projects and its pressure against expanding the program of the SEWA Bank partially reflects their limited commitment. Those in SEWA feel that if the TLA was truly committed to organizing this sector, its leaders would have been more open to new ideas. The leaders' admission that they supported SEWA in the beginning to provide the TLA immunity from attacks by the Congress (I) government during the Emergency (by building a "wall of poor women" around the TLA) is another indication of their limited commitment. Their dismissal of Ela Bhatt as head of the Women's Wing for spending her time on something like SEWA while she should have been minding the TLA sewing classes also reveals their priorities.

There are several reasons for this lack of commitment. One, as mentioned above, is that the TLA leaders are unwilling to give up their power and permit the evolution of a more democratic organizational structure. Another reason is the basic attitude of the TLA leaders towards women. This is reflected in several ways. According to Ela Bhatt:

> "One of the TLA leaders proudly boasts in public meetings that he does not like women and had never wanted SEWA at all... However, not all leaders are so openly chauvinistic. One TLA leader recognizes that women are a weak and suffering group and tries to help them by welfare activities. The domination is maintained by not allowing the women to assert themselves but making them always remain inferior to and in fear and awe of the TLA leaders." 12/

The organizers also point to the TLA's neglect of a serious problem of displacement for women working in the mills (during one of the TLA's strongest periods, from 1950 to 1970, the number of women workers in the mills dropped from 20 percent to 3 percent. 13/). Moreover, apart from Ansuyaben Sarabhai, the founder of the TLA, and Ela Bhatt, there never has been a woman in a post higher than clerk. Another reason for the TLA's limited commitment to organizing the self employed could be pressure from workers in the organized sector, who might perceive organizing the unorganized sector as a threat to their employment. Or there could be pressure from industrialist friends of the TLA who see that the unorganized sector plays an important role in depressing wages in industry. Improving wages and working conditions of unorganized workers could be seen as a force indirectly leading to increased labor costs for industrial employers.

12/ Personal correspondence, June 1981.
13/ Personal correspondence from Ela Bhatt, 1981.

The final expulsion of SEWA leaves little room for those involved to believe the leaders of the TLA understand the real meaning and importance of organizing self employed women.

D. The Path Ahead

In the months following the split, the TLA made several attempts to undermine SEWA's work and defame Ela Bhatt. The TLA withdrew the remainder of its deposits from the SEWA Bank; evicted the members of the chindi cooperative from the shop space they rented from the TLA (see Chapter 10 for details); convinced several mills to stop giving their waste paper to SEWA members; and sent several workers to the labor areas to convince SEWA members to shift their allegiance to the TLA.

Mr. Buch contacted the owner of the Indian Business Standard, which published the first account of SEWA's ouster, and reprimanded him for allowing an article so damaging to a Gandhian institution to be published. The reporter was made to write a letter of explanation to the owner, defending the story. Mr. Buch also sent a letter to journalists around the country personally attacking Ela Bhatt and defending the actions of the TLA. 14/

There was a great deal of uncertainty within SEWA concerning its fate as an affiliate of the National Labor Organization (a central union which is controlled by the leaders of the TLA). A letter was sent to SEWA's General Secretary informing her of a new NLO rule stipulating that all member unions must henceforth restrict their organizing activities to a single district within the state (SEWA had been organizing throughout the state for years). Through indirect channels, SEWA heard that the NLO leaders planned to disaffiliate SEWA unless they apologized to the TLA. They called a general meeting of the NLO for August 16, which SEWA representatives attended. The full events of the meeting are described in a SEWA report (see Appendix VII). To summarize briefly, SEWA's representatives were thrown out of the meeting for indiscipline and in their absense a resolution was swiftly and quietly passed disaffiliating the women's union.

1. A "cloudy and uncertain future" for the TLA

By all appearances, the TLA's image clearly has been tarnished by the recent events, although given its size and power, it is not likely to suffer greatly in the short run. In fact, now that the thorn of SEWA has been removed, several leaders openly are displaying relief and do not appear to recognize the full implication of their moves. To many observers, however, the recent events are signs of a serious crack in the TLA's foundation. By restricting its scope to industrial workers, remaining silent on an issue so fundamental to its 40,000 Harijan members, and restricting the freedom of speech among its workers on the grounds it violates "discipline", they claim the TLA is harming itself. Their lack of commitment to organize women and workers in the unorganized sector exposes their failure to keep up with

14/ Buch, A.N., "A Note on Mrs. Ela Bhatt, Statement to the Press. (Not for Publicity)." mimeo.

the times. One reporter has commented:

> "The TLA might still conceivably retrieve its position if it is willing and able to rethink its stand on its internal procedures and wider social responsibilities. Otherwise, its future is clouded and uncertain." (Voluntary Action, 1981)

2. A clear horizon for SEWA

Since its ouster, SEWA has consolidated its position and by all indications is stronger and freer to move ahead than ever before.

After the initial crises and sudden disruptions of the move, things began to settle down and the organizers undertook a systematic effort to regroup, reassess, and plan the future. In mid-May, a one day planning session of all the organizers was called at "Toy House", Ela Bhatt's residence. In reviewing their organizational resources, it bacame apparant that the TLA had played an important role in providing some of the resources (i.e. typists, accountants, secretaries, physical space, and deposits in the SEWA Bank). However, SEWA's increasing independence over the past few years had made it basically self-sufficient, so that by the time of the split, it was in a firm position to survive. In terms of physical resources, they have the Bank, their buildings in both the urban and rural areas, two vehicles, two marketing centers, the funds of the SEWA Trust, the economic units, and some office equipment. Most of its wealth, however, lies in its human resources. Foremost, it has its membership which by August 1981 exceeded 4,900. It also has its skilled and experienced organizers and leaders; a foothold in localities throughout the city and state; its reputation; and the good will of many people.

The organizers discussed how they can work to maintain a firm grip on these resources. One of the most immediate concerns was strengthening the Bank and making up for the deposits withdrawn by the TLA. They established a target of getting new depsoits worth Rs. 200,000 within a year. Each organizer would try to raise Rs. 5,000 in deposits from the members and others within the community. A special team of three organizers was set up to work specifically on this goal. They also discussed the importance of carefully maintaining the building and other property. They further reassessed the various funders of their projects and projected which projects may be affected by the split. All funders except for one international labor organization with strong ties to the TLA would be likely to maintain their support.

The organizers also assessed their position vis-a-vis other organizations and bodies connected to their work. Their relations with most would be unaffected -- the municipality, hospitals, banks, the National Institute of Design, even the telephone company. Longstanding relationships with local universities, research institutions, and women's organizations were also likely to be unaffected. However, they would have to work hard to maintain a foothold in the mills, where the TLA had already begun to use its influence against SEWA. They also

would have to struggle to maintain a position in the labor movement. Moreover, SEWA probably would have to find a new market for its khadi products from the rural income generating projects which had been sold through the TLA sponsored khadi shop.

The organizers further discussed how relationships with the members could be strengthened. They all agreed that although the members' problems may not always be possible to resolve, they should listen to them and make as much effort as possible to act expeditiously in their behalf. The members should be satisfied that SEWA has done everything humanly possible to help them with their problems. They also should emphasize developing both work and non-work relationships with the members.

The organizers decided to hold local meetings at least once a month. They would fix a date and place, choose a relevant issue, and invite all the workers in a particular trade group to come. They also decided to spend at least two hours per day in the field.

Since May, SEWA has activated the Union's Executive Committee and the organizers have begun to share more of their responsibilities with members of the committee.

Finally, the organizers discussed how to deal with the TLA in the future. They agree relations should not be hostile or antagonistic. However, as the TLA has been openly anti-SEWA, they affirm the need to stand up, express their displeasure, and defend against any unfair treatment or false allegations. They are on the watch for any attempts by the TLA to undermine further SEWA's work. Despite SEWA's ouster, relations have not been totally cut. Many of the TLA workers visit SEWA and vice versa. And one of the TLA leaders, Mr. Shukla, has maintained contact with SEWA. Although some antagonisms remain between the organizations, both sides have expressed a desire to co-exist in peace.

Since May (as of this writing in August) SEWA has forged ahead in expanding its activities, particularly in organizing producer cooperatives and rural projects. In assessing the balance sheet, SEWA actually has gained much more than it has lost. Women's groups from around the country have joined in solid support of SEWA. Members of many women's organizations and trade unions met in Delhi following SEWA's ouster and unanimously adopted a resolution declaring their solidarity with SEWA. They condemned the TLA's actions against SEWA and supported Ela Bhatt's stand in defense of the reservation system. Several groups have helped to raise funds for the SEWA Bank to make up for deposits withdrawn by the TLA. To date, several hundred thousand rupees have been raised. The Ahmedabad Millowners Association circulated a notice in all the mills requesting cooperation and support to SEWA organizers and members. Hundreds of messages of support have come to SEWA from throughout India and many foreign countries.

Two days after their disaffiliation from the NLO on August 16th, a general meeting of SEWA members was called. It was the first general meeting without a male leader as a principal speaker. The organizers and group leaders spoke forcefully to the crowd of over 500 women, recounting all of the events leading up to SEWA's ouster from the TLA and detailing their expulsion from the NLO. The members confirmed their solid support of SEWA's new directions. Ultimately, those in SEWA consider the organization to be in a better position than ever to pursue its goals.

A central core of senior organizers has played an especially important role over the past months. Renana Jhabvala, Neeru Jadhav, Ranjan Desai, Usha Jumani, and Anila Dholakia have worked long, hard hours as a team to solidly re-establish SEWA on a firm foundation and carry forth the union's expanding work. Lalita Krishnaswami has played a particularly crucial role by capably assuming the responsibility for building up SEWA's developmental activities -- its training programs and cooperatives -- which are a central element of SEWA's new directions.

There visibly is a blossoming sense of confidence, sisterhood, and assertiveness among all of SEWA's workers. Drawing on the strength of their commitment and the rich experiences and achievements of the organization as a whole, those in SEWA have a renewed sense of determination to meet the challenge of organizing self employed workers.

CHAPTER 15: THINKING AND RETHINKING FOR THE SECOND DECADE

At the present juncture in history, SEWA is faced with a series of crucial issues regarding its future organizational structure and its priorities for action. While the experiences of the past years have helped to focus many issues, new questions are continually arising and the answers are not always clear. Its future direction will build largely on the lessons of its first decade, but the process of experimentation and learning will continue. Following are some of the major issues SEWA currently faces.

A. Priorities for Action: Struggle, Development, or Both?

SEWA has been involved in both struggle and development in its work. While it is generally accepted for a union to be engaged in what SEWA calls struggle they have been criticized for entering into developmental activities. Conventional trade unionists argue that it is not the role of a union to provide training or maternity benefits, nor to organize cooperatives or other income generating activities. However, SEWA's experience is that struggle -- in the conventional trade union sense -- does not wholely address the needs of the self employed and, in some cases, may even result in the deterioration of a given worker's position. The unsuccessful strikes of chindi and papad workers are cases in point. This raises three important questions. Is it appropriate for a trade union to enter into both struggle and developmental activities? If so, which of these areas should receive greater attention? And as an organization, how can SEWA set itself up to work most effectively in both areas?

The SEWA Union has fought for increased wages, better working conditions, assured selling places, and improved facilities in market areas for the self employed. The union has also pressed at the policy level for more protective labor legislation and supportive employment and economic policies for the self employed. From SEWA's perspective, just as employers have responsibilities to provide fair working conditions to wage employees, society has a responsibility to provide these rights to the self employed. Struggling against public officials, policy makers, and society as a whole is as legitamate for a trade union as struggling against employers.

Nonetheless, SEWA has found that by themselves these tactics are not enough to empower the self employed to control their work environments and raise their incomes. For many self employed trade groups, there are no specific bodies to struggle against for fair wages and working conditions. Often, the most fundamental problems of self employed workers relate to such constraints as irregular supplies of raw materials, narrow markets, exploitation by middlemen, and limited access to training and credit. In response to these problems, SEWA has set up raw materials supply, production, and marketing cooperatives; day care services; maternity benefit and life insurance programs; a bank; and skills training classes.

This is controversial territory for a trade union, and SEWA has faced its share of criticism within the labor movement for taking up these activities. Opponents argue that it is not the role of a trade union to run production units. The TLA has attacked SEWA for running "businesses" and becoming an "employer". According to their conventional thought, trade unions are supposed to fight against employers, not become them. Similarly, SEWA has been criticized for running a maternity benefit scheme. A union should struggle for such benefits from employers or the government, they are told, but not provide them itself. SEWA counters that if there are no employers or governmental implementing bodies to provide these necessary supports to self employed workers, then a union should step in to serve these needs.

While the TLA and other trade unions give lip service to providing developmental supports such as credit and training, in fact, they can not reconcile fully that trade unions should become involved in this area. One major reason for this is that it fundamentally changes the relationships between trade union leaders and their constituency. Trade unions traditionally are very hierarchical organizations, and the TLA is no exception. Leaders maintain distance from their members and sometimes can be worse than employers in maintaining their power and control. Once a union enters into developmental activities, a basic shift occurs in the structure of the organization and in the relationships between leaders and members. Development implies empowerment of the members, which in turn requires an organization to become more democratic. This is antithetical to the entrenched structure of many trade unions and threatening to their leaders. Because the power of the leaders is challenged through the democratization implied by developmental activities, they reject them as outside the scope of trade union work. As long as this attitude is maintained, trade unions can be useful only peripherally to the self employed.

SEWA's experience indicates that both struggle and development are necessary to effectively organize the self employed. This is in keeping with Gandhi's approach to organizing labor, which emphasizes constructive programs and builds on the model of the joint action of labor and cooperatives which is now used in several other countries.

While both areas are necessary, there sometimes are conflicts between the two. As an example, following an unsuccessful strike SEWA chindi workers organized a cooperative production unit of their own. However, now that they have a shop akin to that of the merchants they are perceived as a business within the community, and among the chindi workers outside the cooperative SEWA's image as a union has somewhat diminished. Since then it has been more of a challenge to mobilize the chindi workers not in the cooperative.

Moreover, the organizers have found that organizing trade union activities and organizing economic activities and cooperatives are in many ways quite distinct and require different skills, personalities, attitudes, and relationships. Trade unionists must always be ready to struggle against merchants and traders. Cooperative organizers, on the other hand, must themselves have business acumen and skills and

learn to work together and establish business relationships with merchants and traders. These types of relationships may in some cases interfere with union activities. Members of trade unions must think of themselves as workers struggling against owners. Conversely, members of cooperatives must begin to think of themselves as "owners". Finally, as mentioned above, it is necessary to evolve a democratic organizational structure to operate effectively cooperatives and economic activities.

Despite these differences, SEWA firmly maintains that the needs of the self employed require action in both areas. They see no reason to restrict activities only to those of conventional unions. It is necessary to break out of the traditional trade union paradigm to organize successfully the unorganized sector of the workforce.

Taking this as given, a current debate within SEWA centers on how to proceed organizationally. To date, all of its activities are run through varous wings of a single organization, with many of the organizers wearing two or more hats. One idea is to seperate the union from the rest of SEWA. This might allow the work to be more focussed and avoid the conflicts and management problems in mixing the union activities with the cooperatives and other developmental activities. The union could be run out of a small office by a skeleton staff of dedicated organizers. These organizers would have to have special qualities, including a willingness to work day and night, survive on a limited salary, and go to jail if necessary. They would require a deep commitment and an ability to speak out and act without fear. This arrangement could free the union of the encumberance of budgets, audits, and other time consuming administrative details necessary in running the cooperatives and other developmental activities.

The cooperatives, training courses, bank, and social security schemes could be run out of a seperate center (the cooperatives could perhaps help to support the moderate expense of the above union activities). One thought is to organize these developmental activities on the model of a community development corporation. Another idea is to organize three seperate federations based on occupational groups to oversee the developmental activities (one each for sellers, home-based producers, and laborers). The federations could be structured to meet the specific needs of each of these groups. The Gandhi Peace Foundation recently provided SEWA with a small grant to study more carefully its needs for organizational restructuring.

This raises a related issue, namely, the appropriate "mix" of developmental activities. As SEWA has learned, this varies according to trade group. However, in general, an integrated set of activities are necessary: facilitating access to credit; organizing economic activities which improve supplies of raw materials and markets; developing cooperatives; conducting socio-economic surveys; sponsoring training; and lobbying for policies supporting the self employed. While SEWA focussed on providing credit to members in its early years, it soon became apparent that credit is most effective as part of a larger economic structure and the focus on credit has broadened to

organizing along economic lines. The self employed largely operate on the economic transactions of the fringes. For example, vegetable vendors borrow capital from moneylenders to buy their stocks. Often, they turn around and sell to middle class customers on credit. In both cases, the individual women make the adjustment on the margin and absorb the capital costs. SEWA, by organizing a vegetable cooperative which buys and sells in bulk and by providing credit to the women, is institutionally absorbing this cost and broadening the women's profit margin. This provides them with more bargaining power in their transactions. A major challenge in organizing the self employed is expanding this process in the future with other trade groups. What policies and governmental inputs can support an economic structure where the self employed no longer have to assume the burden of operating on the fringes? How can these types of supports for the self employed be institutionalized? These are some of the major questions facing SEWA in the near future.

B. To Affiliate or Not to Affiliate?

Another question currently facing SEWA is whether it should affiliate itself with a central trade union. Most labor organizations in India belong to a central union which in most cases is linked to a particular political party (sometimes more than one). Their functions are similar to that of the AFL-CIO or the UAW in the United States.

While SEWA was associated with the TLA, it was a member in good standing of the National Labor Organization (NLO) which, for all practical purposes, is controlled by the TLA leadership. For years prior to the formation of the NLO in 1971, the TLA was a central force in the Indian National Trade Union Congress (INTUC) which is associated with the Congress Party (in fact, the TLA took a leading role in INTUC following independence). However, after the split in the Congress Party in 1969, the TLA broke from INTUC which sided with Indira Gandhi and the Congress (I) faction to form the NLO. Since then, the NLO has developed a close relationship with the Janata Party.

Several months after its ouster from the TLA, SEWA was disaffiliated from the NLO. From SEWA's perspective there was little advantage to remaining in the midst of such an obviously unsupportive, even hostile, environment (see Chapter 14 and Appendix VII). However, SEWA does not want to be pushed out of the labor movement. The leadership feels that to become truly relevant in India, the labor movement must shift more attention to organizing the self employed sector. A major question, thus, becomes whether SEWA should join some other central union, such as Hind Mazdoor Sabha (HMS), Indian National Trade Union Congress (INTUC), Centre for Indian Trade Unions (CITU), or Bharatiya Mazdoor Sangh (BMS). On one hand, it wants to remain part of the trade union movement at the national level. On the other hand, as with the NLO, other central bodies have not yet demonstrated a concern for either the self employed or women. SEWA is not closing its doors to them. But at present, given their focus on organizing industrial workers, it is not clear whether these organizations would be supportive or useful to SEWA.

For now, SEWA stands on its own as a single union. They hope that in the near future there will be many similar unions of poor self employed workers and at some point it may even become appropriate for them to join together in a central body of their own.

C. SEWA Without the TLA: Liberation or Isolation?

One of the burning questions at this juncture in SEWA's history is how it will fare as a union independent of the TLA. What has been lost? What has been gained? This relates to a broader question of whether it is necessary for unions of self employed men and women to work through established organizations. There are obvious advantages in terms of resources, credibility, contacts, and influence (see Chapter 14 for further discussion of these points). However, the most important factor in a parent organization, from SEWA's perspective, is that it has the "right mind". Whether they are trade unions, women's organizations, or voluntary associations, their leaders must have experience with the working class, be able to communicate with them, and understand their problems. Most importantly, they must have a strong commitment to poor workers.

During its early years, SEWA depended to a large extent on the TLA for support. It was a creation of two TLA leaders, Ela Bhatt and A.N. Buch, and utilized many human and physical resources of the union. Without the initial support of the TLA, SEWA would probably not have happened. Over time, however, the TLA's commitment to the women's organization faltered, and it became more of a constraint than a support. The TLA leadership became threatened as SEWA and its members gained a strength and power in their own right. At present, there is little question that SEWA will survive and flourish independently. Other new organizations of self employed workers can no doubt benefit from the support of larger, established organizations in the initial stages. However, with the model of SEWA to learn from, they also stand a good chance of growing independently. Now that SEWA is on its own, in the coming years there promises to be new insight into the relative merits of working through established organizations.

D. Leadership: The Role of Outsiders

In building an effective organization of women workers, leadership is a very important component. The minds and actions of the leaders will largely affect the direction of the organization. Ela Bhatt reflects on her experience as a leader of SEWA for the past ten years and raises what she sees as some major issues:

> "We call ourself leaders, but we are not self employed workers. Our leadership is coming from the outside. We try our best to work together with the women, but is it really fair to be led by outsiders? Have there been enough efforts to develop leaders from among the self employed?

"It will be the ideal day when the self employed women take up full leadership of SEWA. We are quite ready for that and are trying to develop leaders, but our efforts have not been enough.

"With our middle class upbringing we have limits to understanding the poor, but they also have limits to taking up leadership. With the demands of their day to day struggle to survive they have little time to assume the responsibilities of leadership. They also carry little weight in society. However, with a middle class background, someone like myself has more weight and the ability to communicate with those in the establishment. Why shouldn't I use this to represent them? When problems come up, I try to take clues and answers from the members and we try to come together to work for a solution. If I have to justify being an outside leader, I would say why shouldn't we break down the barriers between us and join together as sisters?

"Another issue relates to the level of responsibility as leaders we have to our members. There is one example of some leaders working in a slum area in Bangalore. They wanted to organize a pressure group to improve the housing conditions in the community. They worked to identify group leaders, and organized a march to the offices of the housing board. The Housing Commissioner agreed to talk to them. But at this point, the leaders pulled out and left the community leaders to talk and deal with the Commissioner on their own. The Commissioner had no idea of how to deal with the people from the slums alone, nor did they know how to deal with him. Whatever potential there was for getting anything done fell apart. I feel the leaders were irresponsible to leave at such a crucial point. They should have been prepared to take a long term role. On one hand, we have to be careful not to grab power and control, but in any small program taken up we must be prepared to follow through and take the final responsibility. Only creating awareness is not enough. We must also prepare leaders. But until they are ready to assume power, we must assume final responsibility for action. If we don't, we fail. If the poor had that capacity already, they would not have been exploited for so long." 1/

At present, SEWA is in many ways dependent on Ela Bhatt's leadership. One of SEWA's major challenges in the upcoming decade will be to build leaders from the ranks of the membership to independently carry forth the work of the organization in the years ahead.

E. What About the Men?

Should SEWA open up its doors to men members? This is a question SEWA and other women's organizations are often confronted with, particularly

1/ Interview, August 1981.

those which have been effective in their work. Several groups of self employed men have come to SEWA with their problems over the years and have pressed for membership. In organizations such as SEWA, should men be involved from the very beginning or only after women have had a chance to develop strength on their own? What are the benefits of remaining a women specific organization? What are the costs of excluding men?

The question ultimately boils down to what the primary purpose and priorities of the organization are. If women's development is a priority, SEWA has found that offering them a period on their own to grow and develop is necessary. The ultimate objectives of organizations of the self employed or the poor may be the same for both men and women. However, unless organizing women is taken up as a priority, they often will not participate equally in workers' struggles. There are several reasons that women specific organizations are needed. Social constraints imposed by their families, the community, and men limit women's ability to interact with men. If men are present in meetings, women typically withdraw and men dominate. This may or may not be by men's design, but, nonetheless, given their conditioning women easily accept it. SEWA's experience has been that until women are given priority and special attention, they will not participate equally with men in an organization. For women to grow, learn, absorb new ideas, and develop confidence, the process of coming together as women is important. An all women's union can provide this opportunity.

After women have developed to the point that they can stand up and fight with men, the two must come together. Ultimately, they have to live together and are involved in a common struggle for broader social change. The issue for women is not only men -- perhaps their first battle is with men -- but the overall cause for self employed men and women is common.

From SEWA's experience, a women specific union is necessary in the short run. In the long run, however, men and women must join together in a common struggle for social change.

SEWA maintained itself as an all women's organization until late 1981 when they opened up membership to a group of men working as headloaders. This followed a good deal of debate among the organizers, several of whom feel it is still too early. Others feel that the problems of these workers can be dealt with more effectively if men and women now unite. The impact of this decision on SEWA will show itself in the coming year.

F. Can a Union of Poor Workers be Financially Self Sufficient?

Ideally, the expense of running a union should be met through the dues of its members. The rationale behind this is that outside funds are likely to lead to outside influences. However, as the definitions of worker and trade union change, the question arises of whether unions of

poor workers can effectively organize without some form of outside assistance. SEWA has supported its activities in various ways over the years: members regularly pay dues of Rs. 3 per year; during the early 1970's, the nationalized banks paid fees for processing loan applications; and governmental and international agencies have provided grants to carry out specific activities. Moreover, in 1975, the SEWA Trust was established through which SEWA has received donations from various individuals and groups to support its work. In 1977, Ela Bhatt donated her $20,000 Magsaysay Award to the Trust.

Outside funds have been valuable for SEWA by supporting the development of training courses, a maternity benefit scheme, and other activities which would not have been possible through union dues alone. They also have supported the construction of the SEWA Reception Center and the purchase of the SEWA vehicles.

SEWA's goal is to become self-sufficient eventually with surpluses from the cooperatives and other economic units supplementing the union dues. However, it will take several years before the cooperatives begin to generate surpluses. In the meantime SEWA considers it perfectly legitimate to draw on outside supports earmarked for the poor. Some outsiders have criticized SEWA for not being self sufficient; others have criticized them for "doing business" in their attempt to become self sufficient. Both criticisms have come from traditional trade unionists whose members are permanently employed by established industries and regularly pay dues. A steady income allows these unions the luxury of budgeting and planning. Unfortunately, SEWA's meager membership dues do not allow this. A future alternative might be for industrial workers' unions to support unions of poor, self employed workers.

With regard to outside funds, SEWA has experienced some constraints. As an example, the owner of the only hotel in Ahmedabad which sells packaged liquor has contributed to the SEWA Trust. Last year the government proposed to relax the restrictions on selling liquor which would have allowed a bar to open in this hotel. In protest, a large demonstration was organized by local Gandhians with the participation of SEWA leaders and a picket line was set up in front of the hotel. A TLA leader crticized Ela Bhatt for participating in this protest against a Trust supporter.

From SEWA's perspective it is important for an organization to have strong roots and be firm in its purpose before accepting outside funds. For the most part they have not felt pressure or constraints in receiveing outside assistance. Still, the Indian government has blacklisted certain foreign organizations and it is important for small organizations to be aware of which organizations these are to avoid placing themselves in a vulnerable position.

The biggest consideration, perhaps, is that outside assistance of any form can reduce an organization's motivation to generate its own funds. Given the poverty of its members, self-sufficiency is a challenge for SEWA. However, in the longer run it is an integral part of

empowerment and an organizational priority. For the most part, outside funds are used for programs geared to self-sufficiency. Moreover, the amounts are relatively small and from a variety of sources. In most cases, the members are required to contribute a share of the program costs in addition to their annual dues. For example, they contribute Rs. 25 to join the cooperatives; Rs. 15 for the maternity benefit scheme; Rs. 10 as share capital to join the bank; and Rs. 11 for life insurance coverage. In this way, dependence on outside financial supports are minimized.

G. Who Do We Struggle Against? The Importance of Influencing Policy

For SEWA's members, the traditional concept of a trade union as practiced in the industrial sector will not work. Given the lack of protective labor laws for informal sector workers there are limits to struggling at the level of individual employers. An example is SEWA's attempt to persuade the employer of a hand cart puller to pay compensation for a work-related injury. SEWA's argument was that the same principle which applies to industrial workers -- who receive workman's compensation if they are injured during working hours -- should apply to the self employed. However, there are no labor laws which support this right, so in this situation it did little good to mobilize workers to press the employer for compensation. It is futile to struggle at that level without a framework of legal or policy support. Another example is the problem of self employed artisans in securing supplies of affordable raw materials. Those who control supplies are big industries, merchants, and traders. It is extremely difficult for an individual producer to successfully press these groups to provide regular and affordable supplies of raw materials.

These examples point to the need for laws and policies which support the self employed. More associations of workers in self employed trades are needed to press for supportive laws and policies at all levels.

These are some of the major issues SEWA has confronted to date. As it moves into its second decade, resolution of these and new issues which arise will help to shape the direction of SEWA's work.

CHAPTER 16. IS SEWA REPLICABLE?

The socioeconomic, cultural, and political context in which SEWA has evolved in many ways is unique. So too are the people involved, the timing, and many of the problems and resources which have been available. As such, in a strict sense the experience of SEWA cannot be replicated, nor as a whole is its present structure likely to fit into a different context. However, the lessons of SEWA's experiences in organizing the self employed and the underlying concepts upon which it is built can be eminently useful to groups committed to organizing in other places. Future efforts built on the model of SEWA's programs can be instrumental in improving the working conditions and enhancing the incomes of working women.

Two points should be made before proceeding. First, those involved in SEWA strongly believe in its potential for replicability. SEWA's General Secretary, Ela Bhatt, contends that if unions and cooperatives are replicated all over the world, then why not SEWA? At present, what is lacking, she feels, is the faith, drive, and will to organize poor workers. If people, especially trade unionists, belived that it could be done, then it would be done. Unfortunately, many people still refuse to belive the poor can participate successfully in banking and business. She has found that trade unions do not realize fully the importance of organizing the self employed and Gandhians, while recognizing the importance of organizing the poor, tend to overlook the needs of women. Second, SEWA itself has borrowed many ideas from the outside. Other groups of self employed workers can build on SEWA's experience in a similar manner.

A. Unique Elements of SEWA

Before discussing the concepts which can be useful to others, it is perhaps helpful to begin by pointing out those elements of SEWA which are unique.

1. The strong tradition of Gandhian thought and action in Gujarat

The longstanding tradition and pervasiveness of Gandhism in Gujarat is a unique factor which has supported SEWA's development. Gandhi centered many of his activities in Ahmedabad and evolved many of his ideas -- particularly those with regard to labor -- through his experiences with textile workers and their families. He encouraged women to enter the mainstream of political, social, and economic life and supported actions to bring up the poor. This has influenced strongly the ideological foundation of the community and has given rise to a large number of individuals and organizations committed to working with the poor (the TLA being the most influential). This environment has been conducive to SEWA's development in several ways. The fact that SEWA's actions are grounded in an ideology in the mainstream of public thought has meant less open resistance to its growth. Moreover, it has led to the support of other Gandhians and Gandhian organizations.

The strong Gandhian tradition in Gujarat has created a higher level of social awareness and motivation among the people. However, in some respects this can work against the poor. Within the middle classes and business community, rather than lessening their degree of exploitation of the poor working classes, this sometimes makes their exploitation merely less crude or obvious. Businessmen tend to be more organized and work shrewdly to maintain peace and the status quo so that their businesses can proceed unhampered. Similarly, among the middle classes, while socially aware, many conservative values and rigid customs are maintained which keep women and the poor in a lower position.

Another unique feature of Gujarat related to Gandhi's influence is that the prohibition of alcohol means women can move about in relative safety.

2. The backing of the Textile Labor Association

SEWA's longstanding association with the Textile Labor Association --the largest Gandhian labor union in India -- is often pointed to as a crucial element of its success. To a large extent this is true. As a long established and well connected labor union, it has supported SEWA's development in several ways. Through the TLA, SEWA was provided an entree into the national labor movement and greater visibility at the local, national, and international levels. The power and reputation of the TLA leaders contributed to SEWA's initial development. Moreover, it provided a link to the families of textile workers, many of whose women members are self employed. The TLA's historical commitment to helping the poor fostered SEWA's credibility and approval within the working class community. The TLA leaders also helped somewhat to develop leaders within SEWA.

From a more practical stance, the TLA provided physical space for SEWA's activities and a link to the mills, which supported the development of several of its production units (by providing access to supplies of chindi, waste paper, scrap metal, and wood).

Now that SEWA is independent, the question of whether it can survive on its own will be put to a test. While the TLA has been a very important element in SEWA's growth and development, by all indications SEWA has matured to a point where it will continue to thrive on its own.

3. A special leader

It has all been said before, but it is really true. Ela Bhatt is an extraordinary leader and woman. Her selfless dedication, sense of determination, and integrity have carried SEWA through its best and worst times. Her simplicity, dignity, and charisma are qualities which have gained her the highest respect and friendship of all who have worked with her, both within the organization and outside. Her facility to communicate with and understand the members has created a strong bond. This complements her practical sense and skill in directing

the organization. Her years of experience in the TLA and as a government employment officer have given her a firm grasp of labor issues, particularly concerning women. This experience has also served to develop her political acumen. Her ability to translate the concerns and needs of the members into the language of policy makers and officials has further enhanced SEWA's work. She is patient, positive, and optimistic, and places great faith and confidence in the ability of those she works with. Her dedication to SEWA is unequivocal and her concern for her members wholehearted. She is indeed unique.

In 1977, Mrs. Bhatt received the prestigious Magsaysay Award for her work with SEWA. This award was a big turning point for SEWA as it was catapulted into the national and international limelight. It was a change for those involved in the organization as their work suddenly gained more attention and visibility. SEWA became synonomous with poor women workers, and the organizers no longer had to explain to everyone what they were all about. To some extent their work has been under more stringent scrutiny ever since. Moreover, the increased attention has meant more vistors, more offers of external support, and more status and weight for Mrs. Bhatt and the organization as a whole. It has been an important launching pad for SEWA's continued growth.

4. Good timing

SEWA has grown at an opportune time in many ways. During the 1970's, India focused its national development policies on distributional questions and development of the "weaker" sectors. The nationalized bank program to channel credit to the poor was a part of this policy. This was a major boon to SEWA's early development. These national policies were complemented by a shift in focus by international agencies to the small enterprise sector, the poor, and women. The basic needs approach to development which emerged in the middle part of the decade lent increased attention to participatory development and the role of grass roots organizations in mobilizing the poor. It also was a time when the labor movement began awakening to the needs of the self employed.

The United Nation's International Women's Year in 1975, followed by the Decade for Women also lent increasing attention to issues concerning women, particularly with regard to employment. As one of the few organizations of poor working women, this placed SEWA in a unique position to gain strength through outside supports, build on the emerging ideas, and contribute from its experiences. Ten years earlier would have offered quite a different, and much less conducive, medium for growth.

The early 1970's was also a crucial time for the TLA. With the split in the Congress Party in 1969, there was also a split in the labor movement. Subsequently, the TLA broke from the Indian National Trade Union Congress (INTUC) which aligned itself with the Congress (I) party after the split to form the National Labor Organization (NLO).

The NLO became associated with the Janata party. While the Congress (I) party was in power, the president of the TLA felt there was a need to develop some way to protect the TLA from political pressures. Building a constituency from the "weaker sector" was seen as one way to do this. Ostensibly, one reason the TLA lent its support to SEWA was to provide this protection. According to the TLA's president, "a wall of poor women" helped to guard the TLA from its political opponents.

5. The unique role of women workers in Ahmedabad

While many of the characteristics of SEWA's urban members are shared by self employed workers in other places, the role of women in Ahmedabad's economy has several distinctive features. As urban based workers, their options for non-agricultural employment are somewhat broader than for rural women, and accordingly their occupations, employment patterns, and enterprise characteristics are different. Moreover, the textile industry in Ahmedabad indirectly supports many home based trades. Waste from the mills in the form of scrap cloth and thread, wooden crates, and metal barrels provides raw materials for women working in their homes as quilt makers, garment sewers, rope producers, junksmiths, and carpenters. The level of women's activity in some of these trades is unique to Ahmedabad. The textile industry also creates employment for headloaders and cart pullers working in the local cloth market. The decline in opportunities for wage employment for women -- particularly in the dominant textile industry where the proportion of women workers fell from nearly 25 percent in the early 1950's to under 5 percent in 1980 -- has also forced women into self employment. Finally, Gujarati culture traditionally has supported the involvement of women in economic activities.

B. Replicable Concepts

While all of the above characteristics make the context of SEWA unique, there are many concepts underlying the present structure of the organization which are eminently replicable. Poor, self employed workers in many places face similar structural problems, for example, lack of protective labor laws; limited access to social security benefits, credit, supplies of raw material and markets; and low incomes. SEWA has worked effectively to address many of these problems and groups in other places can learn a great deal about strategies of action and program design through its experience. Many of SEWA's lessons are developed more fully in the preceeding chapters. Here, some of SEWA's successful and potentially replicable strategies are summarized briefly.

1. Organizing self employed workers into a trade union

SEWA was one of the first organizations in India to unionize poor self employed women workers. While initially there was a great deal of scepticism, SEWA has proven that it can be done. The self employed are willing and able to unionize and, although they are

a heterogeneous group, their interests as workers converge in many areas. In the beginning it was quite a challenge to convice many of the women that it was in their interest to organize, and to pursuade trade unionists to accept self employed workers into the labor movement. However, SEWA has demonstrated that it is possible and that the self employed can realize many benefits through a union.

2. The joint action of labor and cooperatives

While SEWA's goal is to bring the self employed into the mainstream of the labor movement, in certain respects this entails shifts in the basic concepts and strategies of trade unions. The lack of specific employer-employee relationships among the self employed limits the effectiveness of conventional trade union strategies (for example, negotiating with management). Workers generally are not concentrated at a central worksite, so the logistics of organizing must also differ. And the lack of protective labor laws means there is limited leverage a union -- in and of itself -- can invoke.

The greatest problems of the self employed are exploitation by merchants and middlemen; limited access to credit, raw materials, and markets for their goods and services; and low incomes. While more conventional union tactics can be effective in mobilizing workers, addressing compliants, fighting for higher wages, and lobbying for more responsive public policies, new strategies are required to deal with many of the above problems. Organizing cooperatives is one approach to organizing the self employed and linking them to credit, raw materials, and markets. Cooperatives provide the self employed an alternative structure of production which allows them more control over their working environment.

Combining conventional union strategies with the organization of cooperatives provides a greater chance of eradicating the poverty of self employed workers.

3. Research as an integral part of organizing

The study of worker's problems has been an important step for SEWA in organizing many trade groups. While there is no research staff per se, surveys are regularly conducted by the organizers. Research ideas grow out of their field experiences and their perceptions of the workers' needs. Some surveys are designed to identify problems and needs of a particular group of workers and used to orient action programs. Others deal with a general area (for example, health). And others are designed to evaluate a specific activity of SEWA. Data is regularly collected on the women, their families, their occupations and income, conditions of work, hours of work, indebtedness, and specific aspects of their trades (i.e. markets, prices, sources of raw materials, access to finance, and so on). Moreover, the members are asked their perceptions of their needs and expectations of the union.

SEWA uses this information not only in establishing its organizational priorities for action, but in pressing their case at the policy level for closer attention to the needs of self employed workers. Hard data on wages, working conditions, and other problems of the members lends much strength to their arguments.

Research has also been used as an organizing tool in mobilizing new groups of workers. It is used as a means of establishing initial contact between the organizers and workers, and introducing SEWA into new communities. In addition to identifying the problems and needs of members, it is also a way of entering the lives of the women.

4. Promoting income generating activities through women's organizations

SEWA members are typically women who have an established trade. As such, rather than creating new employment for them, their union has been involved largely in enhancing the women's incomes and improving their working conditions in current occupations. This has been done by linking them directly to supplies of raw materials and markets, providing reasonably priced credit, and organizing them into production units where women collectively purchase raw materials and produce and sell their goods. The activities in this sphere of SEWA's work are generally geared to a particular trade group, following careful study of:

- the availability and price of raw materials and problems related to storage space;
- whether there is adequate space in the work place and facilities such as water and electricity available;
- access to training;
- access to credit and the interest rates charged by various sources;
- whether there are direct or indirect links to markets, and how prices are established;
- institutional supports provided by governmental, non-governmental, or voluntary agencies.

Additional information on earnings, hours of work, and other socio-economic characteristics complement this data. Income generating projects are designed on the basis of this information. They are implemented by the organizers, often with the support of outside resources or institutions when accessible. These projects have had perhaps the greatest impacts on members.

5. Providing skills training

Providing skills training in both traditional and non-traditional occupations for women is not a new concept, but an important element in any integrated effort to promote women's employment. It helps women to enhance their earnings in present occupations and expand their opportunities to enter into higher paying occupations traditionally dominated by men. It also is an important means of preparing women to work together in cooperatives.

6. Building a women's cooperative bank

While many said a bank for poor women would never work, after seven years of operation, the SEWA Bank continues to grow and prosper. The experience of the bank has demonstrated both the capacity and the importance of mobilizing savings from within the community of poor working women, and their ability to effectively utilize and pay back loans. The bank is staffed with workers sensitive to the lifestyles and needs of poor women, and has banking procedures, savings programs, and loan schemes structured to serve their needs. Having a safe and accessible place to save in an insitution responsive to the needs of poor women -- whose access to other banking institutions is limited -- has provided SEWA's members a cushion for emergencies and unexpected expenses. Having a cheaper alternative to moneylenders is an important step in breaking out of the cycle of indebtedness so common among the self employed. This is a concept which can be adapted in response to women's banking needs in other places.

7. Lobbying for public policies supporting self employed women

SEWA has been active in representing the interests of its members within the local government and in state and national level development agencies. With a strong and organized constituency SEWA has been able to lobby from a position of strength. SEWA provides public officials with an important and legitimate source of information on the concerns and needs of self employed women. Moreover, lobbying for a supportive policy and legal environment ultimately can increase the union's leverage in improving the lives of self employed workers. Complementing organizing efforts with lobbying efforts in the long run is likely to create a more conducive environment for action. Worker's organizations can play an important role in pushing for relevant policies for self employed women.

8. Integrating efforts

In isolation, it is probable that any one of SEWA's activities would not have been as successful. Each area of action has complemented the other. The Union has served to mobilize the members and make them more conscious of their position within the context of the overall economy; the bank and economic units have built on this conciousness and complemented each other in identifying the needs of and developing programs responsive to the members. The Bank has been important

in financing members in the economic units, and in turn, many of the activities of the economic units support borrowers in utilizing their loans productively. The complaints department, social security programs, and training courses address a range of members'problems outside the scope of the above activities. SEWA's concurrent efforts to influence policy and develop other external supports also have been important in serving the members. Developing an integrated set of activities has become an important element of SEWA's success.

9. Establishing links to the establishment

SEWA has made a concerted effort to establish a dialogue with various groups within the community including other women's organizations, businessmen, merchants, bankers, industrialists, government officials, planners, and the police. In many cases these groups represent the interests SEWA is struggling against. However, the Association's approach has been to keep open the channels of communication insofar as possible so that both sides can develop a common understanding of each other. This tactic is rooted in Gandhian thinking. These efforts have served well the interests of the members and have been important in building the strength of the organization. Outside support and understanding has been important for SEWA in establishing its credibility and effectiveness in dealing with the problems of its members.

10. Maintaining organizational flexibility

SEWA is continuously faced with new problems and struggles in its work. However, as a pioneer organization, it has had few organizational models, examples, or lessons to follow. As such, an ongoing process of experimentation and learning has taken place. SEWA's success as an organization is in part attributable to its willingness to try new things, recognize what works and what does not, give up (or restructure) those things that do not, and move ahead to the next task. A good deal of organizational flexibility has been maintained both in defining programs and activities, and in defining the roles of various organizers and leaders. This has prepared SEWA to meet new challenges, and evolve into a more responsive organization.

11. Using the media to rally public support

SEWA has developed and used its contacts with the press to publicize certain issues which face the self employed, for instance, police harassment, unfair allegations of thievery against certain trade groups, abhorrent working conditions, and specific policies which adversely affect the self employed. The use of the media has been one way SEWA has increased the visibility of women workers, and mobilized public support behind them.

12. Working through an established worker's organization

SEWA has grown with the support of the TLA during much of its history. While there may be some limitations to this approach, there are clearly some advantages, especially at the initial stages of organizing. The TLA's contacts and established reputation has lent a credibility to SEWA which would have taken a long time to establish independently. For SEWA this was important in gaining acceptance and a power base within a community. While the TLA is an extremely unique organization without parallel, it is possible that, like SEWA, other organizations of self employed workers can build on the support of established unions or other worker's organizations.

13. Establishing credibility

Credibility within the community is a crucial aspect of SEWA's effectiveness. It has been necessary in mobilizing members and confronting the established orders. During its initial stages, SEWA gained credibility through affiliation with the TLA, the personal reputation of its leaders, and their strategic contacts within the government and community at large. Outside recognition of SEWA has also strengthened its image (e.g. the Magsaysay Award). However, ultimately, its credibility has been built through its effectiveness as an organization in taking up relevant issues and dealing with the immediate needs and concerns of the members. This has helped to develop the faith and confidence of members in the organization and their belief in collective action. Nonetheless, SEWA also has gone through some low periods when its credibility was shakey -- for example, after its Bank began to experience serious repayment problems in its early years. This was quite damaging to the organization, and it took some time for SEWA to re-establish its good name. But it survived and this fact alone has enhanced its reputation in the longer run.

Ela Bhatt maintains that another important element of SEWA's credibility has been the fact that the organization is peaceful and compromising in its approach rather than militant. Because of Gujarat's conservative atmosphere, she believes SEWA would not have been supported during difficult times if it had been a militant organization. She claims the organization has been tolerant, quiet, even "goody goody" in situations that no one liked. For example, SEWA gave the TLA leaders the benefit of the doubt for many years and continued to respect the elder leaders and otherwise act properly despite humiliation and abuse. While it was difficult at the time, this has served them well since the split with the TLA by helping them to gain widespread outside support. However, from Ela Bhatt's view SEWA is not afraid to confront. She believes that Gandhi's thoughts on compromise too often are misunderstood to mean all confrontations should be avoided. But Gandhi never left a chance to confront or stand up for his beliefs. While non-violence is one of SEWA's foremost principles, non-violence and non-confrontation should not be confused.

14. Recruiting dedicated organizers

It is treading on thin ice to suggest that the characteristics of the individuals involved in SEWA could be replicated. However, the qualities of the organizers have been a very important aspect in the evolution of SEWA. Their dedication, commitment, and skill in directing SEWA's activities have been crucial elements to SEWA's success. Many of these qualities have evolved through their involvement in the organization and through concious efforts to develop leadership qualities through workshops, training sessions, and exercises which prepare women for public speaking, articulating issues, organizing the details of their work, and managing their time. These have all served to enhance their roles as leaders and their effectiveness in mobilizing the community of self employed women.

15. Organizing women around their common interests

While it may be an obivous point, it is no less important. Organizing around a common interest has been an important aspect of SEWA. The members are all poor self employed women and share many similar economic and associated social problems. While they come from various castes, religions, family backgrounds,and even income groups, they all face exploitation as workers and as women. Many of the activities, particularly those of the Economic Wing, have centered on the needs of a particular trade group, be it supplies of raw materials, credit, or markets. These efforts bring those with shared problems together in collective action. This has been an important strategy in organizing.

C. Summary

There is widespread potential for SEWA's concepts, strategies, programs, and lessons to be useful to self employed workers who are committed to organizing in other places. The usefulness of SEWA as a model, however, hinges not on the ability of others to copy it in a strict sense, but instead, to study the organization's assumptions, learn from its mistakes and successes, and adapt this learning to a new context. SEWA's experience indicates that once workers decide to confront their problems collectively, they must have an ability to adapt to a given environment, take advantage of available supports, and move around the inevitable barriers and constraits which arise. This takes organizational flexibility, and a willingness to experiment with new things, recognize and accept failures, and try again. The bottom line -- as SEWA proves -- is a solid commitment and fighting spirit among those involved in the organization. Given these qualities, there is a broad scope for others to build on SEWA's experience in organizing self employed women.

CHAPTER 17: THE ROLE OF INTERNATIONAL ORGANIZATIONS

SEWA had limited contact with international organizations during its initial years. Its activities evolved independently, with financial support from membership dues, fees for processing loan applications from the nationalized banks, and some backup assistance from the TLA. The SEWA Mahila Trust was established in the mid-1970's and small contributions from local institutions and individuals helped to support several union activities (such as training and health programs, maternity benefits, and assistance to widows). As SEWA became more well known its contacts with outside development agencies expanded. Since then, many of SEWA's developmental activities have been supported by several international organizations (as well as by state and national level governmental agencies). This has allowed SEWA to evolve training, income generation, banking, and benefit programs and to invest in physical resources which otherwise would have been inaccessible to the self employed.

In addition to merely being a source for funds, international organizations have been valuable in bringing in fresh ideas to SEWA. Several organizers have participated in conferences and training programs sponsored by international bodies, including the United Nations, The Center for Population Activities, the Asian-American Free Labor Institute, the International Communications Agency, and several other bilateral and multilateral organizations. Moreover, SEWA's prominence on the development map has meant a steady stream of interested visitors from outside. Not only has SEWA gained through these contacts, but, according to Ela Bhatt, it has promoted its own "selfish interests." SEWA takes every available chance to promote the concept of organizing self employed women and to encourage women in other places to organize similar types of associations. In Asia, where women are so much a part of the unorganized sector, the organizers and leaders believe that more and more organizations like SEWA are essential. They are proud of their organization and want the idea of SEWA to spread even beyond the borders of India. Several groups outside of Gujarat have already begun to organize.

A. SEWA's Support from International Labor Organizations

The International Confederation of Free Trade Unions (ICFTU) based in Brussels was the first international organization to support SEWA through its affiliate, the International Textile, Garment, and Leather Workers' Federation (ITGLWF). Through the good name of the TLA SEWA developed contacts with this organization. In 1974, Ela Bhatt met with a representative of the ICFTU who asked how he could help. At that time SEWA's biggest problem was crowding. With so many women coming and going through the TLA hall and "making a mess of things," the TLA was always complaining. The greatest need was for a reception center where the members could meet and have a space of their own. The Governemnt of Netherlands agreed to fund SEWA through the ITGLWF to construct a building. After some difficulty in finding land in the tight real estate market in Ahmedabad, the center was built and opened in 1979.

The ICFTU also arranged funding (one-half from the government of the Netherlands and one-half from the government of Luxembourg) for a rural income generating project for spinning, weaving, and milk production. They have further provided funds for SEWA's rickshaw, which has been extremely useful to the organization as a means of transport in Ahmedabad.

The Asian American Free Labor Institute (AAFLI), which is the Asian arm of the United States based AFL-CIO, provided funds to SEWA for several organizers' training workshops. A second AAFLI project was to support SEWA's urban maternity benefit scheme. This support started in 1978, and allowed SEWA to expand a small experimental program initiated through the SEWA Trust in 1975. It was an extremely useful project, not only in offering protection for pregnant women workers, but also in providing SEWA the opportunity to develop a program model which has since been taken up on a larger scale by the government. With a successful program record in hand, SEWA approached the Gujarat State Government with a request for support for a similar program in the rural areas. The support of AAFLI was valuable in gaining governmental acceptance of such a program.

B. Governmental Organizations

NORSK, Norway's international development agency, supported SEWA's Rural Wing by financing the construction of the Development Center for Rural Children. The building, where training activities in carpentry, weaving, and literacy are held, was completed in 1980.

A rural training and income generation program supported by the Swedish International Development Agency (SIDA) is also being planned.

The United States Agency for International Development is sponsoring the present study and report on SEWA's activites.

C. Private and Voluntary Organizations

The Ford Foundation provided financing for SEWA's van, which is an extremely valuable resource for the organization, especially in working in the rural areas. Ford also provides grants for training, a legal aid program, publications, and other small activities.

Oxfam (United Kingdom) is a quiet supporter of SEWA's chindi project and some of the other production units. In addition to providing initial start up funds for the chindi project, they also set up a small program to assist women in purchasing their own sewing machines. Following the recent eviction of the chindi workers by the TLA from their Dariapur shop, Oxfam assisted the women in meeting the deposit on an alternative space to rent.

Oxfam (United States) is supporting SEWA by backing the Rural Wing's 'Jaggo Project'. This is an integrated rural development

program involving creches, milk cooperatives, and the development of local leadership. It also establishes a revolving loan fund for the purchase of cattle, training, and other income generating activities for women in the villages of Dholka Taluka.

Appropriate Technology International (United States) funded a "Workshop on Organizing Self Employed Women" held in March of 1981 at SEWA. Leaders of organizations of poor women from throughout India were invited to discuss their experiences and to consider ways to keep open the channels of communication among themselves and to provide mutual support. ATI is supporting further the follow up activities of this workshop. It also is providing funds for SEWA's organizational development.

Ela Bhatt is on the Board of Directors of Women's World Banking (WWB) and contributes by sharing her practical experiences in banking with poor women through the SEWA Bank. One of WWB's first projects (scheduled to begin in late 1981) involves establishing a revolving loan fund through the SEWA Bank to assist members in developing their trades. It is anticipated that similar types of lending programs through WWB will be established to assist women entrepreneurs in other developing countries.

D. SEWA's Experience with International Assistance

Overall, the support SEWA has received from international agencies has been very useful and has helped the organization develop and expand into more experimental activities. Outside assistance has been useful in providing some 'hard' goods such as building space and vehicles, sponsoring training programs for development of leadership and other income generating skills, supporting income generating projects, organizing creches, and backing small activities. At the same time that these supports have been useful, they are not indispensable to the organization. Many of SEWA's most important activities remain self-supporting (e.g. the Bank, the complaints section, etc.).

To date, SEWA's operating budgets have been very low, and they have demonstrated that a lot can be done with limited resources. Its human resources are by far its most important asset and staff costs have remained minimal (i.e. no one in the entire organization earns as much as $100 per month).

SEWA's reputation has made international funds more available to them than they perhaps would be to lesser known organizations. This has necessitated a certain amount of discretion in accepting funds. Some agencies have proposed large sums for ambitious projects. However, these would not have served the organization to its best advantage. SEWA does not presently have the internal capacity to manage huge amounts of funds. These types of projects invariably would have changed the character of SEWA. The attention of the organizers, out of necessity, would have been diverted from serving the members to managing the funds. Smaller amounts of assistance for self-defined purposes are more approprate for organizations like SEWA.

The experience of SEWA has been, however, that just because foreign funds are available, they do not provide limitless opportunity. It takes time for an organization to develop its capacity and the skills to use funds properly. As an example, in SEWA's training courses for block-printers and bamboo workers, funds for larger classes have been available. However, it took the experience of the first year's small classes for the trainers to develop and for the structure and operation of the class to work out. Funds may be available, but unless the organization develops experienced and trained personnel, there are limits to their usefulness. All of this takes time.

SEWA does not have a prejudice against foreign funds, especially if they come from unions representing the working classes. There is, however, a reluctance to accept funds and donations from local capitalists. Local businessmen and merchants, for example, are too close and to avoid conflicts of interest and pressure which would inhibit their work, SEWA has tried to avoid them. One advantage of foreign funds is that with distance, there is not that pressure.

Whatever funds are taken, the foremost priority is that they be used productively. SEWA believes that,insofar as possible, outside funding should be utilized for providing supportive services and infrastructure. Care should be taken, however, that they do not affect adversely the local wage structures. There is a danger that if foreigners do not know the local scene, an inundation of funds can upset things and create a bad name for themselves, as well as for the organization(s) they are working through.

While some would argue that an organization gives something up in accepting outside funds of any kind, SEWA feels that across the board refusal of such assistance denies the members resources they need and deserve. The principles of simplicity and frugality are ingrained and maintained in running SEWA, however, observance of these principles is not carried to the point of organizational denial.

1. Limitations of international support

One of the more obvious limitations for an organization such as SEWA in accepting outside support is the time it takes to deal with paperwork and red tape. For an organization with meager human resources, particularly managerial resources, the amount of time it takes to prepare proposals and follow strict accounting and reporting procedures can be quite burdensome. Requirements such as obtaining receipts for every small expenditure are unrealistic and unnecessarily time consuming. Another problem is having to follow pre-established accounting formats, particularly if funds come from various sources, all of which have their own particular systems. Again, this becomes quite complex and time consuming. Requirements for frequent reporting in programs, particularly if in English, can also be a strain on the organization.

Government of India approval is necessary when international assistance comes from bilateral governmental agencies. This process

can be time consuming and lead to delays in getting programs started. The regulations for non-governmental funds are simpler in India. SEWA has only to submit a letter informing the government of the project.

International support sometimes carries with it the possibility of political vulnerability. Acceptance of outside funds can expose an organization to political attacks and charges of being used as a vehicle of foreign 'infiltration'. Strong arguments exist which can be used by small organizations working with the poor to counter these attacks, but they nonetheless may occur. Another potential limitation occurs if an international organization itself is not well established or well received by the government of the country. This situation may cause uncertainty in their ability to follow up on funding commitments and can damage small organizations if they are young or entering into new programs. For example, one international family planning organization is not favored by the Government of India. Groups that have accepted funds from this organization have had difficulty securing governmental cooperation in carrying out their programs. In another case, one of SEWA's previous funders is not particularly popular with the government. Their presence in India is largely dependent on the support of the powerful TLA. When SEWA split from the TLA, they were pressured to withdraw their support from one of SEWA's programs. If an international body is not in a position which reasonably assures them of being able to follow through on their commitments, it is probably better not to start anything. Valuable time is wasted and the unmet expectations of the members can undermine their trust in the organization itself.

E. Implications for U.S.A.I.D.

U.S.A.I.D. might support self employed women workers in several ways by:

- backing experimental programs providing social security benefits and other supportive services to the self employed through worker's organizations (for example, SEWA's maternity benefit scheme was supported by an international organization during its initial years. This was an important investment in the development of the human resources to carry out the program; moreover, much like investments in research and development to create service delivery models, this allowed SEWA to develop a model which is now used by the government to deliver maternity benefits to poor workers);

- sponsoring programs which facilitate communiciations within and among workers organizations (as well as potential organizations) and between these organizations and policy makers (for example, internal communications within organizations can be facilitated through publications, newsletters, and meetings. Communication with policy makers can be supported by backing a staff person to write and disseminate policy papers, oversee the articulation of policy issues, and

devise a program of action and follow up at the policy level. Again, this can be seen as an important investment in human resource development);

- o supporting income generation projects for the self employed through workers' organizations which provide skills training, facilitate access to raw materials and markets, and assist in the formation of cooperative production units. Technical assistance in setting up cooperatives and simple accounting and management systems for production units could also be useful;

- o facilitating women's access to credit through support of women's banks (for instance, establishing revolving loan funds for small-scale entrepreneurs or providing technical assistance in setting up systems to administer, monitor and evaluate such loan programs);

- o providing assistance for investment in physical supports (such as vehicles and buildings -- these generally are unaffordable without assistance, but are important supports);

- o promoting progressive labor and employment policies in long-term infrastructure projects supported by AID (such as dams, bridges, roads, water projects, and housing) by:

  - requiring local contractors to hire women workers (in India,construction work is largely done by women casual laborers);

  - ensuring that construction workers are paid minimum wages (corrupt contractors often skim off money from wages. One way of protecting against this would be to require contractors to deposit wages directly in accessible banks -- cooperative banks could be established for this purpose. This can provide a safe place for workers to keep their earnings, encourage savings and the development of banking habits, and allow a means of monitoring contractors to ensure workers are paid their rightful wages);

  - incorporating into project design the provision of creche facilities or educational facilities near the worksite for children of women workers;

  - designing projects which offer social security, maternity, and other benefits to workers (e.g. insurance, sick leave, vacations);

- supporting projects which sponsor on site training for workers to ensure their continued employment upon completion of the project. This could provide a good opportunity to upgrade skills;

- designing evaluation studies which capture the impact of such projects on women.

o supporting research which focuses on the self employed, including:

- policy oriented research on the problems and needs of home-based workers;

- micro studies of specific self employed occupational groups with emphasis on their linkages to the economy and the impacts of public economic and employment policies on these groups.

To summarize, an approach which directs assistance to the self employed through private voluntary organizations and responds to the self-identified needs of workers' organizations can be extremely useful to their development. Incorporating progressive labor policies into internationally financed large-scale employment and infrastructure projects can improve further their working conditions. Moreover, supporting research on self employed workers can increase their visibility, identify their needs, and be valuable in designing appropriate policies, programs, and projects. The task of building strong workers' organizations ultimately must be assumed by the members themselves. Nonetheless, outside supports can play a crucial role in this process by investing in the human and physical resources necessary to enhance the capacity of organizations to respond to the needs of their members. In this way, international organizations can be important catalysts in the development of organizations such as SEWA.

APPENDIX I

Goals and Objectives Established by SEWA's 1972 Constitution

The aims of SEWA as stated in its 1972 constitution include:

(i) organizing self employed women to enable them to work in harmony, cooperation, and to regularize their relations with each other;

(ii) promoting self respect, unity, and cooperation among the self employed;

(iii) securing proper remuneration for work;

(iv) seeking out new avenues of work;

(v) assisting in procuring raw materials;

(vi) linking women with assistance from the state and central government;

(vii) promoting training;

(viii) seeing that laws with regard to security of self employed women are properly administered;

(ix) lobbying for the enactment of progressive legislation for the welfare of self employed women;

(x) encouraging women's welfare activities through voluntary assistance;

(xi) arranging programs promoting health, social security and patriotism;

(xii) examining problems of unmarried, widowed, neglected, handicapped, helpless or destitute self employed women, solving their problems and raising their standard of living;

(xiii) removing evil effects of all customs;

(xiv) preventing exploitation in any form;

(xv) organizing tours and excursions;

(xvi) establishing a public trust as a means for government, social agencies and others to donate to the economic uplift and development of self employed women;

(xvii) promoting relations with national and international associations of self employed women.

APPENDIX II

Data on the SEWA Bank

Tables

Table 1: Total Loans Advanced by Occupational Group, SEWA Bank, 1976-1980.

Table 2: Average Monthly Income of 286 SEWA Bank Borrowers, 1976-1980.

Table 3: Average Monthly Income of Self Employed Women in Ahmedabad, 1973-1980.

Table 4: Widows among Borrowers, 1976-1980.

Table 5: Percent Borrowers Contributing More than Husband to Household Income.

Table 6: Repayment Record of SEWA Bank Clients by Loan Program, Loan Size, Occupation,and Year, 1976-1980.

Table 7: Repayment Record of SEWA Bank Borrowers by Occupational Groups, 1976-1980.

Table 8: Socio-Economic Characteristics of a Sample of SEWA Bank Borrowers by Occupation, 1981.

Table 9: Employment Characteristics of a Sample of SEWA Bank Borrowers, 1981.

Table 10: Enterprise Characteristics of a Sample of SEWA Bank Borrowers, 1981.

Table 11: Loan Data for a Sample of SEWA Bank Clients, 1981.

Table 1. Total Loans Advanced by Occupational Group, SEWA Bank, 1976-1980.

Occupational Group	Number of Loans Advanced	Average Loan Size (Rs.)	Average Loan Size ($) (Rs.7.8=$1)	No. Loans Advanced as % of Total Loans Advanced
I. Small-Scale Vendors	227	594	($ 76)	33.4
Fruit & vegetable	61	590	($ 75)	9.0
Cloth sellers	47	572	($ 73)	6.9
Used garment dealers	32	1286	($165)	4.7
Wood sellers	30	300	($ 38)	4.4
Snack & tea sellers	17	463	($ 59)	2.5
Scrap metal sellers	17	294	($ 38)	2.5
Other small-scale sellers	23	387	($ 50)	3.4
II. Small-Scale Producers	314	545	($ 70)	46.2
Garment makers/chindi workers	225	518	($ 66)	33.1
Incense makers	32	684	($ 88)	4.7
Junksmiths	17	409	($ 52)	2.5
Food preparers	10	819	($105)	1.5
Carpenters	3	350	($ 45)	0.4
Spinners	2	500	($ 64)	0.2
Other small-scale producers	25	621	($ 80)	3.7
III. Service Workers/Laborers	10	1139	($146)	1.5
Typists	3	2500	($321)	0.6
Tiffin carriers	2	750	($ 96)	0.4
Hand cart pullers	1	690	($ 88)	0.1
Wastepickers	1	700	($ 90)	0.1
Headloaders	1	300	($ 38)	0.1
Manual laborers	1	200	($ 26)	0.1
Paying guest services	1	500	($ 64)	0.1
IV. Self Employed in Primary Activities	71	566	($ 73)	10.6
Dairy/livestock	50	437	($ 56)	7.4
Agricultural workers	15	1030	($132)	2.3
Fisherwomen	4	513	($ 66)	0.6
Poultry raising	2	410	($ 53)	0.3
TOTAL:	622	575	($ 74)	91.7
Others a/	51	976	($125)	7.4
Projects b/	6	21,917	($2,810)	0.9

a/ includes loans to workers who are not self employed (e.g. nurses, teachers, bank staff, etc.) and loans for which occupational category was not stated.

b/ includes loans to SEWA's economic projects, vegetable unit, rural marketing center and carpenters' association.

Source: SEWA Bank Records.

Table 2. Average Monthly Income of 286 SEWA Bank Borrowers, 1976-1980

Occupation	Women's Monthly Earnings (Rs.)		Husband's Monthly Earnings (Rs.)		Combined Monthly Earnings (Rs.)		Women's Average Contribution to Combined Mo. Earnings
	(n)	$\bar{x}$	(n)	$\bar{x}$	(n)	$\bar{x}$	
Small-scale sellers	(99)	256	(79)	338	(93)	533	52%
Home-based producers	(139)	204	(113)	468	(130)	611	39%
Service workers, laborers	(8)	299	(5)	507	(8)	615	62%
Agricultural workers	(12)	186	(8)	277	(10)	420	51%
Misc.	(28)	290	(18)	351	(21)	580	49%
TOTAL	(286)	234	(223)	407	(262)	572	46%

Source: SEWA Bank Loan Application Records, 1976-1980.

Table 3. Average Monthly Income of Self Employed Women in Ahmedabad, 1973-1980.

Occupation	Average Monthly Income of Women (Rs.)	Average Monthly Income of Family (Rs.)
Small-scale vendors	257	338
Home-based producers	93	240
Service workers, laborers	178	356
Agricultural workers	157	374
TOTAL	157	302

Source: SEWA Surveys of Self Employed Women, 1973-1980.

Table 4. Widows Among Borrowers, 1976-1980.

Occupation	Widows	Total Borrowers	Widows as % of Borrowers
Small scale sellers	13	99	13%
Home-based producers	13	139	9%
Service workers/laborers	2	8	25%
Agricultural workers	2	12	17%
Misc.	3	28	11%
TOTAL	33	286	12%

Source: SEWA Bank Loan Application Records.

Table 5. Percent Borrowers Contributing More than Husband to Household Income, 1976-1980. (N = 286).

Small scale sellers	31%
Small-scale producers	17%
Services workers, laborers	38%
Agricultural workers	25%
Misc.	29%
TOTAL: (All groups)	26%

Source: SEWA Bank Loan Application Forms.

Table 6. Repayment Record of SEWA Bank Clients by Loan Program, Loan Size, Occupation, and Year, 1976-1980.

	No Problem	1 - 2 Months Behind	3 - 6 Months Behind	Over 6 Months Behind
I. BY LOAN PROGRAM:				
SEWA General Program (12% interest)				
Secured (n = 23)	83%	4%	4%	9%
Unsecured (n = 510)	78%	6%	4%	12%
Special Programs (4% interest)				
Block Grant (n = 101)	66%	15%	16%	3%
Lions Club (n = 6)	83%	17%	-0-	-0-
Oxfam UK (n = 39)	84%	8%	8%	-0-
II. BY LOAN SIZE:				
Rs. 0-500 (n = 453)	80%	4%	4%	12%
Rs. 501-1000 (n = 154)	69%	13%	10%	7%
Rs. 1001+ (n = 74)	68%	16%	9%	-%
III. BY OCCUPATION:				
Small-scale vendors (n = 227)	77%	7%	5%	11%
Home-based producers (n = 314)	79%	6%	8%	7%
Service workers/laborers (n = 10)	50%	30%	10%	10%
Primary activity workers (n = 71)	75%	3%	7%	15%
Others (n = 57)	75%	11%	2%	12%
IV. BY YEAR LOAN ADVANCED				
1976 (n = 20)	55%	5%	-0-	40%
1977 (n = 240)	86%	1%	2%	11%
1978 (n = 73)	67%	1%	5%	26%
1979 (n = 107)	71%	7%	11%	11%
TOTAL: (n = 679)	77%	7%	6%	10%

Source: SEWA Bank Records.

Table 7. Repayment Record of SEWA Bank Borrowers by Occupational Groups, 1976 - 1980.

Occupational Group (n)	REPAYMENT RECORD				
	No Problems	1-2 Payments Behind	3-6 Payments Behind	6+ Payments Behind	Total
I. SMALL SCALE SELLERS: (n = 227)	77%	7%	5%	11%	100%
Fruit & vegetable sellers (n = 61)	72%	5%	5%	18%	100%
Cloth sellers (n = 47)	80%	2%	9%	9%	100%
Used garment dealers (n = 32)	69%	16%	3%	12%	100%
Wood sellers (n = 30)	80%	10%	7%	3%	100%
Snack & tea sellers (n = 16)	81%	12%	-0-	7%	100%
Scrap metal sellers (n = 17)	88%	6%	6%	-0-	100%
Other small-scale sellers (n = 23)	78%	4%	4%	14%	100%
II. SMALL-SCALE PRODUCERS: (n = 314)	79%	6%	8%	7%	100%
Garment/chindi workers (n = 225)	78%	6%	9%	7%	100%
Incense makers (n = 32)	88%	9%	3%	-0-	100%
Junksmiths (n = 17)	82%	-0-%	12%	6%	100%
Food Processors (n = 10)	50%	10%	10%	30%	100%
Carpenters (n = 3)	66%	33%	-0-	-0-	100%
Spinners (n = 2)	100%	-0-	-0-	-0-	100%
Other small-scale producers (n = 25)	84%	-0-	4%	12%	100%

(continued.....)

Table 7. (continued)

Occupational Group (n)	REPAYMENT RECORD				
	No Problems	1-2 Payments Behind	3-6 Payments Behind	6+ Payments Behind	Total
III. SERVICE WORKERS (n = 10)	50%	30%	10%	10%	100%
Typists (n = 3)	33%	33%	-0-	33%	100%
Tiffin carriers (n = 2)	-0-	50%	50%	-0-	100%
Hand cart pullers (n = 1)	-0-	100%	-0-	-0-	100%
Wastepickers (n = 1)	100%	-0-	-0-	-0-	100%
Headloaders (n = 1)	100%	-0-	-0-	-0-	100%
Manual laborers (n = 1)	100%	-0-	-0-	-0-	100%
Paying Guest Svs. (n = 1)	100%	-0-	-0-	-0-	100%
IV. SELF EMPLOYED IN PRIMARY ACTIVITIES. (n = 71)	75%	3%	7%	15%	100%
Dairy/livestock (n = 50)	80%	2%	4%	14%	100%
Agricultural workers (n = 15)	73%	7%	13%	7%	100%
Fisherwomen (n = 4)	25%	-0-	25%	50%	100%
Poultry raising (n = 2)	50%	-0-	-0-	50%	100%
TOTAL RECORD FOR SELF EMPLOYED WOMEN: (n = 622)	77%	6%	7%	10%	100%
OTHERS (n = 57)	75%	11%	20%	12%	100%
GRAND TOTAL: (n = 679)	77%	7%	7%	9%	100%

Table. 8 Socio-Economic Characteristics of Sample of SEWA Bank Borrowers by Occupation, 1981.

	Small-Scale Sellers (n = 12)	Home-Based Producers (n = 10)	Others (n = 3)	Total (n = 25)
1. Average age	42	36	54	41
2. Marital status:				
Married	9 (75%)	8 (80%)	2 (67%)	19 (76%)
Single	0 (-0-)	1 (10%)	0 (-0-)	1 (4%)
Widowed	3 (25%)	1 (10%)	1 (33%)	5 (20%)
3. Education:				
None	6 (50%)	7 (70%)	2 (67%)	15 (60%)
1-3 years	2 (17%)	1 (10%)	1 (33%)	4 (16%)
4 + years	4 (33%)	2 (20%)	0 (-0-)	6 (24%)
4. Average household size	7	8	7	7
5. Average number of earning members	3	3	5	3
6. Housing:				
Owners	7 (58%)	4 (40%)	2 (67%)	13 (52%)
Renters	5 (42%)	6 (60%)	1 (33%)	12 (48%)
Ave. monthly rent	Rs.9	Rs.18	Rs.13	Rs.13
Ave. number rooms	2	2	3	2
7. Migration:				
Migrants	7 (58%)	2 (20%)	2 (67%)	11 (49%)
Non-migrants	5 (42%)	8 (80%)	1 (33%)	14 (56%)

Source: Survey of Borrowers, February 1981.

Table 9. Employment Characteristics of a Sample of SEWA Bank Borrowers, 1981.

Employment Characteristics	Small-Scale Sellers No.	(%)	Home-Based Producers No.	(%)	Other No.	(%)	Total No.	(%)
1. Occupation	12	(48%)	10	(40%)	3	(12%)	25	(100%)
2. Employment history								
a) How long in trade?								
Since young girl	5	(43%)	5	(50%)	3	(100%)	13	(52%)
Since marriage	2	(17%)	2	(20%)	-0-	(-0-)	4	(16%)
Other ($\bar{x}$ =10 yrs)	5	(48%)	3	(30%)	-0-	(-0-)	8	(32%)
b) Second Job?								
Yes	4	(33%)	1	(10%)	-0-	(-0-)	5	(20%)
No	8	(67%)	9	(90%)	3	(100%)	20	(80%)
c) Other family members in trade?								
Yes	5	(42%)	8	(80%)	3	(100%)	16	(64%)
No	7	(58%)	2	(20%)	-0-	(-0-)	9	(36%)
3. Regularity of Employment								
a) Ave. Hrs. / day	9.3		7.1		13.7		9.0	
b) 7 days / week	6	(50%)	6	(60%)	2	(67%)	14	(56%)
6 days / week	6	(50%)	3	(30%)	1	(33%)	10	(40%)
Less	-0-	(-0-)	1	(10%)	-0-	(-0-)	1	(4%)
c) 12 Mo. / year	11	(92%)	10	(100%)	3	(100%)	24	(96%)
Seasonal	1	(8%)	-0-	(-0-)	-0-	(-0-)	1	(4%)
4. Would like to work more hours?								
Yes	6	(50%)	5	(50%)	2	(67%)	13	(52%)
No	6	(50%)	5	(50%)	1	(33%)	12	(48%)
5. Satisfied with work?								
Yes							14	(56%)
Yes/No							8	(32%)
No							3	(12%)
6. Would like daughter to do trade?								
Yes	4	(33%)	6	(60%)	2	(67%)	12	(48%)
No	8	(67%)	4	(40%)	1	(33%)	13	(52%)

Source: Survey of Borrowers, February 1981.

Table 10. Enterprise Characteristics of a Sample of Bank Borrowers, 1981.

I. ENTERPRISE DATA	SELLERS			PRODUCERS			TOTAL	
A. Investment in fixed assets								
1. Average	Rs.346			Rs.375			Rs.360	
2. Distribution (Rs.)	No.	%	Average Daily Earnings	No.	%	Average Daily Earnings	No.	%
0-20	3	27%	Rs. 8	5	50%	Rs. 8	8	38%
21-100	4	36%	Rs.13	1	10%	Rs. 3	5	24%
101-1000	3	27%	Rs.10	2	20%	Rs. 8	5	24%
over 1000	1	10%	Rs.35	2	20%	Rs.12	3	14%
B. Weekly Operating Costs								
1. Average	Rs.485			Rs. 45			Rs.275	
2. Distribution (Rs.)	No.	%	Average Daily Earnings	No.	%	Average Daily Earnings	No.	%
0-10	-0-	-0-	-0-	6	60%	Rs. 6	6	29%
11-50	2	18%	Rs. 1	-0-	-0-	-0-	2	9%
51-200	3	27%	Rs. 7	4	40%	Rs.11	7	33%
over 200	6	55%	Rs.25	-0-	-0-	-0-	6	29%
C. Daily Earnings								
1. Average	Rs. 16			Rs. 8			Rs. 12	
2. Distribution	No.	%		No.	%		No.	%
Less than Rs.10	4	36%		8	80%		12	57%
Rs.10-25	5	45%		2	20%		7	33%
More than Rs.25	2	19%		0	-0-		2	10%

(continued next page)

Table 10. (continued) - Enterprise Characteristics of a Sample of Bank Borrowers, 1981.

II. INCOME DATA	SELLERS	PRODUCERS	OTHERS	TOTAL
A. Women's Ave. Monthly Income	Rs.380	Rs.149	Rs.200	Rs.272
B. Household's Ave. Monthly Income	Rs.964	Rs.740	Rs.600	Rs.799
C. Income Adjusted for Household Size, Ave. Household Income per Person	Rs.137	Rs. 99	Rs.100	Rs.119

D. Control of Household income:	Number	Percent
Woman	15	62%
Husband	5	21%
Father	1	4%
Mother-in-Law	1	4%
Cooperative Decision	2	9%

Source: Survey of Borrowers, February 1981.

Table 11. Loan Data for a Sample of SEWA Bank Borrowers, 1981.

		SELLERS (n = 12)	PRODUCERS (n = 10)	OTHERS (n = 3)	TOTAL
1.	Ave. Loan Size	Rs.1083	Rs.620	Rs.433	Rs.820
2.	Use of Loan*				
	For Trade	6 (58%)	6 (60%)	3 (100%)	15 (60%)
	For Health	1 (8%)	0 (-0-)	0 (-0-)	1 (4%)
	For Debt Repayment	1 (8%)	2 (20%)	0 (-0-)	3 (12%)
	For Social Obligations	3 (25%)	1 (10%)	0 (-0-)	4 (16%)
	Other	4 (25%)	1 (10%)	0 (-0-)	5 (20%)
3.	Increase in Profit	8 (67%)	4 (40%)	0 (-0-)	12 (48%)
	No increase in Profit	4 (33%)	6 (60%)	3 (100%)	13 (52%)
4.	Use of Profit ** (n = 12)				
	Profit re-invested in trade	3 (38%)	0 (-0-)	0 (-0-)	3 (25%)
	Profit used for debt repayment	0 (-0-)	2 (50%)	0 (-0-)	2 (17%)
	Profit used for household expenses	2 (24%)	2 (50%)	0 (-0-)	4 (33%)
	Other use	3 (38%)	0 (-0-)	0 (-0-)	3 (25%)
5.	No other debts				13 (52%)
	Other debts				12 (48%)
6.	Source of Other Debts				
	Merchants/moneylenders				4 (33%)
	Relatives				3 (25%)
	Commercial Bank				2 (17%)
	Not stated				3 (25%)

* Some loans used for more than one purpose.

** Most also used part of profit for repaying SEWA loan.

Source: Survey of Borrowers, February 1981.

APPENDIX III

SEWA Bank Loan Application Form

Self Employed Women's Association

Preliminary Loan Application Form

Village: Age:

Name:

SEWA Membership:

No. of SEWA Bank Savings Account Passbook:

Residential address:

Occupational address:

Husband or father's occupational address:

BUSINESS DETAILS

Occupation:

Equipment or means of production used in work:

Owned or rented?

How much raw materials do you have ?

Where do you purchase this raw material?

Bills?

What do you make out of the raw materials?

How much is sold?

Daily/Monthly

Rate of selling?

Who do you sell to?

Income:

Husband/father's occupation:

Business address:

Income:

SOCIAL CONDITIONS

Caste:

No. of children:

Addiction (tobacco, liquor, etc)

Ration card:[1/]

Debt:

No. of ration shop:

Housing:
(owned or rented)

Previous loan?

Details:

Why do you want the loan?

How much can you repay each month?

(statement of the woman requesting the loan, agreeing to abide by the rules of the Bank, to use the loan only for her business, and to save regularly).

_____

Signature of the Applicant

Bank's opinion:

Date:

_____

Signature of the field worker[2/]

1/ This is to ensure her identification, but most of the slum dwellers do not, in fact, have ration cards.

2/ Field worker testifies that the above information is correct on the basis of a field visit.

APPENDIX IV

Questionnaire for Study of SEWA Bank Borrowers

I. BACKGROUND INFORMATION

1. Name: (place of interview)

2. Occupation:

3. Other household members (relationship to the woman, age, and sex).

4. Have you been educated? (yes/no)

   (a) If yes, up to what level?

5. Are your children enrolled in school? (yes/no)

   (a) If yes, what is their sex and level?

6. Do you rent or own your house? (rent/own)

   (a) If you pay rent, how much per month?

7. How many rooms are there in your house?

8. (general description of living and/ or working environment)

9. Do you or any members of your household have serious health problems? (yes/ no)

   (a) If yes, details:

10. How long have you lived in Ahmedabad (or current place)?

    (a) If not born here, what is your native place?

    (b) Did you come before or after marriage? (before/ after)

    (c) If after marriage, did you come before, at the same time, or after your husband? (before/ same time/ after)

II. EMPLOYMENT

1. Your occupation is _____.
   Where do you do this work?

2. Please describe to me how you do this work?

3. What raw materials do you use?

4. How much raw materials do you use?

5. Where do you purchase these raw materials?

6. What is the cost of these raw materials (per unit)?

7. How much raw material do you have on hand at present?

8. What other tools or equipment do you use in your work?

9. How much are these worth?

10. How many hours a day do you work?

11. How many days have you worked in the past week?

12. How many weeks in the past month?

13. Do you work at this job all year round?

14. How much do you sell your product for (price per unit)?

15. How much do you produce per day/week/ month?

16. How much do you sell per day/ week/ month?

17. How much profit do you make per unit per day/ week/ month?

18. How long have you been doing this work?

19. Do you work at any other job? (yes/ no)

20. What is your total monthly income?

21. How do you spend this income?

22. Do any other household members work with you in this trade? (yes/no)

23. What is your husband's occupation?

24. How much does he earn?

25. Do any other persons in your household work? (yes/ no)

    (a) If yes, at what jobs and how much do they earn?

26. Any other sources of household income?

27. Who controls the household income?

28. Are you satisfied with your work?

29. Would you like to work more hours than you presently do? (yes/no)

    (a) If yes, how many more?

30. Would you like your daughters to do the same work? (yes/ no)

    (a) If no, then what would you like them to do?

III. SEWA LOAN

1. What was the size of your laon?

2. How did you use the loan money?

3. Did you use the loan for more than one purpose? (yes/ no)

    (a) If yes, details:

4. Did you use the loan on anything besides your business or trade? (yes/ no)

    (a) If yes, details:

5. After taking the loan did you increase the number/amount of goods you produced? (yes/ no)

6. After taking the loan did you increase sales? (yes/ no)

7. After taking the loan did you increase your profits? (yes/ no)

    (a) If yes, how much?

    (b) If yes, what did you use the increased income for?

    (c) If yes, did you reinvest in your trade? (yes/ no) Details:

8. How did the loan help you the most?

9. Did you have any difficulty in meeting the payments? (yes/ no)

    (a) If yes, what were the difficulties?

10. Have you ever taken a loan from another bank or a moneylender? (yes/ no)

    (a) If yes, from where and at what interest?

11. Do you plan to take another loan in the future? (yes/ no)

    (a) If yes, from where?

    (b) If no, why not?

IV. INVOLVEMENT IN SEWA

1. When did you first learn about SEWA?

2. How did you first learn about SEWA?

3. Have you been invoved in any other SEWA activities or services besides the bank? (yes/ no)

   (a) If yes, which ones? (training, social security, legal services, economic projects, union struggles) Details:

4. How has being a SEWA member helped you?

5. Other comments on SEWA?

APPENDIX V

A New Deal for the Self Employed

SEWA's Note to the Planning Commission, 1980

In past years national plans and government policies have overlooked the self employed sector, despite the very important economic role it plays in the production of goods and services and as a source of employment for a large mass of India's population. In an attempt to bring forth the concerns of self employed workers to policy makers, the organizers and members of SEWA have drawn on their experiences to prepare the following note for the Planning Commission.

Profile of the Self Employed

The self employed can be divided into three broad categories of workers:

- small-scale vendors, petty traders and hawkers, selling goods such as vegetables, fruits, fish, eggs, other eatables, household goods, garments and similar types of products;
- home-based producers making such products as bidis, agarbatties, garments, small furniture, footwear, fabric, and handicrafts;
- labourers selling various kinds of services, including cleaning, laundering, health, catering, cooking, or providing labour for construction, transportation, agriculture, or other activities.

The self employed sector provides employment opportunities to a substantial proportion of the urban labour force (45% in Calcutta, 40 % in Bombay). Millions of people, mainly in the low-income groups are self employed women, children, scheduled castes and tribes, and backward classes. Further, many of the goods and services consumed by the common masses are provided by this sector. As such, there is ample justification for focussing on this group in programmes aimed at expanding employment opportunities, increasing income, and raising productivity.

The limited amount of available data makes it difficult to assess the size or composition of the self employed sector. However, some general characteristics of these workers are known: they work as one person workers-owners; their enterprises are small-scale; in many cases they create jobs for themselves; and they have a low level of property ownership. Over the past several years SEWA has conducted a series of socio-economic surveys of self employed women. From this information we have learned that for a great majority, capital for initial financing and day to day operating costs is their own, from relatives, merchants, or private money lenders, not banks. Their daily earnings are low and hence, many (60%) remain in a state of indebtedness. Most (78%) hire or rent their means of production such as laris or hand carts.

Despite long hours of work, productivity is low due to a broad range of social, economic, and even legal constraints. Many are illiterate, and most live in temporary settlements in city slums (97%). Among the self employed, 21% to 33% of the women are household heads, and children accompany 70% of them to the worksite. In sum, the extremely limited access to raw materials, markets, sources of capital, training, and space for the production and/or sale of goods creates a situation where the self employed must work long hours under difficult circumstances to eke out a bare minimum living.

Experience of the Self Employed with Present Official Policies

A common sentiment among the self employed is that government policies and attitudes are weighted against them. Infringement on their right to work by the government is strong. For instance, those working as vegetable vendors are constantly harassed by police and municipal authorities and in some cases are even pushed and beaten with sticks. Their traditional selling places on the pavement are taken away to make way for smooth flowing traffic or parking space. At times, their goods and tools are confiscated. Bamboo workers also face problems in maintaining a space to work. The materials with which they work require a very large space, unavailable in their tiny huts. Out of physical necessity they must work in the streets outside their slums, where they frequently face harassment and beatings by public authorities. Similar complaints are made by used garment dealers, and vendors selling bangles, household goods, and fish. To add insult to injury, these workers not only are beaten at the slightest provocation, but their goods often are thrown on the street or confiscated. In some instances, the make-shift shelters which protect them from the sun and dust also are destroyed.

The self employed are seeking neither jobs nor subsidies from the government. What they want is for their work to be recognized as legitimate by the government -- as legitimate as work in government offices, factories, or large-scale businesses. When the police or municipal authorities have genuine complaints against organized workers they do not resort to physical assault or destruction of property. At a minimum, self employed workers have a right to similar treatment. Proper procedures must be followed in redressing any complaints against them.

Our Recommendations

There is need for a radical change in government policies and attitudes towards the self employed. The following recommendations are made for official policies which can help the self employed in their struggle against poverty.

(1) Municipal authorities and town planning organizations should survey the self employed workers in their respective areas by occupation to determine their basic minimum needs for a place to produce, to store, and to sell. This could help to

identify and legitimize the needs of this large body of working citizens. Presently, public bodies do not account for the existence of the self employed sector in their plans. Rather these workers are pushed from pillar to post and considered an 'eyesore' despite the contributions they make to their community.

(2) Town plans and official policies should promote modernization which does not create unemployment for vendors and hawkers. The example given above of sellers being displaced to make way for a parking lot is a case in point. The common attitude that small-scale sellers are 'encroaching' on vacant lands, or interfering with vehicular traffic or parking space must change. In many cases, the workers have depended on these market spaces for generations. Policies and plans must open market areas to these small vendors, protect their right to sell, and encourage their enterprise which provides a valuable service in the public distribution system.

(3) Fines collected by authorities from market vendors and slum-based producers should be used to provide welfare facilities for them. A similar principle is followed under the Payment of Wages Act, whereby funds created out of unclaimed wages and fines levied against workers are utilized for their welfare.

(4) Unwarranted police interference in the work of household producers and street vendors should be strictly barred. In the event of any complaint against a self employed worker, concerned authorities should take up the complaint with a representative body of the self employed worker, if any exists. In no case, however, should they be permitted to deal directly with the individual, physically beat him or her, or confiscate or destroy their goods. If necessary, seperate traffic guards from voluntary organizations could be organized to deal with the problems of encroachment in cases where it obstructs the general public. Encroachment should not be viewed as a law and order issue. In fact, the existing bye-laws of municipal corporations which are used to displace poor people trying to make an honest living need to be reviewed in this light. Rather than rules and regulations such as these, which restrict workers' rights, laws should support conditions which increase employment opportunities in our country.

(5) Public transportation policy should be revised to permit the self employed to carry goods on public buses. A large number of producers commute from villages to city markets to sell their products. However, city buses do not allow them to carry their baskets or bundles of goods. Since they have no access to any other affordable means of transport, public systems should be made available. Speical "Topla" buses could be scheduled for service at regular intervals.

(6) Home-based producers, who in general do not use electricity in the production of their goods, should not be penalized by being charged commercial rates by utilities. The significant contributions of household workers engaged in such occupations as bidi and agarbatti making, hand-block printing, garment sewing, and similar jobs should be recognized by the government. Economic incentives, rather than the disincentives now in effect, should be provided to these workers through government policies and regulations.

(7) Worksheds and workplaces should be provided to the self employed at suitable places, especially for women. At present, the State provides industrial estates for modern small-scale industries and constructs houses for its employees and industrial labourers. However, there is no provision whatsoever for giving even minimal facilities to the self employed for production, selling, and housing. Planners must realize that the slums of the poor are also production centres. In addition to providing work sheds in slum areas, separate handicraft estates need to be organized in cities and towns to provide work for the self employed.

(8) A Development Board for the Self Employed (like that for village and cottage industries) should be established. This body could work on behalf of the self employed in shaping policies, ensuring provision of minimum facilities, promoting supportive legislation, and combating hostile attitudes. Most self employed workers are not able to secure a fair return for their labour because of the entrenched systems of labour contracting, provision of raw materials, and sale of goods and services. There are no provisions for providing institutional capital or marketing support to release the self employed from the cluches of traditional exploiters. The Development Board could work to combat these problems in several ways. It could inform planners of the tremendous role played by the self employed in the vast distribution system of the nation. It also could work to constructively encourage and channel the force of the self employed to provide goods and services at cheaper rates (by eliminating middlemen to the extent possible), and create more employment opportunities. Given adequate training and know-how, the self employed could evolve a low cost distribution system which supplies essential goods and services to households.

(9) The delivery of social security and welfare schemes to the self employed and enforcement of labour laws should be promoted through representative associations or ccoperatives, rather than through the government. Government authorities have been ineffective in securing payment of minimum wages, in enforcing laws, and in properly delivering benefit schemes to occupations in which there are a large number of self employed workers. Very often inspectors are unable to cope

with the underhanded tactics of middlemen who manipulate employee records and provident funds, and who make unwarranted and arbitrary deductions from employee earnings which, in any case, rarely conform to minimum wage standards.

(10) Access to raw materials should be facilitated by policies which require government and private industries to sell their waste materials directly to the self employed for use in the production of their goods. The self employed are generally too poor to buy new raw materials. Hence, they buy used or discarded scrap materials which they process into finished goods to sell to low income households. This is a form of recycling of materials which is valuable to the economy. In most cases, these materials (rags, junk iron, scrap wood, and bamboo) are purchased in retail shops at high prices, when and if they are available, as shortages are often a problem. A policy which favours the self employed in allocation of these raw materials is needed.

(11) With regard to equipment used by self employed workers, there is a need for stricter quality control, price regulation, and guarantees for repair or replacement of defective parts. Priority allocation of these supplies to poor workers is also needed. Bicycles, sewing machines, knitting machines, lathes, looms, potter's wheels, tyres for hand carts and rickshaws are all important means of employment for the poor and productivity for the nation. Provision of this equipment at cheaper rates or standard prices and on easy credit could lead to a growth in employment and in the production of reasonably priced mass consumption goods.

(12) Government protection of hand-block printed textiles is necessary to preserve and expand employment in this occupation and to ensure equal and fair competition between hand printed and screen printed textiles.

(13) Occupational health standards for self employed workers should be developed and enforced by the government. Many workers, especially those engaged in production of bidi, agarbatti, chandri, tobacco, raddi, loading, hand cart pulling, rickshaw driving, and stone and jewel polishing suffer physical strains and health hazards due to raw materials and the tools they use. Policies are needed to improve their working conditions, tools and equipment, and to provide protective measures against specific health hazards.

(14) Fish tanks leased by the government should be offered at a nominal rate to those traditionally working as fish catchers and sellers, rather than being auctioned to contractors. When fish tanks are auctioned to the highest bidders, the poor are invariably displaced from their means of livelihood.

Village panchayats and other district authorities auction the fish tanks to the highest bidder, without regard for the social and economic consequence for those traditionally engaged in this trade. No public policy should take away existing work from the poor without providing them an alternative source of income.

APPENDIX VI

Case Studies of SEWA's Experience in Organizing Self Employed Women

The themes of struggle and development are perhaps most vividly reflected in the history of SEWA's experience in organizing women in specific trades. Each group of workers has unique characteristics and problems, and accordingly the areas of SEWA's involvement and its organizing strategies have differed. Nonetheless, certain patterns and techniques in organizing have developed which have been used with different groups. The following examples of SEWA's involvement with several of the most active trade groups illuminates the processes through which self employed women have confronted some of the problems specifically associated with their trades. These descriptions attempt to give the flavor of how SEWA works. The results of these struggles are mixed; however, through the process of collective action, the women have learned to exert pressure and control over their family and work environment with confidence. For all, the horizons have expanded at least a little.

A. Small-Scale Sellers

Case 1: Vegetable Vendors

SEWA has supported vegetable vendors throughout the city in three major ways: linking them to institutional sources of credit; protecting their rights to a place to sell by defending them agaisnt police harassment, arrest, and displacement; and providing them direct access to large scale markets by taking orders for vegetables from local hospitals and jails.

1. Backround of the trade

Vegetables in Ahmedabad are sold by several groups: wholesalers and merchants in large public markets, small shopkeepers, regular licensed vendors who move around the streets, and unlicensed vendors who sell either door to door or from a cloth spread on the pavement. Almost all the women vegetable sellers in Ahmedabad fall into the unlicensed group. They play an important role in the local distribution system by supplying a substantial portion of the goods consumed by middle class households and families of the poor.

In 1974, SEWA conducted a survey of the women vegetable vendors. The survey revealed that access to credit is one of the major problems within the trade. Lack of capital to invest in carts or stalls means that most women (93%) sell from baskets and ground cloths. This, along with limited access to working capital, substantially reduces the volume of their trade. Those owning carts potentially can handle up to 200 kilograms per day, while women with baskets or selling on the pavement can carry a maximum of only 30 kilograms at a time. However, 30 kilograms requires an investment of around Rs. 50, which in most cases is as much as the women have access to at one time. SEWA found that 79 percent of the vendors are indebted, often borrowing

working capital on a daily basis from merchants or moneylenders at interest rates as high as 10 percent per day. High interest rates and the low volume of trade results in low earnings for the women.

The survey also found that vegetable vendors face continual mistreatment by the police because they are not licensed. Unless they pay fines or bribes amounting anywhere from Rs. 25 to Rs. 35 per month, they are plagued by harassment -- their goods may be confiscated, they may be beaten by the police, or ordered out of their selling space. This results in irregular earnings and in some cases lost investments. Although they are providing a valuable service to a large number of consumers, they are not recognized or respected by the authorities and are more often treated as criminals than as contributing workers.

Many other characteristics of the women in the trade came out through the survey. A majority of the women sell by moving from place to place, while a smaller number sit in a fixed spot on the pavement. Most learn their trade at a very young age from their mothers. Over three-fourths of Ahmedabad's women vendors are second generation migrants from the Veghari community in northern Gujarat; the remaining are Muslims. The Muslim women typically are restricted to selling only within their neighborhoods in contrast to the Vegharis who sell wherever there are customers. They wander the streets and neighborhoods, often walking 10 to 15 kilometers each day.

The husbands of about 40 percent of the women also sell vegetables. The rest work as millworkers, casual laborers, government servants, or are unemployed. While most of the women are married (86%), a significant number are divorced or widowed and must play a major role in supporting their families. The survey further found that literacy rates are very low among the women (8%), and a large majority of their children are not enrolled in school (80%).

The women work long hours. Their trips to the wholesale markets generally begin at 5 a.m., and it is common for them to sell from early morning well into the evening. Peak business hours tend to be early evening.

Despite the many problems related to their trade, on the whole vegetable vendors still are one of the highest earning groups among the self employed women. SEWA found their average monthly incomes to be Rs. 355. Only 7 percent earned less than Rs. 250 per month and 18 percent earned more than Rs. 400 per month. While the trend of higher earnings for sellers is consistent with findings from another study of Ahmedabad's informal sector (Papola, 1978), the SEWA survey indicates that although women selling vegetables earn more than other self employed women, they consistently earn less than vegetable sellers as a whole. 1/

1/ See Bhatt, Ela, 1976. Profiles of Self Employed Women for further description of Ahmedabad's women vegetable vendors.

2. SEWA's involvement

a. Banking: When SEWA established its program to link self employed women to credit from the nationalized banks, vegetable vendors were one of the first and most active groups to participate. Between 1972 and 1976 over 2,500 vegetable vendors from throughout the city received loans. While they were intended for investment(as working capital or for assistance in purchasing carts or lorries),during the first years of the program, the loans were not always used for these purposes. One difficulty was that the women needed smaller amounts at more frequent intervals for effective use as working capital. Another was that the women lacked a safe place to keep the loan money, which often meant it was spent outside the trade. The limited follow up on borrowers resulted in further diversion of the capital for purposes other than investment in their businesses. As a result, by 1975 there were serious repayment problems among these women. In many cases, their cycle of indebtedness continued even after the SEWA loans.

Despite these early problems, the vegetable vendors have participated more successfully since the establishment of the SEWA Bank. They now have a safe place to keep the money and there is a closer screening process. Moreover, the money they now borrow from the SEWA Bank is perceived as SEWA's rather than the government's. This has brought about a marked improvement in their repayment record. Between 1976 and 1980, 72 percent had no repayment problems, 5 percent were only 1 to 2 months late, and 23 percent were 3 or more months late. While some have used the loans for social obligations or to repay old debts, many have invested successfully in their trades (see chapter 7 on the SEWA Bank for further discussion).

Unfortunately, the effort between 1975 and 1977 by SEWA organizers to recover money borrowed from the nationalized banks by the vegetable vendors has left its scars. Even after recovery efforts terminated, in some of the market areas it took a long time for the organizers to be identified as anything but loan collectors. For several years there was a reticence to become more involved in SEWA, particularly among those members who defaulted on their loans. Fortunately, good relations between the vegetable vendors and SEWA now have been re-established, and they are active in several SEWA programs.

b. Fighting against harassment: Police harassment is perhaps the most persistent and difficult problem vegetable vendors must deal with. They regularly register complaints with SEWA against the police for confiscating or destroying their goods, beating them, or demanding bribes.

On factor underlying this problem is that the vendors have been denied official licenses legitimizing their right to sell in a given place or area. When the police charge them with encroachment, they have little recourse in defending themselves against arrest or harassment. As individuals, they have almost no bargaining power to defend themselves against these unjustified attacks by public authorities.

Over the years, SEWA has put a good deal of effort into organizing the sellers in several market areas to collectively resist this harassment. The organizers accompany the vendors to police stations, publicly speak out in their defense, petition for official licenses, and publicize their plight in the local press. According to one organizer, in 1973 the municipality sent out a notice stating that it would issue licenses to hawkers with established selling places. SEWA worked with members in at least six markets to secure fixed spots. The union also guided the illiterate sellers through the maze of paper work required to obtain the licenses. However, in many places there was pressure against licensing street vendors from merchants and other interests. Consequently, many of the vendors were denied licenses and continued to face harassment.

Out of frustration, in 1978 SEWA called for a procession in the main market by vendors from throughout the city. Several thousand vendors gathered and the Chief Minister of Gujarat was invited to address the meeting. His speech was not particularly encouraging, as no mention was made of any official action he would take to defend the vendors. However, the following day he called Ela Bhatt, Mr. Buch, and all of his cabinet ministers to a meeting. While most of the ministers were sympathetic to the plight of the vendors, one was not -- the Labor Minister (ironically, he also happened to be one of the top TLA leaders; however, he had never supported SEWA, and was actually a traditional rival of Mr. Buch). The Labor Minister argued that the vegetable vendors created too many problems throughout the city, they were multiplying in numbers, and they made the city dirty. He felt it was the State's responsibility to keep the city clean. Ela Bhatt countered that the primary responsibility of the state, and particularly the Labor Minister, is to provide work to its citizens.

Following a rather heated debate, the Chief Minister (a sober man, according to Ela Bhatt) arranged for another meeting with Ahmedabad's Mayor, Municipal Commissioner, and Police Commissioner. In this meeting, SEWA presented two demands: first, that all the vendors be given badges identifying them as legitimate sellers, and second, that street vendors be given a specific legal space -- officially demarcated by white chalked lines -- to sell.

The city officials agreed to demarcate fixed selling spaces, so SEWA went around the markets and drew up a list of all the vendors and the location of their selling space. The lists were sent to the officials and lines were subsequently drawn to mark their legitimate selling spaces.

The officials were not willing, however, to provide identification badges. But as SEWA became better known in the halls of the local police stations, a tactic was devised to get around this. SEWA issued membership cards for the vendors to present to the police when they demanded bribes or issued fines. The cards have offered protection to the extent that the police fear the discomfort of confrontation with the Union. However, this technique has not been totally effective, as it still does not provide the vendors with a legal right to be left in peace.

Surajben, a member who has worked for 30 years selling vegetables in Ahmedabad, describes how police harassment takes place:

> "Every day after I come from the wholesale market, I lay out a cloth on the street and carefully arrange my vegetables in neat piles. But before I can sell even ten rupees worth, a policeman will come and put his foot in the middle of my vegetables. I beg him to go away and give him five rupees and some vegetables, but then he'll start kicking. I beg him to stop, give him five more rupees and say, 'Please stop,' but he just keeps on. Only if I give him more vegetables will he stop. But by this time I'm scarred he will return again, so I quickly pick up the vegetables in my sari and hurry to another spot. But I drop a lot on the way, and when I go back to pick them up the children and animals have already snatched them. I must lose fifteen rupees worth this way each day.
>
> "New police are coming all the time because they know I will pay. In my area there are five or six women in particular who are harassed.
>
> "After we joined SEWA about four years ago, things cooled down for about a month. We all made a pact not to pay the bribes. But before long, they were back at it again. When Manjulaben (the SEWA organizer) comes the police don't listen to her. Even when Elaben came to defend us, the police swore at her and called her awful names. The insult to Elaben was the worst thing. It really made us feel horrible and bitter. All we could think of is to hell with this trade, to hell with the money, let's just get her back to where she's safe.
>
> "Every day the poice taunt us. 'Why don't you go to SEWA for help?' they say. But how can we go every day?
>
> "Elaben has fought for us, the organizers have fought for us, even the Police Commissioner has come and measured off an official space for us. But still some of the police are after us. At least now we have somewhere to turn to for help. Compared to other areas, I'd say we have less harassment, and the municipal authorities don't take away our goods or arrest us as often. But trouble from the police remains one of our biggest problems." (Interview, April 1981)

i. The Manek Chowk Satyagraha: One of the most blatant attacks against a group of vegetable vendors by the municipal authorities occurred in 1980 in Ahmedabad's central market. As backround, about 150 SEWA members are pavement sellers in the area outside the main covered market. They compete for business against the larger merchants selling from their stalls inside. The area is congested with local traffic competing for space with the vendors, animals, and shoppers in the narrow streets. Because the pavement sellers have lower prices and get first crack at the customers, the merchants have constantly complained that they interfere with their business.

At every opportunity they prod the police and municipal authorities to ban these sellers from the areas near their shops. Encouraged by the merchants (with a few free fruits and vegetables thrown into the deal), police harassment has persisted for years.

Rumors also have been spread that the vendors cheat the customers by falsely weighting their scales. To help counter this accusation, SEWA purchased a scale and placed it in the market for use by any customer questioning the weights of a pavement vendor. The Union stands behind the accuracy of this scale. However, the charges persist, and even as late as 1981, a small anonymous article appeared in the local newspapers warning local shoppers to beware of cheating by SEWA members in the central markets.

In late January 1980, a cyclist was beaten up in the market, and the incident sparked a riot. A two day curfew was imposed in Manek Chowk closing all the shops and stalls. The street sellers were also banned from the area. On the third day, the curfew was lifted and all the shops were allowed to open. However, the pavement sellers were not allowed to return to their spots. They were informed that the area was to be turned into a parking lot and were beaten up and removed by the police. The women lost not only their daily income but also their investments in their stocks of vegetables which were left to rot.

The SEWA group leader, Laximiben, immediately reported to the Union. Accompanied by Ela Bhatt, the vendors went en masse directly to the Municipal Commissioner. He denied responsibility for the incident claiming it was an independent act of the police. When confronted by SEWA, the police claimed it was a community decision to ban pavement vendors from the market and that the Municipal Commissioner, in fact, was responsible. SEWA requested the city authorities to at least find a suitable alternative selling place for the vendors. They found it ironic that the traffic police were not able to find any available space in the central market areas for the sellers while they were able to set aside a large space for parking cars and scooters. From their perspective, the vehicles of the middle class were being given priority over the 150 women who earned their daily income selling vegetables.

The vegetable vendors and SEWA's organizers planned a protest. They decided to occupy their traditional selling spots, and if the police came, they would offer non-violent resistance. If arrested, they would go peacefully.

According to Ela Bhatt, the Gandhian approach is to tell everything to your opponents, so she informed the Police Commissioner the day before the Satyagraha of the plan. That evening, SEWA's president, Mr. Buch, and the Mayor of Ahmedabad advised her not to carry forth this demonstration. However, the decision was fixed. The following morning, Mr. Buch sent his blessings, and Ela Bhatt and 32 organizers joined the vegetable vendors at Manek Chowk at 7:50 a.m. When they arrived the city traffic inspector, with a police van and two police jeeps, was waiting. Ela Bhatt greeted the inspector, saying she hoped

they would have his cooperation. She then told the women to take up their positions. With a line of 32 SEWA organizers standing in front, the vendors spread their cloths and vegetables on the ground in their traditional space. In defiance of police orders, they occupied their rightful place.

During the confrontation, the police asked the women why they did not want to work as mobile sellers, wandering through neighborhoods like other sellers. The women insisted that their regular customers were here in the market and that they had a right to sell in their traditional spot. They refused to move until the authorities agreed to formally recognize this right.

Meanwhile, a shopkeeper came out and accused the women of stealing away all of his customers. It therefore became clear to SEWA that the merchants had been using their influence to drive the women out. Subsequently, the merchants all decided that if the women could be on the street, they could too, and many set up small pavement stalls to compete with the women. The organizers talked to the merchants in an attempt to get them to understand their position and to come to some common understanding and solution to the problem.

The police meanwhile kept trying to convince the organizers and sellers to clear the pavement, but they refused. They had already lost five days of work and income and with no alternative place to sell decided to hold firm.

A resolution finally was reached when a police officer arrived and took the names of all the women. The list identified the legitimate occupants of the pavement and assured them of their rightful selling space.

Through this and similar experiences in defending the rights of the members against displacement and police harassment, the organizers and members have learned how to confront high level municipal authorities, the police, and other public officials. They have learned who to contact, how to talk to them, and how to apply pressure. Meeting with the officials and rationally presenting the facts of a particular case have proven effective in many instances. The use of the press and mass resistance also have been effective organizing techniques.

b. Linking sellers to larger markets through the SEWA Vegetable Unit: The struggle to defend the vegetable vendors' right to sell touches on only one problem. The relatively small volume of their sales and the unpredictable markets lead to limited and irregular earnings for many. The SEWA Vegetable Unit was established through the Economic Wing to assist in expanding and stabilizing the markets of the members. Through this project, 40 members sell their vegetables to seven large-scale public institutions including hospitals and jails.

While traditionally these public institutions have purchased goods from male wholesalers, over the past seven years women's organizations have pressured the government to procure goods from women sellers. A state regulation was issued in 1978 requiring all government institutions to give first preference in buying goods from women's organizations. In conjunction with Jyoti Sangh, a local women's organization, SEWA members have been linked to the larger scale government markets.

Before the project actually started, the organizers drew up a plan for organizing the unit. Analysis of the volume of goods to be supplied, the number of women to be involved, the amounts of working capital required, operating costs, profit margins, sources of capital, and plans for managing the project were made. The original intent was to organize rural growers into producer cooperatives and link them directly to the institutions through the urban vendors. However, identifying the growers has been difficult, and so at present, groups of urban vegetable vendors are given orders from the various institutions. They purchase from wholesalers and in turn supply to the hospitals and jails. Each month the 40 women involved in the project supply over Rs. 60,000 worth of vegetables and fruits to 12 local hospitals and jails. Seven groups of SEWA members from areas throughout the city are involved. They were chosen on the basis of seniority of membership. Each group is given the responsibility for supplying one hospital or jail. Each week the SEWA organizer in charge takes orders from the insitutions and gives them to the groups to fill. They purchase goods from a local wholesale market and deliver fresh produce to the institutions on a daily basis. They earn Rs. 7 per day. The original working capital for the project was made available through a loan from the SEWA Bank. Manjulaben, the manager of the unit, gives the orders to the groups each week and oversees the project finances, collects payment for the vegetables, and transfers it to the women. In addition to realizing a more secure income, the vegetable sellers no longer face police harassment and have shorter working hours.

When the unit began operating, SEWA faced a good deal of negative pressure from its own president, Mr. Buch. Following a dispute between SEWA's organizers and the President in May of 1980, he refused to sign the vouchers for the vegetable orders because the organizer in charge would not write him a letter of apology. Until alternative arrangements for authorization could be made, this led to a severe cash flow problem in the project and delays in payment to the wholesalers and the members.

The contractors who had previously supplied produce to these institutions also caused their share of problems for SEWA. Over the years of doing business they had developed close relationships with the supply clerks in the hospitals and jails. At the merchants' instigation, the clerks made unjustified allegations against the quality of SEWA's goods. These merchants previously had paid bribes to the clerks in the form of vegetables (delivered to their doorsteps) and the SEWA women were pressured to do the same. When they refused, the clerks in four hospitals delayed the processing of SEWA's bills. At one point,

the hospitals owed SEWA Rs. 50,000. They also harassed the women by refusing to send helpers to unload the vegetable deliveries.

SEWA threatened to stop delivery of goods. The clerks said fine, they would be happy to go back to the merchants. Finally, the women sent a memo to the superintendent of the hospitals explaining these problems. With his support, most of the above problems have since been worked out.

Today, SEWA is considered a reliable and popular supplier and the unit is working smoothly. By taking advantage of government programs for women, SEWA has been able to expand the markets and thereby increase and stabilize the incomes of several groups of vendors.

3. Impacts

Perhaps the most useful role SEWA has played for the vegetable vendors is that they now have a place to turn and a means of organizing to defend their rights as sellers. A large number of vendors throughout Ahmedabad are members of SEWA, and when there are problems men and women alike come to SEWA. Moreover, they have access to credit and savings facilities through the SEWA Bank and participate in many of the ongoing activities and events of SEWA -- meetings, marches, training courses, and other programs. One of the group leaders believes those who have been active in SEWA have become much more aware and are more forward thinking. She herself has been motivated to send her daughter to school and to sewing classes. Now she is able to earn Rs. 300 per month. Those who are not in SEWA, she claims, are more apt to live day to day, working, eating, and sleeping. Those in SEWA see the future.

(See chapters 6, 7, and 8 for further discussion of vegetable vendors.)

Case 2: Used Garment Dealers

1. Backround of the trade

An estimated 5,000 women are involved in selling used clothes in Ahmedabad. 2/ Almost all of these women are Vegharis, a group originally from the district of Mehasana in northern Gujarat state. Most are second generation migrants whose families came to Ahmedabad in search of non-agricultural employment.

The Veghari community in Ahmedabad has typically become involved in one of two trades, either vegetable vending or dealing in used garments. The latter trade is generally carried out by whole families, although some women work independently.

a. Characteristics of the trade: The used garment business is carried out in several stages. The first step is to purchase steel and aluminum utensils from local merchants. Women used garment dealers then take these utensils in a basket on their heads, wander through the middle class neighborhoods, and trade the utensils for used garments. In some cases, they have a regular clientele of households, and take orders for a particular type of utensil in exchange for a specified set of garments.

Once they get the old garments, all the family members work to wash them and, if torn, sew them by hand or on a machine. They then resell the garments in market areas established for this purpose to poor or working class families. Demand for used clothes is high, not only in urban areas but increasingly in the rural areas throughout the state. It is a competitive, but potentially lucrative, trade.

A survey conducted by SEWA of 500 women used garment dealers found that literacy rates are very low (9 %) and family size averaged seven members. Most of the women live in extended families. The husband's of almost 70 percent of the women work with their wives in the trade, while the rest work in mills or other jobs. When the whole family is involved in the trade, a sexual division of labor characterizes their work. The women buy the utensils and wander house to house through the neighborhoods, trading with the housewives. They are more accepted in dealing with the middle class women than their husbands or sons would be. The washing and repair work is done by both men and women. The women generally do the hand sewing while the men do any machine sewing. Both men and women take part in the actual selling, although informal observations indicate the men are more likely to handle any actual exchange of cash.

2/ See Bhatt, Ela, 1976. Profiles of Self Employed Women, for further description of Ahmedabad's used garment dealers.

The women begin working in the trade at a young age, many learning from their parents. Their children, who often are present in the market places, generally are tended by other family members while the women trade the utensils. Among some of the older and better off used garment dealers, their daughter-in-laws and young grandchildren stay at home.

To enter the business, it is generally necessary to have a relative already working or to have someone willing to open up the channels to moneylenders and markets, as the capital costs are substantial.

The tools and equipment used in the trade include a basket to carry the utensils and some means to mend the clothes. Some of the better off families own their own machines (costing somewhere around Rs. 500); others rent machines at Rs. 15 per month; some give their machine repair work to those owning machines on a piece rate basis; and the rest must settle for hand repair.

The amount of working capital needed for the used garment business is quite high. The steel utensils typically require an investment of between Rs. 200 and Rs. 300 for a single day's stock. The capital for their purchase often comes at a high rate of interest from the utensil merchants or local moneylenders. Another way the dealers get clothes is through wholesale traders selling in the market areas. However, most popular and best selling wholesale goods come from Bombay. The cost of the trip to Bombay is worthwhile only if a dealer has several thousand rupees at her or his disposal to invest in stock. According to one dealer, Rs. 5,000 worth of clothes from Bombay (including the cost of the journey) can be sold for Rs. 7,000 in Ahmedabad. This means a healthy 40 percent profit. Moreover, these business trips are often combined with pleasure.

The used garment dealers market their own goods through several channels. One is the daily local markets which are scattered throughout the city. These markets are generally set up on street corners, pavement areas, and footpaths, where goods are sold from a cloth spread on the ground. It is not uncommon to see women sitting on the ground cradling small infants and repairing the garments by hand against a backdrop of men sitting at machines in small stalls. The conditions in the market areas are less than desirable. Protective cover from the sun is lacking, water and sanitation facilities are scarce, and the environment generally is unhealthy. In a few of the markets the municipality has constructed concrete platforms for the used garment dealers to sell from, which raises them above pools of stagnant water. But in most market areas, the workers remain exposed to unhealthy conditions.

The weekly Sunday "flea" market at Victoria Garden is another channel for marketing used garments. This is a very popular and crowded market, across from SEWA's Headquarters, where a broad range of goods are sold, primarily to poorer families. The Sunday trade in used garments is generally brisk, and some women can earn as much as Rs. 200 on a good day -- given they have the goods to sell.

Another channel which has become quite lucrative for used garment dealers is selling at rural fairs and festivals which are held periodically throughout Gujarat. Urban used garments are extremely popular in rural areas. In the course of three or four day fairs, thousands of rupees worth of goods can be turned over. This depends, however, on at least three things. Most importantly, it presumes the seller has access to large sums of working capital to purchase the goods (or utensils) initially. Second, she must have access to some means of transportation to get to the rural areas. And finally, she must be allowed to set up a stall by the local officials in the area. These requirements pose barriers to many of the dealers, particularly the poorest.

On a typical day in Ahmedabad, a woman used garment dealer arrives at the market at 8 or 9 a.m. After selling for several hours, she returns home at noon to prepare lunch for her family (if she lives within a reasonable distance). Following lunch, at about 2 p.m. she takes a stock of utensils and makes the rounds of the middle class neighborhoods, while another member of the family sits in the market. She normally returns to the market in the late afternoon and remains until 8 or 9 p.m. As with the vegetable vendors, the evening hours are some of the busiest for selling.

The earnings of the women vary, primarily according to the availability of working capital and the number of family members helping in the collection, repair, and sale of clothes. While the sellers dealing in higher volumes of clothes can make substantial profits in one sweep, their earnings are often irregular. For most of the women, the volume of trade and earnings are quite low, averaging Rs. 157 per month. Family incomes average Rs. 225 per month, well below the poverty line. Women used garment dealers, on the average, contribute 70 percent to their household incomes. As such, they cannot be considered (as women so often are) supplementary earners.

b. Major problems of used garment dealers: As previously mentioned, one of the most common bottlenecks for used garment dealers is lack of access to institutional sources of capital. In most cases, women have to turn to private moneylenders for working capital, paying high rates of interest -- 12 percent per month according to some of the women. SEWA's survey found that 61 percent of the women interviewed were in debt, with the average size of the debts Rs. 1724. Almost three quarters reported using loans for business purposes, while others used them for social customs, health bills, or household expenses. The women generally identify lack of capital as their major trade related problem.

Police harassment also plagues these sellers. Underlying this harassment are negative attitudes towards the Vegharis by many within the middle class community who commonly perceive them as thieves and troublemakers. Because of these perceptions, the police can arrest them, and almost everyone -- the judge, his lawyers, and the general public -- will believe they have stolen something without any substantive evidence.

The women regularly must pay fines and bribes to the police for self protection against harassment. If they refuse, their goods are confiscated by the municipal authorities and they must pay a minimum of Rs. 11 to retrieve them. The police unnecessarily arrest the used garment dealers and unjustly accuse them of stealing clothes. Their sons or husbands are often beaten at the slightest provocation. The problem of police harassment and the lack of a legal selling place consistently disrupts their business and interferes with their means of livelihood.

2. SEWA's involvement

When SEWA was just getting started in 1971, a meeting was held near one of the used garment markets and a group of 30 to 40 used garment dealers attended. SEWA's leaders talked with the women about the problems they confronted in their work and the possibilities for organizing. Twenty-five of the women joined with the leaders to begin a longstanding involvement in SEWA. Some of SEWA's oldest and most active members are used garment dealers, several have taken up positions of leadership within the organization (e.g. Chandaben Papubhai, SEWA's vice president), and they were instrumental in establishing the SEWA Bank.

a. Banking: Recognizing lack of capital as a major constraint in their trades, SEWA helped over 1,500 women get loans through the program linking members to the nationalized banks. Many of the women used the loans productively, investing in their trades, and were able to increase their earnings. Used garment dealers have also been active in taking loans directly from the SEWA Bank. Between 1976 and 1980, thirty loans, averaging Rs. 1286 were advanced by the Bank. Over two thirds of the borrowers have had no problems in repayment, 16 percent were only one to two months late in repayment, and the remaining 15 percent were three or more months late.

b. Defense against police harassment: The problem of police harassment has been a continuous menace for the used garment dealers. SEWA helps them deal with unjustified attacks by authorities in several ways. Initially, the members came directly to SEWA to report incidents and when necessary, the organizers went with the women to the police station to officially protest. Eventually, group leaders assumed the responsibility for screening the member's complaints and referring the legitimate ones to the Chief Organizer or General Secretary. As SEWA has become an increasingly visible force in the local police stations, harassment of the used garment dealers has subsided.

While the public authorities refuse to license many of the vendors, as in the case of the vegetable vendors, the used garment dealers present their SEWA membership card as a means of identifying themselves to the police or authorities. These cards often provide a protection against unjustified abuse in the sense that the police know that the women have an established and persistent union backing them.

In 1978, SEWA launched a campaign to reduce the abuse and negative attitudes towards Vegharis (particularly from the police and municipal planners) and to sensitize the public to the concerns of the used garment dealers and other self employed groups. A one day seminar was arranged for a group of used garment dealers to meet with the Police Commissioner, the Municipal Commissioner, and the Chief City Planner. A process of dialogue began in this seminar concerning ways for the city plan to be more responsive to the needs of the self employed.

c. Support in organizing the Used Garment Association: SEWA's efforts to defend the rights of the used garment dealers have met with relative success in reducing the frequency of harassment against members. With this success, by 1979 men used garment dealers began approaching the organization, demanding that they too be allowed to join. SEWA was confronted with a major decision: should it remain an all women's organization, or should membership be opened to men? After a good deal of internal debate, the leaders decided that it was too early for SEWA to admit men. Too often they had seen men dominate in public meetings and discussions and control women. The leaders decided that the women members needed more time on their own to develop the self confidence, capacity, and skills to participate in an organization on an equal footing with men. Their limited experience in participating in organizations and public decision making combined with the strong tradition of male dominance led to the decision for SEWA to remain an all women's organization. 3/

At the same time, the leadership recognized that men, like women, face problems within their trades which can best be dealt with through workers organizations. In many cases, their problems are the same as women's. They also recognized that in many unions the families of members qualify for certain union benefits. A compromise of sorts was reached, and SEWA decided to provide the husbands and sons of members some benefits from the Union. They were made family members and given a different color membership card entitling them to protection by SEWA in the event of harassment by the police or authorities.

The men protested the different color and insisted they be given equal status to the women. However, SEWA stood firm and suggested that if they needed a representative organization, then why not organize one. With the help of the TLA and SEWA, several meetings were held to organize a trade association of used garment dealers.

The Used Garment Association publicly represents both men and women working in the used garment trade. Its purpose is to represent their interests, make the public more aware of their problems, and provide protection against defamation. There have been many challenges in organizing the Association. One problem has been an attempt by political

3/ In 1981 SEWA opened its membership to men.

interests to take control. For example, the Association's first organized campaign was against a popular Gujarati magazine which printed a slanderous article falsely accusing Veghari vendors of being thieves and thugs. It had photographs of some of the used garment dealers and under the photograph was the caption "Beware, these people might steal your possesions." The used garment dealers were very upset and organized a march to the magazine offices to protest this unjustified attack. They did not seek the help of any outside organization or political party. Nonetheless, on the day of the demonstration, a member of the State Legislative Assembly representing the Congress (I) Party came uninvited and gave a speech. One SEWA organizer reported:

> "He offered his (legal) services if they wanted to fight a defamation case. ....(This) created a division among the old clothes sellers.
>
> "The most active old clothes sellers were members of SEWA and the TLA. They said that they were not willing to accept the support of Congress I. They felt that the old clothes sellers organization should be independent and not involve itself in any political party. They thought that once a political party comes in they just use the organization for their purposes and the real needs of the people are not attended to. Many others on the other side felt that it would be a good idea to align themselves with the Congress I. That way, they would get the support of a powerful organization as well as the free services of a well-known lawyer. 'No,' Chandaben said. 'If we want to fight a case, we should all contribute Rs. 10 and engage a lawyer. We are not that helpless and poor that we cannot, all together, pay for our own lawyer. We should struggle on our own and not involve ourselves with these political parties who will only use us.' The others did not agree, so Chandaben and Kacharabhai resigned in protest.
>
> "Later the others had a meeting without Kacharabhai and Chandaben. They felt that the organisation would lack drive without those two, since both had been serving the community selflessly for so long. They also realised that dependence on a political party would lead to exploitation. They decided it is better to be independent and they asked Kacharabhai and Chandaben to come back." 4/

However, in a meeting held in November 1980, the various political factions within the organization again clashed and the meeting degenerated into a wild shouting match. Since that time, the Association has been dormant.

4/ Jhabvala, Renana, no date. "The Self Employed Act Independently." mimeo.

A second problem relates to how women's participation and interests are supressed in a "mixed" organization. In late 1980, a list of the board of directors of the Association was drawn up and posted in the markets. Not a single women's name appeared on the list. Also, in the November 1980 meeting of the Association attended by over 500 used garment dealers to discuss the direction of the association, not a single woman spoke out, even though they were in attendance and obviously made up a large portion of the workers in this trade. According to social custom, women are expected to defer to the men in converstaion. This makes public speaking and particularly public confrontation extremely difficult for women in "mixed" company. The meeting lasted several hours, with man after man standing up to give emotional, long-winded oratories before it broke into chaos. This would seem to support SEWA's earlier decision to maintain itself as an all women's organization.

(See chapter 4 for further discussion of the used garment dealers.)

B. Home-Based Producers

Case 3: Hand-Block Printers

When SEWA's credit program began in the early 1970's, many women hand-block printers came to take loans. However, the Bank's loan officer found that instead of investing in their traditional trade, they were using the loans to purchase sewing and embroidery machines as means to enter into alternative enterprises. This prompted the organizers to look more closely at the problems which were causing the women to turn to new occupations. They soon learned that many hand-block printers lose work each year due to a decline in the demand for their products. This decline is a result of competition from the screen printing industry, which produces less expensive printed fabrics.

SEWA decided to conduct a survey of the hand-block printers to study systematically how the changes taking place within the trade were affecting them and to determine what could be done to support those losing work.

1. Backround of the Trade 5/

The survey SEWA conducted showed that between 200 and 300 women work as hand-block printers in Ahmedabad, substantially fewer than a generation ago. Over 90 percent of the women are Muslims who live in dense settlements scattered throughout the city. The violent communal riots in the 1940's and again in 1969 have instilled fear within their communities. As a protection, most tolerate the crowded, tense conditions in these Muslim settlements rather than move to better housing in outside areas where they are more vulnerable to attack.

All of the women are from the Chheepa community, a caste traditionally working as hand-printers throughout Rajasthan, Madhya Pradesh, and Gujarat. In the 18th century, many of the Chheepas were driven out of Rajasthan by famine and migrated to Ahmedabad. Over the generations they have continued their traditional craft of hand-block printing.

Social restrictions in the Muslim community makes it extremely difficult for most women to work outside their homes. However, the poverty of their families dictates that they find some means of income, so whenever possible they take up work within their households. The options for home-based work are limited -- some of the typical trades Muslim women engage in are sewing, embroidery, rolling cigarettes, kite making, and hand-block printing.

The hand-block printers work on a piece rate basis for local traders, who supply them with the blocks, dyes, and cloth. The women set up low printing tables inside their small tenements or on the outside

5/ Much of section 1 borrows from Bhatt, Ela, 1979. Survey of Chheepa Women. SEWA, Ahmedabad.

steps, and work bent over for long hard hours at the tedious and repetitive task of printing the cloth. They are paid by the merchants on a piece rate basis according to the length of the cloth printed, the number of colors used, and the complexity of the design produced. The rates are low and the level of exploitation high.

a. Socio-economic characteristics of the hand-block printers: Women of all ages work in this trade, generally learning at a young age from other family members. The average age of the hand-block printers is 36. A majority (80 %) of the women are married, while a relatively low proportion (4%) are widows, probably due to the wide acceptance of remarriage within the Muslim community. Families are typically quite large, with the average number of members 8 (at least a third of the women have 9 or more members in their families). Nealy half of the women have young children at home and must combine their work with child care and household responsibilities. The literacy rate among the women is 23 percent. One third of the women report chronic health problems related to occupational hazards, including skin problems from the harsh chemical dyes, back problems from the posture of the work, and respiratory problems from breathing in the chemicals.

A large proportion of the hand-block printers (30%) are sole supporters of their families. Although some of these women are widows or have been deserted by their husbands, others have assumed this role because their husbands are ill, unemployed, or simply do not contribute their earnings to the household. The husband's of those who share in the support of their families, in a few cases, are regularly employed millworkers, but most often work in the informal sector as rickshaw drivers, casual laborers, or in similar types of jobs.

b. Characteristics of the trade: Almost all hand-block printers (96%) work for merchants on a piece rate basis. The merchants, who are from the same community, often are relatives of the printers which somewhat reduces their bargaining position. It is generally accepted that a woman is tied to a particular merchant and is obligated to work only for him. If his business is off or for any reason he stops giving her work, it is understood that other merchants will not hire her. There are strong pressures on the women to remain "loyal." One way the merchants force this obligatory relationship is by paying their workers in advance.

The steps in the production of hand-printed cloth include carving the blocks, mixing the chemical dyes, printing the cloth, drying it in bright sunlight, and washing it to fix the color. Work is suspended for two months during the monsoon season, as the cloudy skies and lack of clean, free flowing water in the river precludes proper drying and washing of the cloth. Consequently, the women are unemployed for several months each year.

The steps in the production process are characterized by a sexual division of labor. Only women do the actual printing; both women and men wash; and men carve the blocks, occasionally with women's assistance.

Moreover, all the merchants and middlemen supplying the materials and selling the cloth are men.

The women are supplied with blocks, mixed dyes, and cloth by the merchants, and produce printed saris, scarves, bedsheets, turbans, and other articles. The designs are determined solely by the merchants, and generally are simple patterns made with one or two blocks and colors.

Hand-block printers generally work seven or eight hours per day and combine their household responsibilities with their work. Daily earnings average somewhere between Rs. 4 and Rs. 7. The average monthly income for women working full-time as block-printers is Rs. 140, and their average family incomes average Rs. 450.

Once the goods are returned to the merchants, they are distributed and sold through middlemen to various markets and customers in both urban and rural areas. Some of the goods are also exported to Arab countries.

c. Problems in the trade: Perhaps the most serious problem for the block-printers is irregular work due to a decline in demand for their hand-printed cloth. Traditionally, there was a mass market for simply designed,hand-printed cloth. In recent years, however, this market has been taken over by the cheaper, screen-printed fabrics. One factor making screen-printed cloth cheaper is labor costs. For example, eight workers can produce 300 saris per day using screens, while eight workers can produce only 12 saris per day using blocks. The low unit costs of the screen-printed fabrics, as well as the fact that screens can effectively print lighter weight cloth which is more in demand, have made these goods more popular. Moreover, the government has imposed heavy excise taxes on machine printed fabrics to protect the screen-printers. While this policy has created a prosperous business for them, it has not touched the problems of the displaced hand-block printers, who are losing their traditional source of income.

The higher cost of hand-printed cloth means that today's markets are predominantly among middle and upper middle class consumers. However, the designs these consumers demand are more intricate and complex than the designs traditionally produced by Ahmedabad's block printers.

The women working as hand-printers have limited alternative for home-based work. Sewing and embroidering on a piece rate basis are the main options. However, these occupations already are crowded and workers are highly exploited. In addition, many hand-block printers lack the resources required to purchase machines.

Those women who are still employed face several other trade related problems. These include shortage of production space, no uniform piece rates, occupational health hazards, and seasonal unemployment during the monsoon. By employing seasonal workers, the merchants are able to circumvent certain protective labor laws and the women lose out on benefits due to permanent employees. Furthermore, adding to the social pressures restraining them from going outside their homes

to work, the women experience internal pressures in working at home. Many find that cooking and caring for their children while at home interfere with the time and attention needed to perform their work efficiently. Finally, the block-printers have a limited knowledge of designs and other steps in the multi-stage production process. They have little option but to remain low paid piece rate workers, bonded to a single merchant.

2. SEWA's involvement

In 1973, Saira, the group leader of the hand-block printers, organized twenty-one women from her community to take loans from the nationalized banks through SEWA. Gradually, more and more women from the Chheepa community approached Saira and eventually 200 women became members. They joined the SEWA Bank, qualified for the union benefits, and participated in SEWA's various activities.

In 1978, a year long survey of the block printers was undertaken. During the course of the survey, Veena Patel and several other SEWA organizers spent much of their time within the Chheepa community and learned about the women, their families, and their trade. SEWA's presence also prompted the women to talk more about their problems with the merchants and pressure them to increase their piece rates (to 25 paise).

Based on the findings of the survey, SEWA's organizers designed a training course for hand-block printers which they proposed to the All India Handicrafts Board for funding. The purpose of the course is to upgrade the traditional skills of the women by teaching designs more suited to today's markets, and introducing them to all stages of the production process (from purchasing raw materials to selling the final products). The course also prepares the women to form their own production units. The proposal was approved and the first year-long course for 25 women hand-block printers began in July 1980. The women come to the SEWA Reception Center six days a week from 11 to 5. Class members are assigned tasks by the co-ordinator of the training program, Lalita Krishnaswami, and their work is supervised by Veena Patel, and Noorjahan and Saira, group leaders from the class. Together they purchase and prepare the unprinted cloth, buy and mix the chemical dyes, order blocks from a wood carver, make new designs using several blocks and colors, dry and wash the printed articles, and package the finished goods. The trainees also have been involved in directly selling their goods through SEWA's exhibitions and marketing center. Their products are also marketed through the Calico Rural Development Foundation 6/ which has an established network of marketing centers around India. Class members are provided a stipend of Rs. 100 per month to help compensate for their loss of income.

6/ This foundation has been set up by one of the largest textile mills in Ahmedabad.

SEWA has faced several challenges in conducting the class. The first debate centered on where to hold the class. One side argued that Muslim women would never come outside their neighborhoods, and therefore it should be held close to their homes. Others argued that the space available in the SEWA Reception Center should be used by the members, and accepted as a respectable location by their families. Coming to the class in the Reception Center would allow the women a chance to get away from their families, their daily routines, and their crowded neighborhoods, and be exposed to the outside world. Ultimately, it was decided to hold the course at the SEWA Reception Center. However, as predicted, it was not easy to get the women to come initially. The organizers went to the women, talked to them about the potential benefits of the course, and worked hard to persuade them to come. Gradually, over the objections of their husbands, relatives, and the community in general a group of 25 women were convinced to begin training.

After the first month, several women dropped out. As one group leader, Noorjahan, explains, "Some did not really understand what was going on, and some had too many problems with their families." Other women came to replace them.

Working together in one place has been a new experience for most of the women. They are used to working independently within their homes, and have never had to answer to others in carrying out their daily work. According to the group leaders, there was a lot of arguing at first, and many of the women did not take initiative in their work. However, as the training progressed the women learned to work out their differences, assume responsibility, make decisions cooperatively, and work together.

When the first training class ended in 1981, they all resolved to continue working together. By breaking tradition to come to the class the women could no longer return to their old jobs with the merchants. Many would not rehire the women, and even if they had they would not have provided an opportunity for the women to use their new skills. The training clearly pointed the women in the direction of forming their own production unit. A cooperative is now being organized with the assistance of SEWA. Orders have been received from several buyers, and the cooperative appears to be off to a good start.

A second group of hand-block printers began training in July of 1981. With the success of the first group, the demand for the class was overwhelming, and many women had to be turned down due to a lack of space.

The experience of Saira, the group leader of the hand-block printers who has worked in the trade for 30 years, provides a view of the women's struggle to come out of their communities and organize.

> "When we first discussed whether the training course should be at the SEWA Center or in our neighborhoods, I told Elaben it should be kept inside our communities, as the women have such a hard time coming out. But Elaben asked me why I could

go back and forth so freely, if the others couldn't. I tried to explain to her the harassment and criticism I received for coming here. People used to abuse me when I first joined SEWA and it made me feel bad. It's not easy for our women to come out. Anyway, we decided to have the course at SEWA.

" Veena and I went around to the women, telling them about the course and trying to convince them to come. It took two years to get it going. At first, we had to drag the women here. They argued that the stipend didn't make up for the loss of income, but we tried to convince them to get out, see the world, learn, and hope for a better future.

"Now they have enthusiasm to come. While before, we would only print a straight, simple row with one color, now we have more skills. But in reality these skills won't help us if we go back to the merchants. They won't hire us to print four colors because then they would have to pay us more. This skill won't help us if we go back.

"We are constantly thinking about our future. The women have fought against so many to come out, they will lose face if they go back empty handed.

"If we sit on the bottom step, we are poor. No one will move us up. We must move ourselves. Those who are not with us say we are taking work away from our community. But the only people we are taking work away from are the merchants, and they certainly are not working to bring us up.

"The people in our community make fun of us and say, 'Oh, those women are always going to meetings and useless things.' When they accuse us of taking work outside the community I want to stand up and ask them what they think merchants are doing for us! If we are wrong to join with SEWA, then they should give us an alternative. At least we have bothered to come out and step forward.

"Now that we have fought to come out, we'll continue fighting. We can't return to the merchants or people will ask what we've accomplished. We have do do something new. We can't go back. " (Interview, April, 1981)

(See Chapter 8 for further discussion of the hand-block printers.)

Case 4: Bamboo Workers

Ahmedabad's bamboo workers are home-based workers involved in the production and marketing of utilitarian goods such as brooms, baskets, and mats. They live in crowded slum areas scattered throughout the city -- some within the old walled city, some in areas on the outskirts of town. The trade employs women of all ages, most of whom learn their skills at a young age from other family members. A SEWA survey found that their average age is 32 years; 20 percent are literate; 80 percent are married; and their family size averages 7 members. The survey also indicated that a substantial proportion of the women bamboo workers (16%) are the sole supporters of their families. While most of these women are widows, some have been deserted and others have unemployed husbands. Most of the bamboo workers are members of a migrant community originally from the state of Maharashtra which settled in Ahmedabad 30 to 40 years ago.

1. Backround of the trade

The production of bamboo goods is typically a family enterprise. Unlike many other groups of home-based producers, bamboo workers do no work on a piece rate basis for traders, but independently carry out all steps of the production process, from purchasing raw materials to producing and marketing the bamboo products. The bulky raw materials they use require more space than their small huts can accomodate, so the actual work often is done outside on the streets and footpaths in their settlements. Lack of sheltered production and storage space means they must suspend much of their work during the monsoon season.

Although all of the bamboo workers purchase raw materials on their own, they do not have access to primary sources, so they must rely on middlemen and traders. The two major supply sources in Ahmedabad are cooperative societies, which link buyers to supplies from the State Forestry Department, and retail merchants. Given the rapid depletion of Gujarat's bamboo forests, supplies are strictly controlled by the state and shortages and high prices are persistent problems. About 13 percent of the women interviewed by SEWA get their raw materials through the state cooperative societies where they pay 10 percent more than they would from the primary suppliers. Although the prices are lower than those of the retail merchants, there are several disadvantages to these societies. One is the corruption and underhanded dealings which are common. Another is the irregularity and shortage in supplies. And finally, the societies are dominated by male producers who control decisions concerning who receives how much raw materials.

Due to the limitations of the cooperative societies most of the bamboo workers are forced to turn to private retailers for their supplies of bamboo. Much of this bamboo comes from outside the state. SEWA found that the retailers' prices are an astounding 200 percent more than the cooperatives. The high price of the bamboo and shortages are the

major shortcomings of these suppliers. Moreover, the availability of bamboo is seasonal. During the season when supplies are plentiful -- and cheaper -- the bamboo workers face two major constraints in bulk purchasing: first, lack of sufficient or affordable capital; and second, lack of storage space for large supplies. Consequently, they must purchase small amounts at frequent intervals and pay high, off-season prices during most of the year.

Many of the women bamboo workers buy raw materials on credit. SEWA found 83 percent of a sample of workers in debt -- 50 percent to suppliers of raw materials, 13 percent to traders, and 20 percent to banks.

During the monsoon or periods when raw materials are not available, the bamboo workers often look for alternative work. Many women repair old, used baskets to resell, while others work as domestic servants. Their husbands often work as casual laborers.

The bamboo goods produced generally include brooms, baskets, mats, and bags. The brooms and bags are sold to a wide range of households and shops, the baskets to vegetable and fruit sellers, and the mats to poor families who use them to construct walls for shelter.

When raw materials are available, the women can generally produce goods worth Rs. 7 to Rs. 8 per day, and their incomes average Rs. 200 per month. However, they are unemployed for at least two months each year, and sometimes more. The bamboo workers market their goods individually by selling from weekly markets, out of their homes, or by hawking to shops and households. About a third of their goods are sold directly to consumers while the remainder are sold to wholesale traders. Most of their goods are sold in Ahmedabad, although some also reach the rural areas of Gujarat. The major competitors of the bamboo workers are large-scale traders who come from other states where the supply of bamboo is more plentiful and cheaper. 7/

2. Major problems and needs of bamboo workers

One major problem for bamboo workers relates to shortages in supplies of raw materials, and the consequent exploitation by retail merchants selling bamboo. Another problem is the limited access to capital necessary for bulk purchase of raw materials. Lack of space for both production and storage of raw materials is another constraint.

Another set of problems relates to the limited range of products the women know how to produce. Most produce the same few products --generally crude -- and compete for sales in a confined and generally crowded market, thereby depressing prices.

7/ Much of this information borrows from Jhabvala, Renana, 1979."Problems Faced in Production and Marketing by Women Artisans in the Slums of Ahmedabad City. (A Preliminary Report)." SEWA, mimeo.

Finally, the women lack direct access to the larger scale markets. Many of their products are sold through wholesale traders who make healthy profits by selling to large-scale institutions and other bulk buyers. Direct links between these large buyers and the producers could remove the middlemen and increase the earnings of the producers.

These constraints result in low earnings, which is perhaps the most pressing problem for the women and their families.

3. SEWA's involvement

SEWA's first contact with the bamboo workers came in the mid-1970's when a group approached the union with complaints of police harassment. They explained that because the raw materials they work with are so long and cumbersome, there was not enough space inside their home to work. Because of this, they had to work on the streets outside their homes. It was difficult for them to go to more open spaces away from their homes as they needed to be nearby to care for their children, prepare the family meals, and deal with their other ongoing household responsibilities. The municipal authorities, particularly the Encroachment Department, objected to the women working in the street and charged them with obstructing traffic. Shopkeepers in the neighborhoods also complained that the women blocked access to their shops by stacking their bamboo on the walkways. The authorities repeatedly fined the women, charging as much as Rs. 30 per month. A SEWA representative visited the police and municipal authorities to see what could be done; soon after, the SEWA lawyer entered the case. However, to date, the problem remains unresolved and at a stalemate.

Jaylataben, the organizer of the bamboo workers, describes how she became involved with the women in this trade.

> "In 1975, I attended a worker's education training program and after this became involved in organizing over 40 short term training courses in the slums of Ahmedabad. This is when our work with the bamboo group began in earnest. Actually, my first contact with their community was in 1974. You have to realize we are always on the lookout for new groups of workers to organize. One day, I was riding on a bus and accidently brushed elbows with the woman sitting next to me. When our skins touched, I felt she was burning with fever. I asked her about her health, and we eventually got into a discussion about her work. It turned out she was a bamboo worker and opened up to me about all the problems she and the other women in her trade were facing.
>
> "Later I relayed this discussion to Elaben and she encouraged me to push ahead, to go out and organize.
>
> "It was not until after organizing those short term training classes that I developed the necessary skills in conducting

meetings. I contacted the woman I had talked to on the bus and asked to meet with her and three or four women from the community of bamboo workers. Together we decided to call a large meeting for the women. Through their contacts, women were called and met together for about one-half hour. I tried to explain the potential benefits of organizing their trade. SEWA was the first group to organize the self employed bamboo workers, unlike the other groups who have been approached by other organizations. We started with a group of about 25 women. It was quite a breakthrough." (Interview, March 1981)

Until 1979, SEWA's involvement with the bamboo women was not related to any specific program. The members were linked up to SEWA's general benefit programs for widows and pregnant women and some women received loans from the SEWA Bank to help purchase raw materials. With the loans some women have been able to purchase raw materials directly from sources rather than middlemen.

In May of 1979, SEWA began a specific program for the bamboo workers, providing a marketing link between those producing brooms and government institutions. Through a governmental program sponsored by Jyoti Sangh (a local women's organizations) SEWA members are now supplying over 5,000 brooms each month to government organizations. Jaylataben takes bulk orders from over 30 institutions on a regular basis and distributes them to the members.

In the same year, SEWA also began negotiating with the All India Handicrafts Board (a central government agency) to support a training course for bamboo workers. SEWA proposed that a skills upgrading course be held to teach the women how to produce higher quality, modern goods with broader markets and profit margins. The course was approved and supported by the Board, and began in July 1980. Twenty-five members were chosen (from about 45 applicants) to participate in the year long training held in the SEWA Reception Center. The women were taught to work not only with bamboo, but also with cane and other materials. They learned to use new tools, to make more intricate designs, and to produce a broader range of products (including such items as desk trays, pencil holders, wastebaskets, hairclips, bangles, stools, and furniture). Building on their previous skills, the women learned to produce products more acceptable in today's markets -- especially middle class markets -- and to utilize raw materials more efficiently. As part of their training, the women also made a trip to the bamboo forest areas of South Gujarat.

In addition to upgrading their skills, the course has given the women an opportunity to come together. While at first there were frequent quarrels between some of the women, they gradually learned to resolve their differences and work more peacefully together. At the beginning, the SEWA organizer and group leader often intervened to help settle the disputes.

According to Jaylataben, there have been many positive changes among the women participating in the training class. Women who never knew how to make anything besides crude baskets now make new products and have increased confidence. The simple fact that they come to the SEWA Reception Center for the program is a positive step. She also has seen them temper their daily quarreling and learn to work compatibly with one another. Their language has improved (they used to swear a lot); their grooming and dress are neater; and they are becoming more assertive and confident.

The teacher is a skilled craftsman from Tripura, an area famous for its bamboo work. The women are provided a stipend of Rs.100 each month to help compensate for their loss of income. Although the stipend made up for only half of their normal incomes, the women felt the opportunity to learn new skills was worth it. A second class began in July 1981.

A major question facing the women is what will come after the skills training. They are now at the point where they have the skills to produce more expensive, higher quality products. However, if they go back to work as individuals in their homes, they face several constraints in using these new skills. One is access to supplies of raw materials. Large investments are required to purchase cane, and as individuals the women have neither the capital to purchase it, nor a safe place to store high quality raw materials. Further, the women lack adequate and sheltered production space and access to the markets for these higher quality goods.

To overcome these problems, the women are now organizing a cooperative production unit. They hope this will help to overcome some of the persistent constraints of limited capital, supplies of raw materials,and markets. The experience of working together in the training class has prepared them for organizing this production unit.

The exact organizational form this unit will take (as of this writing) is still in the formative stages. However, it will probably involve links with government supplies of raw materials and markets (through support of the All India Handicrafts Board). The SEWA organizers plan to be involved in the initial stages of the unit, although they hope that it gradually will become an independent, self-managed unit.

Organizing production units is a relatively new area for SEWA. Experimentation will be a key element to the process of their development. The importance of bringing the women together and creating alternative structures through which they can confront the many constraints they face in their trades has become apparent in the process of organizing and training. The bamboo cooperative is one of SEWA's new, if challenging experiments.

(See Chapter 8 for further discussion of the bamboo workers.)

Case 5: Incense Makers

The agarbatti (incense stick) industry currently employs about 40,000 workers in Gujarat. 8/ A large majority of workers are women and children who work at home on a piece rate basis for one of the over 700 small production units currently operating in the state.

1. Backround of the trade

The industry sells itself to prospective investors by pointing to the potential for high profits due to the rapidly expanding national and international markets for incense and the abundant supply of cheap labor. Industry leaders emphasize the high profitability of even small investments. They also add that investors can contribute to the social good by offering employment to a large mass of the poor. They are quick to add, however, that these benefits hinge on cooperation from the government in two areas: first, relaxing taxation laws on synthetic inputs; and second, staying away from labor legislation regulating wages, working hours, health and safety conditions, and other protection for workers.

Unfortunately, it is obvious to even the casual observer that unchecked growth in the agarbatti industry, without some protection for its workers, will lead to widespread exploitation of women and children workers. The current conditons for women workers in Bapu Nagar, an area of Ahmedabad where SEWA has been active, serves as an example.

Between 2,000 and 3,000 women and children work rolling incense sticks in Bapu Nagar. Almost all are from mill workers' families and live in government constructed flats. Most are from a relatively conservative caste which discourages women from working outside their homes. For the most part, women's options for work are limited to home-based occupations. Rolling incense sticks on a piece rate basis for small neighborhood factories provides the major source of employment for women in Bapu Nagar.

The earnings of the agarbatti workers are extremely low relative to the amount of time required to produce the sticks. Merchants pay the workers Rs. 0.75 for every 1,000 sticks they roll. Women who work full-time and are assisted part-time by their children earn on the average Rs. 200 per month. Their income generally supplements their husband's or father's wages from the mills. The average family income of these families is Rs. 600 per month.

a. How the trade works: All of the agarbatti workers in Bapu Nagar are home-based producers who work for small neighborhood factories. Each day, they walk the short distance to the factory where they are supplied one of two types of raw materials. The lower quality agarbatti is a mixture of various powdered materials, including wood, coal, and

8/ Much of the information in the introductory section is taken from an article in the February 17, 1981 edition of the Times of India entitled, "Fragrance All the Way."

other substances. The women generally pick up about two kilograms of this along with several thousand bamboo sticks. When they return home, they mix the powder with water and knead it into a gummy dough. Sitting on the ground, they work on small wooden platforms, pulling off small pieces of the dough, mixing it with wood dust, and rolling it onto a thin bamboo stick. The women roll thousands of these sticks per day. After drying them in the sun, they are counted out and bundled for return to the factory. They are paid Rs. 0.75 to Rs. 0.80 for each 1,000 sticks they roll, depending on the factory.

Higher quality agarbatti is bound together with oil rather than water. The women pick up already kneaded balls of dough, wood dust, and sticks from the merchants. They are paid a higher rate for rolling the better quality agarbatti, ranging between Rs. 1 and Rs. 1.25 per 1,000.

With the help of their children, the women can roll somewhere between 5,000 and 7,000 sticks per day, although this varies according to the number of hands working the the amount of time put in.

The women go to the factory between 9:30 and 10:30 each day to deliver the previous days produce and to pick up a new supply of raw materials. The merchants keep a record of the amount of materials supplied and returned. On the basis of these records they are paid every 15 of 30 days.

The small factories generally employ three or four male laborers who mix the raw materials, spray scent on the processed agarbatti sticks, and package the goods before selling to wholesalers. A typical factory will supply work to 10 to 15 women on a regular basis and produce around 400,000 sticks per week.

It is evident that the factory owners, wholesalers, and middlemen profit highly from the labor of the women and children. Piecing together information from various sources, the following picture emerges. 9/ From each kilogram of raw materials, about 3,500 agarbatti sticks can be produced. The cost of this raw material depends on the quality, but averages between Rs. 4.50 and Rs. 5.50. For the factories the total production costs per kilogram of agarbatti, including raw materials and labor, is between Rs. 8 and Rs. 10. The wholesale prices are between Rs. 15 and Rs. 45 per kilogram (again depending on quality) and retail prices are from Rs. 40 to Rs. 100 per kilogram (generally sold in packages of 100 grams). Returns to the laborers are extremely low

9/ Information sources include agarbatti workers, factory owners, and the previously cited newspaper article from the Times of India, February 17, 1981.

relative to the market value of the incense. For every 3,500 sticks of agarbatti the producer earns between Rs. 2.50 and 3.50; the factory owner earns somewhere between Rs. 7 and Rs. 35, and the middlemen and retailers earn between Rs. 25 and Rs.55.

Table VI.1. Production of one kilogram of incense (3,500 sticks)

	Lower quality	Higher quality
Costs of raw materials	Rs. 4.50	Rs. 5.50
Costs of labor	Rs. 2.50	Rs. 3.50
Other costs	Rs. 1.00	Rs. 1.00
Total production costs	Rs. 8.00	Rs. 10.00
Wholesale prices	Rs. 15.00	Rs. 45.00
Retail prices	Rs. 40.00	Rs. 100.00

Why do the women accept the low wages? One explanation is that they are supplementary earners. A more plausible explanation is that they have no other option for employment and have very little leverage in bargaining with the factory owners. However, their reticence also can be attributed to their perspective on the advantages of rolling incense despite the low wages. No investment is required and therefore anyone can enter the trade. Hours of work are flexible and children can easily help their mothers and contribute to the earnings. Furthermore, little storage or work space is required and the only equipment they need is a metal bucket to mix and hold the raw materials, a wooden stool, and soap to wash with. The women also have an opportunity to socialize with their neighbors while they work. Most feel that not having to purchase raw materials or deal with marketing and sales is a big advantage. Their present responsibilities are limited to producing a maximum number of sticks from a minimum amount of raw materials. Finally, although meager, their earnings are stable and regular which is important to the women.

2. SEWA's involvement

SEWA first began organizing the agarbatti workers in 1977 when Taraben, an organizer who also rolls agarbatti and lives in Bapu Nagar, began organizing meetings and recruiting members. Before this, she had worked in a local day care center sponsored by the Women's Wing of the TLA. SEWA conducted a survey of 500 women and found that as piece rate producers, the problems of agarbatti workers differed somewhat from other SEWA members. They do not need licenses nor do they face police harassment. Because they do not purchase raw materials or equipment for their work, access to capital for their trades is not a

major need. SEWA did, however, find other problems such as the high degree of exploitation of child labor, low wages, and a high level of indebtedness among the women due to the high costs of social obligations within their community.

In visiting Bapu Nagar one is immediately struck with the many young children working hour after hour making agarbatti. Both boys and girls work at this until about age 10, when the boys quit, but the girls continue. Many children, particularly the girls, are kept out of school to work, or if they attend school, they spend their remaining free hours stooped over the wooden platform rolling the agarbatti. Perhaps the most horrifying aspect of the child labor is the above average number of deformed hip joints among these children and other physical problems related to sitting hunched over for such long hours at a young age.

SEWA organizers encourage the women to send their children to school. However, most consider the income from their work a necessity and the advantages of schooling, particularly for girls, limited. At one point, SEWA tried to introduce taller work stools to help in the posture of the work. Unfortunately, these stools were not accepted by the women and children.

In 1977, SEWA opened a small center in an attempt to bring the women out of their homes to a central work place. However, due to unforeseen problems the center was closed after three months. One problem was getting local merchants to supply raw materials to the center; they felt threatened by SEWA's presence and thought it would lead to pressure for higher wages. Another problem was that young children came with their mothers to the center, and the last thing SEWA wanted to do was encourage child labor.

The merchants actually had fairly keen instincts. During the three months of its operation, the women in the center did talk about the need for higher wages. At the time they were earning between Rs. 0.50 and Rs. 0.75 per 1,000 sticks rolled. They joined together with other, non-SEWA members, in a request for a wage increase. Without too much trouble their request was granted, and at present they are making between Rs. 0.75 and Rs. 1.25 per 1,000 sticks. Taraben speculates that one reason the request for wage increases was so easily met is that the women come from the same region and community in South Gujarat as the factory owners. Many are related to the women and therefore must cooperate to a certain degree with their "kin". At the same time, however, this type of relationship with the merchants puts boundaries on how far the women can go in pressuring them.

Taraben occasionally takes up women's complaints against the merchants. She has defended certain women who have been unjustly accused of undersupplying the merchants. However, instead of coming to her, many of the women will simply move on to another merchant when such allegations are made. In some cases, women are not paid what is due to them for their work. In these instances, Taraben will meet with the merchants and help them find any possible mistakes in their account books.

Mobilizing savings has been perhaps SEWA's biggest effort among the agarbatti workers. A survey revealed that 32 percent of the women were indebted, mostly as a result of the high cost of dowries, marriages, and other social customs. Taraben has been extremely active in visiting the women on a monthly basis to collect savings. She has opened accounts for 250 women in Bapu Nagar alone. Most of the women now regularly save Rs. 5 to Rs. 10 each month. These savings have protected them in times of emergencies and have helped them to cover the costs of social obligations.

In addition, 25 women have taken loans from the SEWA Bank. Because of the narrow scope for investment in their trades, the loans have been used primarily for social obligations, health expenses, paying off more expensive debts, or investing in trades for other family members.

With this beginning, SEWA hopes to expand its future efforts in organizing agarbatti workers. Increasing membership to cover a larger portion of workers is one goal, particularly those workers from poor families. This will strengthen the leverage of the women in pressing for increased wages, which on all accounts appears to be their most important need. SEWA hopes to conduct a thorough survey of wage conditions and on the basis of this information formulate a minimum wage demand. If these demands are resisted by the factory owners, SEWA can exert pressure as it has done with several other trade groups through the State Labor Commission.

To some extent, the advantages that the women consider they have in this trade, their gratitude for having any source of income at all, and the fact that many of their employers are relatives have placed some constraints in mobilizing the women to demand higher wages. Another constraint in organizing is the fact that in relative terms, the agarbatti workers (in Bapu Nagar at least) are not from the very poorest families. There has not been a great deal of motivation from within the community to organize. However, with the ever increasing economic pressures on their households, and the rising expectations of these urban working class families, the women are becoming more aware of the high level of exploitation they face within the agarbatti industry.

C. Laborers

Case 6: Headloaders

A group of headloaders working in Ahmedabad's cloth market were the first self employed women to be organized by the Women's Wing in 1971. The headloaders were an instrumental force in the creation of SEWA and have been active ever since. Their initial contact with the Women's Wing came through several migrant women from Maharashtra who were working as cart pullers in the chindi market. Their labor contractor had heard of a transport workers' union organized by the TLA, so he sent them to the Women's Wing for help in finding local housing. Ela Bhatt visited them soon after this, and found them living on the streets. They took her to the cloth market where they worked, and there she met the headloaders. As she sat with them on the steps of the warehouses where they wait for work, they talked about their low wages, so Mrs. Bhatt decided to call a general meeting for the women to discuss their problems. In this meeting, two women, Lasuben and Supaben,emerged as vocal spokespersons for the group.

Twenty-five women attended the meeting in the market place. They all agreed that one way to begin tackling their problems would be to organize. They decided to form an association and each paid a Rs. 0.25 membership fee to join. This was the precursor to the subsequent formation of SEWA.

Following this meeting, Ela Bhatt wrote an article for the local newspaper which detailed the problems of the headloaders, including their lack of fixed wages and, in some cases, underpayment or non-payment for work they performed. These charges against the cloth merchants were countered with an article of their own in which they denied the allegations and testified to their fair treatment of the headloaders. The organizers summarized the merchants' claims on printed cards and distributed them to all the headloaders as a record. In this way, the merchants became publicly pressured to treat the headloaders fairly. Since then, use of the press has been an effective technique in several cases in rallying public support behind the members' struggles.

Following this exchange, the merchants agreed to give the headloaders each a steel tumbler at Diwali (a religious festival). However, their labor rates remained low, as the women still had little power to back their demands for higher wages.

1. Backround of the trade

SEWA was formed soon after this, and the organizers conducted a socio-economic survey to learn more systematically about the problems and needs of the headloaders. They found that all of the headloaders in the city's cloth market work on a per trip basis for wholesale merchants. When a sale is made to a retail shop, a headloader is commissioned to pack up the order in a burlap sack, seal it with a

metal strip, and transport it to the buyer. Women of all ages from 10 to 60 work at this physically exerting job. While a few own lorries or hand carts, most carry the loads on their heads. Many of the women bring their children with them to the market place. They either help their mothers or play in the busy streets and alley ways.

The survey revealed that the women work long hours, often beginning at 10 a.m. and continuing straight through to 9 or 10 p.m. or until the merchants no longer need them. At the time of the survey, the rates they were paid were not fixed according to the weight of the load or the distance it was carried. Instead, they were paid a flat fee, ranging arbitrarily from Rs. 0.10 to Rs. 0.35 per trip. Moreover, the women were expected to pack up the bundles, fill water jugs, and perform other miscellaneous tasks for the merchants without pay. Perhaps their biggest disadvantage was that they had no assurance of minimum or regualr wages. Depending on the volume of the merchants' business, their earnings averaged between Rs. 2 and Rs. 4 per day. As the merchants did not keep accurate records of their trips the women sometimes lost out on income due to them.

The survey also showed other problems of the headloaders. From carrying weighty loads over long distances, many women suffer fatique, as their diets do not compensate fully for the heavy work. They marry very young, begin working early, have large families, and confront many of the problems associated with poverty. The high cost of social customs and the consequent indebtedness to private moneylenders compounds these problems.

The survey was valuable in helping the organizers understand the headloaders' problems. Since then, socio-economic surveys have been used by SEWA as an initial step in organizing many trade groups. The information is useful not only in learning about the problems within the trade, but also as hard data in negotiations with merchants or other outside bodies. Furthermore, through the process of the survey, the organizers contact large numbers of women in the trades and begin the foot work necessary in organizing the trade group and familiarizing them with SEWA.

2. SEWA's involvement

Through the survey of the headloaders SEWA learned that a common need was for four wheeled carts and hand carts to increase the volume of their work and reduce the physical strain. SEWA helped many of the headloaders get loans to purchase carts through its loan program with the nationalized banks.

However, this did not address a more serious and challenging problem -- low wages. Unfortunately, it took SEWA several years to be effective in this area. Following the above mentioned newspaper article, the merchants began a campaign to break the union and pressured many of the headloaders to leave SEWA. The leverage behind this pressure was the

women's lifelong patronizing relationships with the merchants and their sense of obligation to maintain peace. However, persistent quarrels with the merchants over wages and working conditions reaffirmed their need to organize in defense of their rights,and in 1977 they rejoined SEWA. In the same year SEWA took up a campaign to establish fair wages for the headloaders -- wages that would be fixed according to the weight of the load and the distance it was carried. The headloaders also formulated several additional demands, including payment for filling water pots and a yearly bonus from the merchants.

SEWA arranged a meeting with the merchants using the influence of the TLA (many of the cloth merchants are relatives of millowners). Given the close relations between the TLA and the powerful local millowners, SEWA was able to negotiate directly with the Merchants' Association in behalf of the headloaders.

Using survey data and the workers' testimony as backing, SEWA argued for and won wages fixed according to weight and distance, payment of Rs. 10 per month for filling water pots, and yearly bonuses for the women. The merchants also agreed that the headloaders would have to work no later than six p.m.

The agreement was formally signed by both parties. However, although the merchants gave their word to uphold the agreement, there are no minimum wage laws on the books for this trade group, and so the agreement had no real legal teeth for enforcement. In this circumstance, the women themselves banded together to exert pressure to enforce the agreement. As one headloader, Bachiben, says,

> "We don't have many bad experiences with the merchants any more. If they are wicked or dominate us, we know how to dominate back. Our union is very strong. If they refuse to give one woman work, no one else will work for that merchant. This gives us a strong bargaining position." (Interview, February 1981)

Boycotts have been an effective technique used by the headloaders to gain the merchant's compliance to the agreement.

Today, the headloaders are paid fixed wage rates for their trips. These vary according to weight and distance, but range from a minimum of Rs. 0.50 to a maximum of Rs. 4 (for women with carts). In addition to payment for carrying water and a yearly bonus, they also receive Rs. 0.75 for each load they pack. These increases have all been gained through SEWA's struggle.

For the past several years, SEWA has lobbied the Office of the State Labor Commissioner to set up a governmental board to oversee the payment of wages and working conditions among unorganized workers in the local cloth markets -- including headloaders and cart pullers. Largely through the efforts of Ela Bhatt, a State Board of Unorganized Labor was established in 1980. A similar type of board has been

in existence in Maharashtra for the past ten years. The board was originally enacted through an ordinance and later a state act. It consists of seven members -- three representing the workers (including Ela Bhatt), three representing the merchants, and the Labor Commissioner himself. The board plans to register the self employed workers in the market and oversee the payment of their wages (workers will be paid twice a month through the board). In addition, they will institute a benefit package which ensures that the workers receive paid vacation days, sick leave, and social security benefits. It is the first attempt by the State of Gujarat to create a protective labor board for the self employed.

The actual implementation of the program began in July of 1981. SEWA began registering women workers in the cloth market and an advertisement came out in the local paper stating that all employers and employees must be registered by a certain date. Unfortunately, several problems have arisen since then. The board representatives from the Cart Puller's Union (SEWA's counterpart) are not laborers, but labor contractors who fear the board may take away their hold over the laborers. The merchants have been against the board from the beginning and have made several attempts to sabotage it. However, instead of actively speaking out against it, they are inducing the labor contractors representing the cart pullers to undermine the board's program. Rumors have been spread among the workers that if they register, they will have to pay income taxes (although none earn enough to pay any taxes). More recently, the Cart Puller's Union and the traders declared a strike and closed down the cloth market in protest against the board.

Despite these pressures, all of the women headloaders have registered with the board through SEWA and some of the cart pullers as well. Moreover, many men cart pullers and headloaders have come to SEWA asking to be registered with the board through SEWA. This brought forth a major issue: should men be allowed to join SEWA? If SEWA agreed to register them, they would have to sign as their representative union. This issue sparked an internal debate in SEWA. One organizer argued emphatically:

> "Yes! We have to keep the laborers -- men and women -- united. If we don't take them in our union, then some other union will take them and then can we work together with that other union? Also, men are so much easier to work with because they understand legalities, etc., much quicker. They can go places, speak to officials. They do half your work for you."

Another organizer argued against this:

> "I feel like being a little more cautious. When men come into the union, they tend to take over. Since they are more articulate and more demanding, they'll take leadership and we'll find ourselves working for the men's problems rather than the women's and, as usual, the women will be left out." (personal correspondence, December 1981)

The decision was made in November 1981 to register the male cart pullers and headloaders and, thereby, admit men into SEWA. At present it is still too early to determine the outcome of this dicision or the effectiveness of the board. The true test will come over the next year.

3. SEWA's first member

The headloaders have the longest history of involvement in SEWA. In fact, SEWA's very first member, Supaben, was a headloader. The story of her involvement in the organization is not only colorful, but lends a human dimension to the life of the organization.

From the beginning, Supaben was in the center of SEWA's activities, opening organizing drives, recruiting new members, and as a group leader, linking up women to loans from the nationalized banks. She was also involved in an early effort by the headloaders union to set up a canteen in the market where the women could buy Indian bread and chutney. With the help of a local entrepreneur, money was raised for a sign and the equipment necessary for the stall. Business was slow initially, but by the fifth or sixth day, the canteen was very crowded, especially at the end of the work day. The women and their children passing by on their way home could not resist the smell of the bread and snacks and would stop for their evening meal. This of course meant they did not cook once they got home, and their husband's became quite disturbed. At their instigation, authorities from the municipal corporation raided the canteen, confiscated the sign and equipment, and banned its operation. Today, SEWA is more experienced in these matters and recognizes the police had no real right to do this. But then they did not, and accepted it as their fate (the sign is still sitting in the basement of SEWA's Headquarters, and there is talk of reviving the stand).

Supa's dedication to SEWA notwithstanding, as time went on she seemed to be moving up in the world at a faster than normal pace. Her fine clothes, extra cash, and reduced work week pointed to signs of newfound prosperity. Even today, no one is quite positive from where. There is speculation that her regular extra-marital affairs and her on and off dealings with various undesirable characters may have had something to do with it.

At one point she became openly involved with a man, much to the distress of her husband. Although a drunkard, he loved her very much and appealed to Ela Bhatt for help in getting his wife back. Finally, out of desperation, he sold their house, took all of her jewelry, and left town, abondoning his wife and children. Supa found herself homeless and husbandless, with several children to care for. The affair came to a fast end.

She approached SEWA for help in getting a loan to pull her through the crisis. Her plan was to use the money to recover a machine to press sugar cane juice, which her husband had pawned. With the machine she planned to set up a small juice stand to support herself and family. Ela Bhatt, who by this time had been close to Supa for several years and had bailed her out of more than one mess, couldn't say no. So with the

bank loan arranged through SEWA, Supa recovered the machine and set up a business ouside the TLA Headquarters near the busy central bus station.

Business was good, but she faced yet another problem. Given her gregarious nature, the men in the TLA did not fully approve of her behavior and even less her proximity. Before long, she became involved with a bus driver and they sat together day and night near the sugar cane stand. This was too much for those in the TLA and they called the police to clear the hawkers off the street in front of the Headquarters. The police confiscated Supa's stand and arrested her. As soon as this happened she contacted SEWA, and with the union's help retrieved her equipment and returned to her spot. Again and again, the TLA called the police, and a three-way battle between SEWA, the police, and the TLA went back and forth for some time. All the while, Supa's relationship with the bus driver intensified.

Then a very tragic thing happened. Supa became very ill and died unexpectedly. It was a great shock for SEWA and the bus driver. Although he was a Muslim he carried through all of the proper Hindu death rituals for her, even making a pilgrimage to the Ganges to spread her ashes. It was too painful for him to continue the cane stall without her, so he sold the machine and returned to his job as a bus driver. Today the women still remember warmly SEWA's first member.

Case 7: Wastepickers

Several thousand women work regularly as wastepickers in Ahmedabad. Each day they wander through residential neighborhoods and commercial districts with burlap bags slung across their shoulders and sort through heaps of trash. They collect scraps of paper, cardboard, and other recyclable materials to sell to merchants. With no investment or skills required, it is an activity that offers anyone, no matter how poor, an opportunity to earn Rs. 2 to Rs. 3 for a day's work. While many of the women work to supplement their household income, there are some -- mostly widows -- who are the primary earners for their families. Children often assist their mothers in this work and men sometimes join in the trade in times of desperation within the poorest families.

Most of the wastepickers are from Harijan families who have migrated from rural villages in Gujarat and now live in crowded slum areas. Despite the minimal returns, long hours, and unhealthy nature of the work, it is an important means of livelihood for many of the city's poorest families.

SEWA first became involved in organizing wastepickers in 1975 when Anjina, a young woman studying labor welfare in a local university, came to SEWA. She was planning to conduct a survey of wastepickers in Ahmedabad and wanted Ela Bhatt's help in designing the questionaire. She also asked some of SEWA's organizers -- Vidayaben and Manisha -- to accompany her into the labor areas of the city. After Anjina received her degree, Ela Bhatt suggested she continue her work with the wastepickers, so she joined SEWA and completed the study (unfortunately, she never gained proper recognition for her long months of work, as the study was published under the name of SEWA's president, Mr. Buch). The survey provided the organizers with valuable information about the enterprise and socio-economic characteristics of the wastepickers.

1. Backround of the wastepickers 10/

The study found that there are around 5,000 wastepickers in Ahmedabad and most are from the city's very poorest families. They suffer from inadequate housing, uncertainty of work, and low incomes. Ninety percent live in slum areas, many in cardboard shacks. Seventy-six percent of the women surveyed are married and 18 percent are the sole breadwinners for their families. Their average family size is six, and 48 percent have more than three children. Almost one-third of the women are assisted in their work by their children; almost one-half of their children are not enrolled in school.

The women have no holidays and over 90 percent walk more than ten kilometers per day. They are exposed to a gamut of unhealthy dirt

10/ Information in this section is from SEWA's files.

and germs while they sort through trash. Typical working hours are from six a.m. to three p.m. The monsoon is the slack season during which time they often must go long periods with no income. Sixty-seven percent of the women have family incomes under Rs. 200 per month and 80 percent of their families are indebted. Earnings vary according to the quality of paper they find, but average between Rs. 2 and Rs. 4 per day. At the very best a woman might earn Rs. 7 per day. The women complained that many merchants do not give them a fair rate for their waste.

2. SEWA's involvement

During the first few years, SEWA's involvement with the wastepickers centered mainly around organizing meetings and providing social security benefits. Few women took loans from the nationalized banks, as there is limited scope for investment in this trade. In 1979, Vidyaben, Manisha, and Hiraben, a local group leader, participated in a month long SEWA organizer's training workshop sponsored by the Asian American Free Labor Insititute (AAFLI). Following this workshop Hiraben also became an organizer and initiated a much more active involvement of wastepickers in SEWA. She went door to door in her area and talked to the women about the union. At first, many of the wastepickers were quite mistrustful of her -- at times even suspicious as she is from a better off Harijan family. So as a constructive activity she arranged for groups of women to come to the TLA Headquarters to collect their waste. Each week, two different women came on a kind of rotating system. The women gradually gained trust in her and SEWA, and by 1981 about 300 members had been recruited. Today, they are one of the most active and enthusiastic groups in SEWA.

The primary need of the wastepickers is for some way to increase their incomes. SEWA has addressed this problem in several ways. First, the SEWA organizers have introduced the women to banking practices and taught them to save. Savings provide them more control over their incomes and a cushion to fall back on in emergencies. Second, SEWA has helped to link its members with supplies of wastepaper. Arrangements have been made for several mills, banks, and government offices to give their wastepaper directly to SEWA members. Today, about sixty women (assigned in groups of two or three) are provided regular work this way. They visit the institutions on a regular basis, show their SEWA membership cards, and are given the waste. Once the women have collected and sorted the paper, they sell it to merchants for between Rs. 0.40 and Rs. 0.75 per kilogram. The merchants in turn sell the paper to factories.

Participants in the program are chosen by the organizers on the basis of their seniority of membership and need, with widows being given first priority. They are offered several advantages through the program. The quality of paper is better, and, therefore, the amounts paid by the merchants are higher. Many of the women are now earning as much as Rs. 200 per month from the mills alone. The supply is also more

regular and the women do not have to work as many hours. Moreover, the paper is generally cleaner and the wastepickers are less exposed to the health hazards associated with roaming the streets and picking through garbage heaps.

On the whole, the members have been happy with the new program. At some point, they say, they would like to go around the whole mill areas to collect waste rather than just the offices. They would also like the offices to make an effort to save their waste for a few days. At present, if the women are not able to come every day, the paper is burned.

At present, the women are in the process of forming a cooperative through which the wastepaper project will expand to provide employment to more women. They also are formulating plans for a project which links members directly to the paper factories. The organizers are searching for government land for the wastepickers to use as a dumping ground to collect and sort a high volume of paper. In March of 1981, Hiraben and a group of wastepickers visited their local municipal corporation representative to request his help in obtaining government land for a dumping ground. The man is their neighbor and had their support in the election, so he is being cooperative. They feel confident he will do all he can to help. Eventually, the wastepickers would like to have their own paper factory and learn box making, papier-mache work, and other skills related to recycling paper.

From the organizers' perspective, the program linking the members to direct supplies of paper has worked relatively well. In some cases it has been a challenge to see that the paper is distributed equitably, as some mills give more than others. Without a SEWA dumping ground it is impossible to pool and distribute equally the paper, but the women are trying to work this out among themselves. The biggest problem, however, is that recently some of the mills have been reluctant to give their paper to SEWA members. The original connection to the mills was through the TLA, and following the split between the organizations, the TLA used its influence to interupt supplies of wastepaper to SEWA.

The wastepickers held a meeting in early June of 1981 to discuss this problem. They resolved to seek out alternative and more secure sources of paper and employment. They have contacted several banks and government owned mills which are now supplying them with paper. Since then, the program has expanded to serve more members. Moreover, several wastepickers have begun working as cleaners through SEWA for the National Institute of Design. Another group has enrolled in a SEWA training program in weaving which builds on their traditional skills (weaving is the main occupation of Harijan families in their rural villages). These are all attempts to upgrade the work of wastepickers.

The organizers have noticed several changes in the wastepickers since their involvement in SEWA. Through the experience of going to the mills, they have gained more self confidence in dealing with officials in formal settings. Their incomes are more stable and higher, so they can now afford such basics as soap, clothes, and household utensils. Another important change, according to the organizers, is that the women have learned to save and now have more control over their incomes. Also, instead of bringing their children with them to work, many now put them in school. At first the organizers had to work hard to stir up interest among the members, but now they approach SEWA on their own and are extremely active in all facets of the organization.

The members say they have a sense of security now which they never felt before; and their families are in a far less vulnerable position now that they have more stable earnings. One woman who has worked as a wastepicker for 25 years considers the women not involved in SEWA to be in the same place they have always been. For those in SEWA, however, there is an independence now that their incomes are more regular. She told of her own experience:

> "Before, when my husband was ill and unable to work, I could not find enough paper and had no choice but to go to a moneylender. My earnings alone were not enough to make ends meet. It took him several years to recover, and we went Rs. 7,000 into debt to survive. We are still paying back that debt, but now that I have a steady source of income, my family is in a more secure position." (Interview, March 1981)

(See chapter 8 for further discussion of the wastepickers.)

APPENDIX VII

Letter Explaining SEWA's Disaffiliation from the National Labor Organization

SELF EMPLOYED WOMEN'S ASSOCIATION

SEWA Reception Centre
Opposite Victoria Garden
Ahmedabad 380001

September 1, 1981

To,

Jennefer Sebstad
25, Vasundhara Society
Ahmedabad 380006

Dear Jennefer:

It is no wonder that the expulsion of SEWA from the Textile Labour Association has been followed by the expulsion of SEWA from National Labour Organisation, a Gujarat based federation of unions.

As per our bye-laws, we were federated with NLO. We very well knew our fate in NLO after the expulsion from Textile Labour Association, but the way it has happened is revealing of the feudal attitude of male domination.

We realised that:

a) NLO is only an extension of TLA controlled by the same leadership;
b) The Self Employed and/or the unorganised labour has hardly any place in NLO, much less the women workers;
c) Women unionists will not be able to grow in the NLO set-up;
d) There is hardly any scope for dissent, discussion or debate in the NLO set-up.

I myself, had experienced it before, now, SEWA as an organisation experienced it. I would like to share our recent experience with you. I send you herewith a note on the profile of NLO and the facts about the proceedings of NLO Session when SEWA was expelled. You will find them interesting.

With regards,

Yours sincerely,

Sd/-

(Ela R. Bhatt)
General Secretary

PROFILE OF NATIONAL LABOUR ORGANISATION (NLO)

What is NLO?

It is the National Labour Organisation, a Federation of Labour unions. There are 36 unions federated to NLO.*

Area of Operation: All 36 unions in Gujarat

Industries Covered:

Textile	16
Chemicals	3
Co-ops & Local Govt.	3
Engineering	2
Transport	2
Food & Beverages	2
Pottery	2
Sugar	2
Trade Services	2
Miscellaneous	4

Membership Pattern:

Range of Membership Figures	Number of Unions
Over 1,20,000 members	1 (Textile Labour Association, Ahmedabad)
10,000 to 12,000 members	1 (transport)
8,000 to 10,000 members	-0-
6,000 to 8,000 members	2 (including SEWA)
4,000 to 6,000 members	1
2,000 to 4,000 members	5
Less than 2,000 members	26

Representation in NLO:

61 Delegates	One union (Textile Labour Association)
6 Delegates	One union (transport)
4 Delegates	Two unions (including SEWA)
3 Delegates	One union
2 Delegates	Five unions
1 Delegate	Twenty-six unions

* All information as per latest list of delegates.

Women Delegates:

There are six women delegates, 4 of them are from SEWA.

Office-bearers of NLO

Shri Arvindbhai Buch	President
Shri Navinchandra Barot	General Secretary
Shri Mohanlal Joshi	Treasurer
3 Vice-Presidents and	
4 Secretaries	

Office-bearers of Member Unions

The biggest union is the Textile Labour Association, Ahmedabad.

TLA Office bearers:

Shri Arvindbhai Buch	President
Shri Shantilal Shah	General Secretary
Shri Manharlal Shukla	Secretary
Shri Navinchandra Barot	Secretary
Shri Ramanlal Shukla	Secretary
Shri Mohanlal Joshi	Treasurer

All other unions have one of the above as president.

Shri Arvindbhai Buch	President of 12 unions
Shri Navinchandra Barot	President of 19 unions
Shri Manharlal Shukla	President of 3 unions
Shri Shantilal Shah	President of 2 unions

SEWA's Affiliation:

In the SEWA Constitution it is mentioned that (P. 8, Pr. B)

"SEWA shall get affiliated with the NLO"

SEWA has been affiliated with the NLO since SEWA was founded in 1972.

SEWA has 4 delegates in NLO
SEWA has paid its annual fees to NLO every Year.
SEWA has sent its audited accounts to NLO every year.
SEWA delegates have attended the General Council Meetings every time.
Until July, 1980, Office bearers of SEWA were:

Shri Arvindbhai Buch	President
Smt. Ela Bhatt	General Secretary
Shri Mohanlal Joshi	Treasurer
Shri Manharlal Shukla	Vice President

All office bearers were members of the TLA

In July, 1980, Shri Arvindbhai Buch resigned as President of SEWA.

In January 1981, Shri Manharlal Shukla took over as President of SEWA.

May 1981:

Smt. Ela Bhatt was dismissed from TLA
TLA General Council resolved to sever all links with SEWA
Shri Manharlal Shukla had to resign as SEWA President.

August 1981:

SEWA was disaffiliated from NLO.

****

Disaffiliation of SEWA from NLO in the Vadtal General Council Meeting

On 18.7.81 we received a circular notice from NLO that there was to be a meeting of the General Council of NLO to be held in Vadtal (a small town 2 hours drive from Ahmedabad) on 16th August, 1981. This was to be the third General Council meeting. The previous general council meeting had been held in Summer, 1978. Thereafter there had been neither an Annual Session nor a meeting of the General Council.

On 28.7.81 we sent 3 draft resolutions to NLO for discussion in the meeting. The resolutions were:

1. Employment Guarantee Scheme for Agricultural Labourers.

2. Contract Labour to be protected by Labour Laws.

3. Regarding the receipt of Fraternal Aid from International Workers Unions.

These resolutions were sent for the following reasons:

(1) Nearly one third of our members are agricultural labourers and the main reason they are unable to organize is the high seasonal unemployment.
(2) Another one third of our members are home-based piece rate workers. They do not get the protection of Labour Laws and in the rare case where the laws exist, they are not implemented.
(3) The policy of NLO regarding the receipt of aid from International Union was not clear. A proposal of a grant for training women organizers for SEWA from an International Labour Agency has been pending with NLO for six months and the policy for clearance had not been clarified.

On 7.8.81, we received a letter from the General Secretary that the draft resolutions could not be accepted in the agenda as the agenda has already been fixed, but that we should present our resolutions in the meeting with the permission of the Chair.

During the two weeks before the meeting, we began hearing rumours that SEWA was to be expelled from NLO. The President of NLO sent 2 verbal messages (one through an organizer in SEWA and the other through a TLA staff member) to SEWA's General Secretary asking her to disaffiliate SEWA from NLO. The message said that it would be a more dignified and honourable way of leaving NLO.

Then SEWA had an Executive Committee Meeting. In the meeting it was also decided that along with the invited delegate, other executive committee members and also SEWA organizers should go to the NLO meeting as observers. The reasons for sending the observers were:

(1) Education of Workers: The workers would hear the discussion on the various issues concerning them. They would see how a federation was run. They would meet their brothers from other unions.

(2) If SEWA's affiliation to NLO was to be discussed, we wanted the executive committee members and the organizers to be present during the discussion since it was a decision vital to SEWA's future.

We wrote a letter to NLO requesting them to make seating arrangements for about 15 observers. They replied that only delegates were allowed in the meeting. We then decided that the observers would go any way. If allowed to attend, they would sit in the hall. If not allowed, they would wait outside.

On the 16th it was raining very heavily. 3 delegates and 25 members of SEWA went to Vadtal. Due to the heavy rains and puncture on the way, we reached 45 minutes late. Delegates Elaben, Chandaben, and Valamben went into the hall, the rest of the women stood outside. Elaben went up to the President and asked permission for SEWA women to enter as observers. The President granted permission for the observers to enter. As SEWA women came in, the president said, "Delegates come towards the front, observers sit behind the pi-lar. Observers are not allowed to participate in discussion."

There were about 75 delegates and about 25 other people (including 3 women) in the observers section.

The discussion on the 4th resolution on the Agenda on agricultural labour was coming to an end as we entered. Then the 5th resolution was introduced. This resolution was about protection of contract labour and vigorous implementation of the Contract Labour Act. A number of delegates spoke about contract labour abuses within industrial units. Elaben also stood up to speak. She made the point that there are thousands of women home-based piece rate producers such as garment workers, bidi (cigarette) makers, incense stick workers etc. who are perhaps the worst exploited labourers. They are also contract labour but do not come under the purview of the contract labour act and so are not protected by Minimum Wages, social security, etc.

Then Elaben, because we had arrived late, requested permission to speak on the previous resolution concerning agricultural workers. Point of order raised by General Secretary. Ruling given: Permission was denied by the Chair.

At the end of the discussion on contract labour a delegate from the TLA moved that the resolution be summed up. Reviewing the point on home-based workers he said that home-based workers could not be considered for protection because, firstly, according to a court judgement, home-based workers were not covered under minimum wages act. Secondly, home-based workers did not need good working conditions because they worked at home. How can we ask for bathrooms and latrines for them

(laughter from the audience)? And finally, home-based workers were not organised.

Then the chair asked for votes on the resolution. Elaben raised her hand to make a point.

Chair: "Elaben votes No, on the resolution."

Elaben: "No, I support the resolution, but I want home-based workers to be included. I want to answer the arguments against home-based workers."

Chair: "No points to be discussed after summing up. You can talk about Self Employed in your own conference not here. 99% of the house votes for the resolution Elaben votes against."

Elaben: "No, I support the resolution, but I want to answer arguments against home-based workers."

Suddenly Shantibhai Shah, delegate and General Secretary TLA, came to the mike. Point of order by Shantibhai. "Why have SEWA women been allowed as observers?" Mr. Navinchandra Barot General Secretary NLO came to the mike. "SEWA has brought observers, even though they had been forbidden to do so." He then read out the NLO - SEWA correspondence on the subject. Then he asked the chair to ask the observers to leave the hall.

Chair: "I give a ruling that observers from SEWA leave the hall."

Elaben: "But there are many other observers also in the Hall."

Chair: "Those are not observers but volunteers to help with cooking and other arrangements. SEWA women should leave the hall."

A TLA Delegate: "Now that they have had their snacks, they can go?" (we had all been served tea and snacks).

Elaben: "They have not come to eat, but for education."

Chair: "Huh, Education!"

Elaben: "They have a right to come. NLO is a public body."

Chair: "Public body? Are you suggesting it is my father's firm?" (This is a literal translation. He meant that by saying, "Public body," do you mean to imply I am acting as if the organisation belongs to me?)

Elaben: "We will respect your ruling. SEWA observers, please leave the hall."
(All the SEWA observers got up and left the hall.)
"But we had the permission of the chair. The Observers did not come in till you gave permission."

Chair: "I did not give permission."

Elaben: "We all heard you give permission. You said, 'Delegates sit this side, observers sit that side.' Now why are you denying it? (Appealing to the hall) Didn't you all hear him give permission?"

Chair: "If you insist like this I will touch your feet and ask your forgiveness. I only do the bidding of God (Swaminarayan). I never oppose women."

Shantilal Shah: "Elaben is insulting the chair. She must withdraw her words."

Elaben: What words should I withdraw? Everybody heard him give permission."

Shantilal Shah: (Point of order) "Elaben has behaved in an indisciplined way and should be asked to leave the house."

Elaben: "Of course, you have the brute majority. You can do what you like."

Chair: (Ruling) "I rule that Elaben apologise or leave the house."

Elaben: "I will leave, but this is unjust and unfair."

Jeers from the House: "Yes, yes, now run to the press."
"Huh! Unjust and unfair." etc.

Then Elaben, Chandaben and Valamben got up and left. Outside the hall the SEWA women were very angry. They felt very insulted. Some women suggested disrupting the meeting, but finally, we decided to sit peacefully outside, from where we could hear the rest of the proceedings.

The other resolutions on the agenda were discussed and passed with little discussion. Then the chair remarked that it was nearly lunch time and they would hurry through the rest of the session to finish before lunch.

Chair: "The 3 resolutions presented by SEWA need not be discussed.

Then a resolution was presented which was not on the printed agenda.

Delegate: (We are not sure who spoke because we were outside and could not see. It sounded like the Chair) "The General Secretary of SEWA has made allegations, national and internationally about TLA, a fellow NLO member. This is an act of indiscipline, so we move that SEWA's affiliation be cancelled from NLO.

The resolution was passed without discussion.

The last resolution was discussed and passed. Then the President made a concluding speech. He mentioned SEWA several times. One of the statements he made was:

"I built SEWA during the emergency days to protect TLA against Indiraji's attacks. I built a wall of poor women around TLA. Now I am expelling SEWA because it is dangerous for TLA."

The session was concluded.

Two days later there was a news item in a local paper "Jan Satta," that SEWA had been dismissed from NLO due to indiscipline.

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