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# **India's Self-Employed Women's Association (SEWA)— Empowerment through Mobilization of Poor Women on a Large Scale**

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## Executive Summary

SEWA (the Self-Employed Women's Association) is a membership organization – a *movement* rather than a *program*. Its objective is to empower poor women working in the informal sector so they can achieve secure employment and self-reliance. As a membership organization with firmly democratic procedures and based explicitly on Gandhian principles, all other SEWA activities have emerged and evolved in direct response to members' needs. Members are rural and urban poor women working in the informal sector, who have empowered themselves by organizing into a labor union to struggle for their rights, and into 100 cooperatives to improve their economic security.

SEWA members see themselves first and foremost as workers, and identify their primary need as gainful and secure employment. Large numbers of members have increased their incomes through both the collective pressure that organizing allows them to exert and the creation of alternative employment opportunities. They have gained access to markets through information campaigns, assistance with product improvement, and SEWA-run marketing services; they have gained access to services that are essential to a secure livelihood; and they have gained access to banking facilities that allow them both to save and to borrow in small amounts and on reasonable terms, and so gradually build up assets. At the same time, large numbers of members have achieved self-reliance. By organizing poor women and providing training and capacity building of various kinds, SEWA has developed their leadership abilities, their self-confidence, and their life skills

SEWA's successful efforts have mobilized large numbers of poor self-employed women for empowerment. From small beginnings in 1972, as a group of poor, illiterate women working as casual laborers in the wholesale textile markets, SEWA's membership has grown to 535,000 in its home state of Gujarat, and to around 700,000 throughout India. The annual rate of membership growth has averaged between 25 percent and 35 percent in each of the past three five-year periods.

A structure has evolved that gives SEWA great flexibility to grow and respond to members' needs. Apart from the formal election and governance arrangements, there are three main ways in which members are engaged:

- *A union* with both urban union and rural branches, that helps members in their collective struggle for fair treatment and access to justice, to markets, and to services. The urban branch represent over 70 occupations or trades and has focused on upgrading skills in changing markets and seeking better wages and benefits. The rural branch targets alternative employment creation including handicrafts and some high value crops, reversing a trend toward declining agricultural wages and leading to a noticeable decline in seasonal migration of female agricultural workers.
- *Cooperatives* that help members produce and market the fruits of their labor and build their assets. The largest cooperative is SEWA Bank [deposits total \$13.9 million, \$3 million loans

outstanding (average loan size of around \$60)]. The World Bank is a major source of SEWA's strength and achievements and an innovative source of microcredit. The other more than 100 cooperatives help women improve the marketing, quality, and design of the handicraft and woven items to ensure consistency, timely delivery, and salability. Cooperatives also promote new agricultural products, and techniques that add value to traditional products. Other cooperatives include a rural marketing organization and a Trade Facilitation Center.

- *Member services* that are financed partly by user charges, but also in part by donors, and by government departments that have been unsuccessful in providing the services for which they are responsible by statute. SEWA concentrates its member services in the key areas of health care, child care, insurance, and housing.

The main lessons of SEWA's experience in mobilizing and empowering poor self-employed women can be summarized under four headings:

- *Organizing members* (as distinct from offering services at the outset) helps to ensure ownership and having subsequent activities that are based on members' needs, while providing a firm foundation for future growth. In making poor women better informed about their rights, it increases the accountability of various organizations. In helping members articulate their needs, it ensures that SEWA activities are demand-driven. And in identifying potential activists and leaders among new recruits, it lays the ground for SEWA's future growth.
- *Values* at the core of an organization help establish consistency in its purpose, and serve to attract and retain highly motivated staff and members. They also underpin the patience and perseverance needed to influence the policy environment. From its inception, SEWA has been steeped in Gandhian beliefs and practices. Perseverance, egalitarianism, inclusion, and participation are actively incorporated into meetings and organizational practices.
- *Flexibility* in an organization's style and structure encourages experimentation and learning, a willingness to take advantage of partnerships with others, and an ability to recognize crises as opportunities. Flexibility induces innovation and risk-taking; a capacity to grow; a decentralized style that promotes a highly motivated, energetic and committed staff; and a focus on ideology rather than dogma.
- *Leadership* is crucial not only in defining an organization's vision, but also in establishing management and behavioral practices that reduce social distance between corporate management and grassroots members. Moreover, effective leadership skills can be taught to and learned by poor and uneducated women. Ela Bhatt founded and led SEWA for 24 years. Under her leadership, and since her departure seven years ago, there has been a remarkable set of participatory management and behavioral practices that close the social distance between members and managers. This included regular rotation of office holders, highly compressed pay scales, a stable core management cadre, a conscious policy of developing new leaders, and a policy of avoiding entanglements with political parties.

SEWA has overcome many challenges. Initially it encountered great resistance in even registering as a union, since the authorities questioned whether self-employed women were legally entitled to form a trade union. Later the banking authorities were reluctant to sanction a bank that lent to self-employed women without collateral. In overcoming these and many similar challenges, SEWA has shifted the policy environment in India, and in that way it has had an impact far beyond its membership. The challenges of rapid growth have been successfully met up to now, thanks in part to SEWA's flexible structure, but they are a continuing preoccupation as membership continues to increase. And the long-run financial viability of various enterprises remains a concern: while SEWA has a clear policy that all such activities should be self-sustaining, actually making them so, and deciding when initial subsidies have gone on long enough, is always difficult. Moreover, some of SEWA's newer initiatives, such as insurance, require more financial expertise and discipline than traditional activities.

## Background

The Self-Employed Women's Association (SEWA) was formed in 1972 in Ahmedabad (Gujarat), the textile capital of India. Some poor, illiterate women, seasonal migrants from rural areas, approached the Textile Labour Association, one of the oldest unions in India. They were making a meager income as casual laborers, pulling carts and carrying head loads of cloth around between the 100 or so wholesale textile markets in the city. The women's most urgent need was for shelter, but they also knew they were being cheated by the cloth merchants, and seeing the benefits the union had brought for its (mostly male) members in the textile mills, they sought its help. They were directed to the union's Women's Wing, and Ela Bhatt. Trained as a lawyer, for some years Ms Bhatt represented the union in court disputes and in policy discussions with government, and later worked for the state Ministry of Labour, before returning to the union as head of its Women's Wing. Ms Bhatt was much influenced by the example and teachings of Mohandas Gandhi, who lived for many years in Ahmedabad, and had in fact helped to found the Textile Labour Association in 1917.

To counter the myriad unfair and corrupt practices that kept these women's earnings so low and their lives so precarious, Ms Bhatt conceived the idea of organizing them—and others who worked in the “informal sector” as vegetable and used garment vendors, construction workers, carpenters, and the like—into a union, the Self-Employed Women's Association (SEWA). The poor and uneducated women who became members of SEWA organized campaigns and peaceful demonstrations to draw attention to their plight, and slowly gained ground on issues such as differential rates depending on cart-pulling distance, the right of vendors to sell on the street, and reduced harassment by police looking for bribes. These achievements added to their self-confidence, and led to new initiatives, which resulted in a growing membership and an expanding field of activities.

SEWA has always kept its focus on one overriding reality—that poor women are above all *workers*, and their empowerment depends on achieving two prime objectives: on the one hand secure employment, and on the other hand self-reliance. SEWA sees its core role as organizing the women and building their capacity to accomplish these ends. As a membership organization with firmly democratic procedures and based explicitly on Gandhian principles, all other SEWA activities have emerged and evolved in direct response to members' needs. There is no a priori view on what these needs are or how they should be served, though experience has shown SEWA that all the needs of poor women are interrelated, and all deserve attention. It is, as Ela Bhatt has often emphasized, a movement rather than a “program” or an “NGO” in the usual sense. The movement flows slowly at times and faster at others, it may be deflected around an obstacle, but it always moves in the same direction.

A structure has evolved that gives SEWA great flexibility to grow and respond to members' needs. Apart from the formal election and governance arrangements (described in section 4 below), there are three main ways in which members are engaged:

## SEWA: EMPOWERMENT THROUGH MOBILIZATION OF POOR WOMEN

- a *union*, with both urban union and rural branches, that helps members in their collective struggle for fair treatment and access to justice, to markets, and to services;
- *cooperatives*, that help members produce and market the fruits of their labor and build their assets; and
- *member services*, that are financed partly by user charges, but also in part by donors, and by government departments that have been unsuccessful in providing the services for which they are responsible by statute.

SEWA members evoke the image of a banyan tree in describing these activities and their interactions. SEWA is the central trunk that draws its strength from the grass roots. The trunk puts out branches that cater to the needs of poor women in one trade or another, or in providing a service that is much needed. Each branch then lets down roots that connect it to the soil, nurturing and sustaining the branch, and at the same time strengthening the whole tree.

A list of some organizations in the SEWA family and their founding dates is illustrative:

- SEWA Cooperative Bank (1974)
- First Milk Cooperative (1979)
- Anasuya (newsletter) (1982)
- SEWA National Association (1982)
- First Artisans' Cooperative (1982)
- Video SEWA (1984)
- First Child Care Cooperative (1986)
- First Tree Growers' Cooperative (1986)
- BDMSA (first rural program, in a drought-prone area) (1987)
- First Vegetable and Fruit Vendors' Cooperative (1989)
- SEWA Academy (1990)
- First Health Care Cooperative (1990)
- First Salt Farmers' Cooperative (1991)
- Vimo SEWA (Insurance) (1992)
- SEWA Cooperative Federation (1993)
- Gujarat Mahila Housing Trust (1994)
- First Midwives Cooperative (1994)
- Kutch Craft Association (1995)
- SEWA Gram Mahila Haat (local marketing) (1999)

- SEWA Trade Facilitation Center (2000)

Ms Bhatt retired from the post of General Secretary in 1996, and since then the General Secretaries and the two Secretaries have each served three-year non-renewable terms. SEWA is proud of its rotating “collective leadership” approach. Its corporate management is in the hands of a small but remarkably stable cadre of women who remain fully involved in running SEWA’s affairs whether or not they happen to be office-holders. Nearly all the management cadre have professional backgrounds. By custom, 80 percent of SEWA’s own employees are poor women, and only 20 percent have professional backgrounds (SEWA has provided intensive training for some uneducated women to equip them to take on roles for which professional training is normal).

SEWA continues to emphasize Gandhian values, in particular simplicity and tolerance. For example, the highest paid employee receives no more than three times the salary of the lowest. And all meetings begin with both Hindu and Moslem prayer chants. While SEWA as an organization was careful to make no public statements on the communal violence in Gujarat in 2002 and 2003, because of the direct danger that would have created for members in affected areas, there were many examples of SEWA members of both religions taking heroic steps to protect people of the other faith. And SEWA organizations played a major role in providing assistance to victims and their families in the affected communities.

## **Impact/Results**

Today SEWA has a membership of about 700,000 women, and the movement is growing rapidly. The average annual rate of growth in membership was 25 percent in the five-year period 1988-92, 35 percent in 1993-97, and 27 percent in 1998-2003, with more than 250,000 new members joining in 2002. About 75 percent of the members live in SEWA’s home state of Gujarat; SEWA organizations have also been started in 6 other Indian states in recent years, with a current membership of 160,000, and there are in addition SEWA associates in South Africa, Turkey, and Yemen.

As noted earlier, SEWA does not have long-term program targets against which progress can easily be measured. On the other hand, it has had a clear impact on the empowerment of poor self-employed women by improving their access to employment opportunities, markets, services, and assets. Indeed, most of SEWA’s activities are specifically designed to address problems of “secure access” (to use their preferred term). SEWA regards all access problems as closely related. Thus opportunities for work are essential, since very little can be done without a secure source of employment. But women cannot take advantage of employment opportunities without minimal social security, including access to at least healthcare, childcare, insurance and shelter. They cannot accumulate assets or make effective use of borrowed funds unless they have a degree of autonomy and a secure source of income to repay loans.

The impact of SEWA’s efforts to expand members’ access can be conveniently described in terms of the activity headings used earlier. In what follows, membership numbers are



frequently cited. Clearly not all SEWA members are equally committed, and they do not all benefit equally from their participation in various SEWA activities. But since membership is entirely voluntary and requires payment of annual dues, the figures are certainly indicative of the value that poor women place on their membership in SEWA, and the benefits they see in continuing as members.

The *urban branch of the union*, with a membership of 166,000 in Gujarat, has organized workers in over 70 occupations or trades, clustered into four groups: home-based workers, vendors, producers, and manual laborers and service providers. There have been many successes over the years, but traditional employment opportunities are constantly eroded by mechanization and new production technologies. SEWA recognizes that this process is inevitable, and strives to counter its effects by upgrading members' skills. Last year, for example, ready-made garment workers were trained in new techniques that allowed 100 to gain employment and another 30 to restart work (another 3000 obtained a modest bonus from the merchants). The major campaigns mounted last year were in support of better wages and provident funds for bidi (cigarette) rollers and incense stick rollers. In the latter case, 10,000 workers (half the total number) received an increase in pay, and another 2000 were able to restart work. However, conditions for the bidi rollers did not improve—SEWA members will continue the struggle.

The *rural branch of the union* has about 370,000 members in more than 700 villages in Gujarat. Access to secure (or less insecure) employment in urban areas can sometimes be achieved by traditional union activities, relying on solidarity among members and appeals to public sentiment to force employers to offer better conditions. In rural areas, however, SEWA discovered that large labor surpluses make such an approach ineffective by itself, and they have instead turned their attention to alternative employment creation. This does not mean inventing completely new full-time jobs, but rather finding alternative forms of part-time employment so that members have more options. The possibility that some income can also be earned by selling embroidery, instead of exclusively through casual labor for local farm owners, has changed the bargaining dynamics between poor women and the farmers. Opportunities for year round employment producing handicrafts and some high-value crops have reversed the trend toward declining agricultural wages, and led to a noticeable decline in the seasonal migration of women agricultural workers to the cities and other states (which used to be as high as 80 percent from some districts).

Developing alternative forms of employment immediately raises the issue of market access. SEWA members may be poor and uneducated, but virtually all of them have had extensive and unhappy experience of how markets work. They are very skeptical about the notion that middlemen might perform a useful economic function—in their experience, the only function of middlemen is to exploit and cheat poor people like themselves. They have a lively appreciation of how important *fair* access to markets can be.

For this reason SEWA has promoted the formation of *cooperatives* among members. In general, their purpose is to help ensure that members' products are of high quality and are sold at fair prices. There are now 100 SEWA cooperatives, ranging in size from a tree growing venture in one village, to the SEWA Bank which alone has 30,000 member shareholders. There is also an

umbrella federation that provides training and marketing support to individual cooperatives—during 2002, it trained over 1000 women in various skills, as well as arranging sales of items produced by cooperatives.

In rural areas, SEWA cooperatives have helped women improve the quality and design of the handicraft and woven items they produce for sale. In most cases, the women are already highly skilled at embroidery or weaving or other crafts, and the task is mainly to ensure consistency, timely delivery, and that the items produced are of a quality, size and style that can easily be sold. Cooperatives have also promoted new agricultural products, and techniques that add value to traditional products. For example, tree nurseries are a new activity in areas where traditional tobacco workers are being displaced; milk cooperatives improve cattle breeding as well as milking and milk handling techniques, raising the value of sales; and salt farmers are being shown how to produce higher value industrial salt, rather than the lower value edible salt. At the same time, cooperatives provide their members with information on market prices, for traditional as well as new products.

SEWA has had a much broader impact through activities that involve it directly in marketing what members produce. A rural marketing organization, SEWA Gram Mahila Haat (Village Women's Market), was set up in 1999. Three years later, in 2002, it arranged sales of more than \$3.5 million for 23,000 members organized into almost 1000 different producer groups. By far the largest shares in the sales total were for handicrafts and woven items (47 percent) and agricultural produce (43 percent)—salt and gum accounted for around 5 percent each. In 2003, SEWA made an arrangement with a national agricultural firm under which members sold sesame seed directly to the firm through Gram Mahila Haat (members also had the option of selling in the open market). SEWA's intervention increased the sale price obtained by members by over 60 percent.

A separate SEWA organization, the Trade Facilitation Centre, was set up in 2000 to concentrate on designs for and sales of clothing, fabrics and handicraft items outside local marketing channels. The Centre's sales in 2002 totaled \$145,000 in the national market and \$100,000 internationally, and SEWA's participation in the 2002 Smithsonian Folklife Festival in Washington DC resulted in additional exceptional sales of \$275,000.

By far the largest cooperative is SEWA Bank. Access to assets, and their accumulation and preservation, are central to the goal of self-reliance for poor women, who are almost always in debt, and are easy prey for unscrupulous money lenders and traders. The need was so obvious to SEWA members that they launched SEWA Bank in 1974, only two years after SEWA itself was founded. In the years since, SEWA Bank has been a major source of SEWA's strength and achievements, and an innovator in the field of micro-credit. At the end of fiscal 2002/03, deposits totaled \$13.9 million in 200,000 accounts, and there were 50,000 loans outstanding totaling \$3 million (i.e. an average loan size of around \$60). Historically, SEWA Bank's loan recovery rate has been around 96 percent. In the past two years, the bank has introduced mobile banking arrangements to provide service to members without interrupting their livelihood activities, as well as training courses in financial planning.

SEWA Bank has introduced the habit of regular saving to tens of thousands of poor women. They still have debts, but they are able to see progress in paying them down. They pay significant interest rates to SEWA Bank (currently over 20 percent a year while the rate of inflation is around 5 percent), but no longer feel powerless and exploited by the money lender. And they can seize opportunities when they arise to improve their lives through micro-enterprise—by setting up a shop-in-a-cart, by embarking on a share-cropping scheme with a local land owner, by buying a mill to grind grain for the neighborhood, by investing in machinery that will improve the quality (and raise the price) of what they sell. They can also borrow for purposes that economists have traditionally regarded as “unproductive,” such as weddings. SEWA Bank’s attitude toward such loan requests has become more permissive over time, in recognition that if members are to be self-reliant, they must also be allowed to make their own choices.<sup>1</sup> The bank is also aware that if it denies a loan for such a culturally important purpose, the member will probably borrow the money elsewhere on less favorable terms.

SEWA concentrates its *member services* in four key areas: healthcare, childcare, insurance, and housing. In SEWA’s experience, a poor woman’s livelihood security is not complete without access to these four basic services. In this as in many other areas, SEWA’s approach is above all pragmatic. If the service exists, use it; if it needs improvement or reorientation, try to influence decision makers accordingly, and offer to assist; and if all else fails, provide it on a sustainable basis. The last option not only provides a service otherwise unavailable, it also gives SEWA a louder voice at the policy table, since it can speak with the authority of experience. In reality, there are very few cases where the simple provision of information has enabled members to use fully functioning existing services. Much more commonly, SEWA has linked members to poorly functioning public services, while trying at the same time to improve the services.

SEWA members often say “my health is my only wealth” or “our body is our capital,” a sad reflection of what studies by SEWA and others have repeatedly shown—the most important stress factor in poor women’s lives is ill-health. SEWA’s *healthcare* activities are carried out in a variety of ways. Health teams are organized either as midwives’ and health workers’ cooperatives (in four districts) or as adjuncts to other ongoing activities, such as a handicrafts association or childcare center. SEWA encourages members to use government run primary health care clinics, and to take advantage of the government’s immunization campaigns and “camps” set up periodically to address particular ailments. In 2002, nearly 300,000 people obtained primary health services of various kinds through SEWA teams of local barefoot doctors. In addition, external funds were tapped to run a mobile clinic in rural areas affected by the 2001 earthquake, which allows doctors in government hospitals to extend the reach of their services. One of

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<sup>1</sup> Borrowing for such a purpose would have to be approved by the local branch of SEWA Bank cooperative. Some branches are holding out against the trend toward more permissive lending, fearing that family pressures will then oblige women to take on burdensome and unwanted loans.

SEWA's most popular health initiatives is the sale of medicines at low cost in medical shops at major hospitals in Ahmedabad—sales totaled over \$250,000 in 2002.<sup>2</sup>

*Childcare* is important not only to allow poor women time to earn a living, but also to protect the health of the child from the hazardous and sometimes toxic environments in which their mothers work. It also frees older siblings from childcare duties, allowing them to attend school. Centers have been established cautiously, and only when the combination of women's contributions and funds from a variety of philanthropic, employer and government sources will cover all the costs on a continuing basis. In 2002, there were 128 childcare centers, catering to 6,300 children.

SEWA has pioneered the provision of *insurance* to poor women, drawing on both SEWA Bank and the government insurance companies. Typically the woman saves Rs 1000 (about \$22) and puts it in a fixed deposit. The annual interest pays the premium and assures uninterrupted coverage, which includes maternity benefits as well as payments in the event of various calamities, such as illness, death, and loss of property. In 2002, just over 100,000 members were covered: over 3,000 claims were paid, for a total of \$155,000 (half this amount for losses suffered during the communal violence in Gujarat).<sup>3</sup> SEWA is now planning an insurance cooperative, drawing on the example of SEWA Bank.

Finally, *housing* is enormously important for SEWA members, not just as a safe place to shelter the family, but frequently also as their principle place of production, as well as their most significant asset. In 2002 the SEWA Housing Trust offered training both to members wanting to build part or all of their own houses, and to upgrade the skills (and earning potential) of women who work regularly on construction sites. It organized a scheme for legalizing electricity connections to 150 households in three areas of Ahmedabad, with SEWA members undertaking to read the meters regularly. There were two outcomes: the women now pay less for better service, and have decided to have tax assessments in their names; and the electricity utility has expanded the scheme to another 40 areas of the city. In the rural areas affected by the 2001 earthquake, the SEWA Housing Trust continued its rebuilding efforts during 2002—a total of 2600 houses have been built, with ownership registered in the women's names.

No account of SEWA's impact is complete without reference to the gains in *self-confidence and dignity* that members repeatedly mention—and demonstrate in their every day behavior. While these are extremely hard to measure, they are the very heart of SEWA's work, and their significance is enormous in bringing members to the point where they not only assert their rights, but also make effective use of the access they achieve. During the EDP on which this

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<sup>2</sup> Patients at Indian hospitals (or their relatives) are expected to go and buy whatever medicines or supplies are prescribed by attending doctors, and the medicines or supplies are then administered by hospital staff. SEWA does not subsidize the medicines, but keeps costs low by bulk purchases and low profit margins. Purchasers do not have to be SEWA members.

<sup>3</sup> Following on payouts for earthquake damage in 2001, the payouts for violence related damage raised questions about the insurance scheme's long-term solvency, and required a complete revision of financial plans and targets, including additional financial support from international donors.

case study is based, the foreign guests were repeatedly impressed, and deeply moved, at hearing their women hosts speak proudly, in individual conversations and in larger group meetings, of:

- becoming leaders in their communities
- developing dignity and self-respect
- starting to participate in the wider society and economy
- new knowledge and skills, including management and literacy skills
- the capacity to deal with disasters that may strike
- a feeling of security and comfort with their culture and heritage, despite an increasingly competitive environment

These outcomes are in part the byproducts of SEWA's other activities—when an illiterate self-employed woman borrows and saves money in her own name, she naturally gains in self-esteem. But their origin lies in a very conscious strategy of capacity building, in which SEWA has invested since its early days, well before the formal establishment of the SEWA Academy in 1990. The Academy's goals are to develop self-confidence and leadership skills among members, at the same time as it unites the large and diverse membership by imbuing them with a common ideology and set of values. In 2002 there were over 1000 courses, attended by more than 41,000 members. In response to member demands in recent years, literacy and life skills training courses were added, and were attended by about 3500 members in 2002.

From the outset, SEWA has recognized the importance of solid research into the conditions affecting poor self-employed women, as well as disseminating the results among policy makers and the public at large. SEWA Academy studies have been widely circulated, and several are available through its web sites.<sup>4</sup> The Academy has shown that with training, grass roots level workers can contribute to serious research activities, and that research is not an exclusive monopoly of intellectuals and professionals.

## **How Was SEWA's Success Achieved?**

The three women whose stories are recounted in the last section of this study are not fictional, or composites. They are real people, simply three of six SEWA members who acted as hosts to foreign visitors for a few days in November 2003. Each story is unique, but all have two obvious features in common. All are about women struggling against grinding poverty. And in all three cases membership in SEWA played a central role in helping the women to empower themselves so that they could improve their situations. How does SEWA have an impact in such disparate circumstances, and what does this tell us about how SEWA has grown so rapidly?

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<sup>4</sup> [www.sewaacademy.org](http://www.sewaacademy.org) and [www.sewaresearch.org](http://www.sewaresearch.org).

There are several common threads that run through these stories and the larger story of SEWA as an organization. Woven together, they form a strong core that supports the growth and impact of SEWA's empowerment strategy. They are grouped here under four headings:

- Organizing
- Values
- Flexibility
- Leadership

*Organizing:* SEWA is first and foremost an association of self-employed women whom the rest of society excludes and exploits. They have almost no resources except the potential of their large numbers. To mobilize their collective strength, SEWA organizes them into a trade union. Sometimes the union's efforts lead to "new" benefits for members, but very often they are rights and services to which the women are already legally entitled, but which they have been unaware of or denied by more powerful (and therefore better organized) forces in society. SEWA's highly successful approach to organizing is described in box 1; all that needs emphasis here is that it relies heavily on tapping and harnessing the latent capacities of poor and uneducated women.

The organizing process is of course a way of increasing the number of members, and therefore their collective strength. But it has other purposes, and other consequences. In making poor women better informed about their rights, it also increases the accountability of various organizations (including the police, and a range of public service providers) to the clients whom they are supposed to serve. In helping new members articulate their needs, it focuses their attention on the future and reinforces the notion that their views are valuable and that SEWA belongs to its members, at the same time ensuring that SEWA activities are "demand driven." And in identifying potential activists and leaders among new recruits, the process lays the ground for SEWA's future growth.

At different times in its history, SEWA has embarked on major organizing campaigns in order to increase the size and influence of its membership. For example, during the late 1990s it became clear that more attention would be paid to SEWA's voice in the national policy dialogue if it had the status of a "national union." SEWA already met the registration requirement of activities in at least five states, but not the minimum requirement of 500,000 members. So a campaign to recruit new members began in 1999 (with the rallying cry "Five Lakhs"),<sup>5</sup> and there was a surge in membership of almost 50 percent in 2000 followed by another 32 percent in 2001. The 500,000 figure was easily passed in 2002, and SEWA was able to register as a national union.

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<sup>5</sup> A lakh is 100,000.

**Box 1: Organizing at the Grassroots**

SEWA has three levels of staff outside corporate management at its headquarters, and also relies heavily on members for volunteer activities (with expenses reimbursed). A District Coordinator is responsible for coordinating all SEWA activities in a rural district—in Gujarat rural districts typically have a population between from one and two million, and SEWA is active in 14 of them. In urban areas, a Coordinator’s responsibility will be for several neighborhoods with roughly similar population size, but for purposes of this description a rural setting is assumed. Supporting the District Coordinator will be a number of Team Leaders, and each Team Leader will in turn be supported by several Organizers.

Initially organizing the women in a village is the task of the SEWA Team Leader and one of her Organizers. They visit the village and talk in the first instance with the village council about SEWA and the benefits it could bring to the whole community. If the village council agrees (and it does not always do so), the Team Leader and Organizer hold discussions with village women, and recruit one or more volunteer Village Leaders. Volunteer Village Leaders are not employed by SEWA, but do receive a small stipend to cover their expenses associated with SEWA activities. The organizing team then consists of the Team Leader, the Organizer, and the volunteer Village Leader(s): they explain the benefits of SEWA membership, help the women identify their urgent needs, and begin the process of capacity building. The whole approach does of course become somewhat easier as SEWA becomes known in an area, and women from nearby villages or neighborhoods can come to meetings to talk about their own experience with SEWA.

Women who join SEWA become members of a particular “trade group” (see box 2), and are encouraged to participate in cooperatives or other activities that rely on their collective efforts within that trade or source of livelihood. In addition, a deliberate effort is made to engage the participation of local women and develop them as “barefoot managers” of their own activities and enterprises of a crosscutting nature, such as water management or health care or saving—see the list below. For each such activity in a district, there is a Spearhead Team, consisting usually of ten people—two SEWA staff Organizers and eight women who are active volunteer Village Leaders for that activity in their respective villages. Thus 80 percent of the Savings Spearhead Team for a rural district would consist of volunteer Village Leaders from eight different savings groups around the district.

Members of the Spearhead Teams receive on the job training from SEWA, and attend classroom sessions periodically, to help them become proficient in record keeping, managing money, and writing and presentation skills. They learn about the Government’s administrative structure and the programs it offers, and they receive technical training in the activity for which their Spearhead Team is responsible. As they gain proficiency and confidence, the volunteer Village Leaders play a major role in the recruitment and training of new groups. They train individual members in the skills that they have learned, and help new groups to overcome problems, drawing on their own experience and what they have learned from each other.

Over time, Spearhead Team members acquire considerable experience and expertise in the activity in which they engage, and many have gone on to become promoters of savings groups, or distributors of raw materials and collectors of finished products for craft groups, or they take on responsibilities for accounting and record keeping, or win election to committees of cooperatives, or undertake training as barefoot vets or builders of water harvesting structures. In this way, they increase their choices for earning income, and they contribute more generally to the welfare of their families and the larger community. Some, of course, are

recognized as especially promising by SEWA staff, and are recruited to positions as SEWA Organizers, and eventually as Team Leaders or Coordinators.

*Activities of Spearhead Teams:* Integrated campaigns oriented to production (e.g., water, forestry, agriculture), health care, child care, training/education, insurance, saving, housing, research, video

Source: SEWA

It should be noted here that extraneous factors also play a role in recruitment. In January 2001, a devastating earthquake killed 14,000 people and injured more than 150,000, while destroying or damaged 230,000 homes in rural areas of western Gujarat. And in 2002 and 2003, communal violence caused suffering for and disrupted the livelihoods of tens of thousands of poor families, especially in Ahmedabad and other urban areas. SEWA was able to respond quickly and provide effective assistance to the victims of both crises, whether or not they were members. In addition, it became well known that SEWA members with insurance were receiving payments in partial compensation for their losses. Both the favorable publicity and the vivid demonstration of the benefits of SEWA insurance encouraged many new members to join. Of course, having become members, women often became involved in a variety of SEWA activities extending well beyond their original motive for joining.

*Values:* From its inception, SEWA has been steeped in the Gandhian beliefs and practices of Ela Bhatt and her associates. Their clarity of vision provides the foundation for SEWA's consistency of purpose and its perseverance, for example in the long-term struggle to shift the policy environment in which SEWA works. Gandhi's eleven principles<sup>6</sup> are often sung in chant form at the beginning of meetings, and they are an integral part of what the SEWA Academy teaches. They underlie many of the behaviors that are striking to an outsider. For instance, there are constant reminders of an egalitarianism that is in marked contrast to the norms of Indian society. SEWA staff insist on members addressing even "distinguished foreign visitors" by the traditional suffix meaning brother or sister, as a way of emphasizing the member's sense of self-worth, and the artificiality of every-day conventions.

Strong values of inclusion and participation are encouraged. For example, all meetings are conducted in a highly participatory manner, and consume far more time and energy than would be considered "efficient" in the West. It is also said that no SEWA staff member has ever been fired—though they might have moved to a different kind of work, better suited to their talents. There is accordingly a willingness to take risks, to learn from mistakes, and to try new approaches until one works. Because the value structure is so well understood, staff and organizers have great freedom in deciding how to carry out their responsibilities. At the same time, because of frequent meetings any successful new approaches are quickly made known to and adopted by others, while unsuccessful approaches are labeled as such.

<sup>6</sup> The 11 principles are: being truthful, being non-violent, being honest, retaining minimum possessions, controlling one's desires, relying on one's own labor, rejecting caste divisions, being free from fear, supporting local livelihoods (like Khadi cloth), adopting a simple life style, and practicing equality of all faiths. Sometimes the principles are simplified into a list of four: truth, non-violence, integrating all faiths and peoples, and promoting local employment and self-reliance.



Ela Bhatt notes that the Gandhian principles that lie behind SEWA are age-old, and embedded in Indian culture and traditions—as Gandhi himself freely acknowledged. She adds modestly that her only contribution is the notion that, in contemporary India at least, women are the conservers and source of strength in society, and the natural leaders of any movement to improve the general welfare. They have the future orientation that leads them to save and to invest, they have the courage to face adversity and despair and just work harder, they have the nurturing instinct that keeps children fed and families functioning. If only they were allowed to get on with it! In her view, the key to SEWA’s consistency of purpose and success over three decades is very simple—they have always focused on the women.<sup>7</sup>

*Flexibility:* SEWA’s flexible style and organization can be confusing to a first time visitor. But it is a huge source of strength. The image of the banyan tree is helpful once again here: it is easy to get lost among the multiple root-trunks that grow down to support the branches; but the whole tree provides marvelous and extensive shelter; and an injury to (or even the loss of) a particular branch or root-trunk does no great harm to the rest of the tree. So each branch of SEWA, and each individual organizer, has a great deal of autonomy—what binds them is not a set of rules telling them in any specific terms *what* to do, but a set of principles governing *how* they should set about it. Characteristically, SEWA’s statement of what it does is stated in rather abstract terms (“organizing women for full employment and self-reliance”). Most of the details are left to members facing reality on the ground.

This allows for wide variation in approaches intended to achieve the same broad objective, and thus to the emergence of natural experiments in which the outcome of different approaches can be compared. Since no approach is considered the “right” one, staff and members tend not to become strongly wedded to any particular approach, and are happy to share the results in frequent meetings, in which they also learn about the achievements and problems of their colleagues. These habits are reinforced by SEWA’s long-term commitment to enquiry and finding the facts, reflected in the establishment and work program of SEWA Academy. It seems in this way to have become a natural “learning organization” well before the term became popular.

Four additional consequences are worth noting. First, as noted earlier, staff become used to risk-taking rather than averse to it, and innovation and adaptation are thought of as normal. Crises—such as earthquakes or droughts or communal violence—are immediately seen as opportunities rather than as setbacks. When asked to describe a “failure,” SEWA staff say they do not think in terms of “success/failure” or “victory/defeat,” but in terms of a long struggle with ups and downs, and periodic realignments of strategy so as to achieve the larger goals. Thus SEWA’s attempt to gain higher pay for agricultural workers by withholding labor in rural areas did not work out. But this was not a “failure,” since SEWA eventually found a way to achieve the same end, by promoting alternative income earning opportunities, which both benefit those who participate and raise agricultural wages in the area.

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<sup>7</sup> Personal interview with Ela Bhatt, December 5, 2003.

Similarly, SEWA Bank's very existence depended on the innovative use of passport-size photos as a substitute for signatures for identification purposes, a completely new concept to the financial establishment at the time. More recently, SEWA Bank has also pioneered various ways of bringing bank services to members, for whom a visit to the bank's office means lost time and therefore lost income. There are now extension counters in several parts of Ahmedabad, in addition to members acting as agents, collecting deposits and performing other transactions as required.

The second important consequence of SEWA's flexible and decentralized style is that staff are highly motivated, energetic and committed. They feel trusted, and that they are in control of their work. Nobody is looking over their shoulder telling them how to do their job, or criticizing them for not following the rules, or evaluating their performance. This contributes to a strong sense of loyalty and to low turnover, and allows SEWA to attract highly competent professionals despite long hours and low pay—job satisfaction has to come from the substance of the work rather than from any financial rewards.<sup>8</sup>

The third consequence of SEWA's flexibility (related in part to the first two) is its capacity to grow. Since the whole structure is built around members and their concerns, it adapts and grows in whatever direction those concerns lead. Some of the normal constraints on growth in a large organization do not seem to apply—there is no rigid central bureaucracy to overcome, and any new procedures needed can be introduced fairly easily. There are of course problems associated with growth, that are touched on in the fifth section of this study, but the flexibility of SEWA's organization and style are forgiving.

The final aspect of SEWA's flexibility that deserves attention is its focus on ideology rather than dogma. There is a firm commitment to core values, but a readiness to work with any organization that might be helpful to poor self-employed women. SEWA has accepted funding from a variety of Indian foundations and foreign donors, including among the latter CGAP, Ford Foundation, GtZ, IFAD, ILO, and KfW. SEWA is cautious about the substantive partnerships it enters into, but has no qualms about engaging in dialogue with parties sometimes considered controversial, such as industrial conglomerates or government departments with poor reputations. Activists criticize SEWA for this attitude, accusing them of "selling out." SEWA's response is very simple. Its aim is to bring its members into the mainstream, and it cannot do that without being willing to talk and work with mainstream actors. Indeed, SEWA has (in the words of Ela Bhatt) the audacity to think that it can slowly change the minds of mainstream actors, including the government of India and the World Bank.<sup>9</sup>

*Leadership:* Ela Bhatt founded SEWA and led the organization as General Secretary for 24 years. She nurtured leadership at the grass roots as well as at the center, and her vision inspired a cadre of professional women to join and stay with SEWA's corporate management. Collectively

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<sup>8</sup> As noted earlier, 80 percent of SEWA staff are poor women from the working class, not more than 20 percent have professional backgrounds; and the highest salary paid is no more than three times the lowest salary.

<sup>9</sup> Personal interview with Ela Bhatt, December 5, 2003.

they have developed a remarkable set of participatory management and behavioral practices that close the social distance between members and managers, and have resulted in great consistency of purpose over more than 30 years—including the seven years since Ela Bhatt’s departure.

SEWA is registered as a union, and subject to all the requirements of a national union within the framework of India’s state and national labor legislation. The formal electoral and governance arrangements are described in box 2 below. It should be added that transparency in elections is treated very seriously, and SEWA staff make a point of absenting themselves from meetings where they might appear to influence election outcomes. SEWA’s constitution stipulates that the President and Vice Presidents, one of the Secretaries, and all the generally elected members of the Executive Committee are working class women. The only elective Offices available in practice to professional members are two corporate management posts—the General Secretary and one of the Secretaries.

**Box 2: SEWA’s Governance**

Each SEWA member is a member of a “trade group” (such as bidi rollers, construction workers, dairy workers, gum processors, hawkers, salt workers, weavers, and so on). The trade groups—there are more than 125 in all—provide the foundation for SEWA’s governance arrangements.

Every three years, the membership of each trade group elects its own trade committee, and at the same time elects a certain number of trade committee members (one for each 400 members of the trade group) to be their Trade Representatives. The Trade Representatives become members of the Council of Representatives, SEWA’s main source of authority and governance. The Council of Representatives currently has 1422 elected members, and meets monthly.

Once elected for a three-year term, one of the Council’s first duties is to elect 25 of its members to an Executive Committee, the composition of which once again broadly reflects the relative size of trade groups. The Executive Committee numbers 30 in all, since it also includes five appointed members, from the senior management staff of SEWA. In addition, it has a limited number of chairs for “invitees,” members who have made a particularly significant contribution to SEWA over the years.

The Executive Committee in turn, following the same three-year cycle, elects seven of its members to serve as Officers: a President and three Vice Presidents, and a General Secretary and two Secretaries. The President and Vice Presidents are from the largest trade groups in SEWA’s membership. The General Secretary and the two Secretaries assume responsibility for the management and administration of SEWA—at least one of the Secretaries must be a working class member. By custom, the corporate management Officers hold office for only one three-year term, though (unlike most of the provisions mentioned earlier) this is not a requirement of SEWA’s constitution.

Since SEWA is by constitution and registration a trade union, it is required to file audited annual accounts and the proceedings of its annual general meeting with the Government Registrar. It also has to submit membership records annually to the Government’s Department of Labour for scrutiny and control.

Source: SEWA.

By custom, the corporate management Offices are treated as one-term posts, so that there is a regular rotation of office holders. This practice (SEWA uses the term “collective leadership”) helps ensure that no individual becomes or appears to become unduly powerful. Its apparent

disadvantage—loss of continuity—is avoided because the core management cadre remains remarkably stable. There has been very low turnover among the professional women who have committed themselves to SEWA, and they stay fully involved in running SEWA’s affairs regardless of their current title or Office. Some of them occupy the “invitee” chairs at the Executive Committee mentioned in box 2.

In addition to these arrangements for the structure of corporate management, there are other mechanisms through which SEWA’s management reduces “social distance” between the grass roots and the center. First, the Gandhian value of equality is constantly emphasized. Meetings favor participation over the speedy conduct of business, while seating arrangements, songs of solidarity, opening/closing prayers, and even the use of “ben” and “bhai” suffixes<sup>10</sup> all serve as reinforcing behaviors. SEWA delegations to national and international meetings invariably include working class members (usually traveling outside their home area for the first time) as well as headquarters staff. Second, pay scales are highly compressed—the rule is that the highest paid staff member may earn no more than three times the lowest paid staff member.<sup>11</sup> This means that managerial staff are unlikely to be resented for their high salaries—just as it means that their commitment and motivation have nothing to do with financial rewards.

It should be added that SEWA has made a distinct contribution to its own success through a conscious policy of finding and developing new leaders among the poor women who become members. Much of this takes place informally. An organizer or coordinator notices a new recruit with energy and drive, and encourages her through personal interactions and by assigning her special tasks that gradually increase in significance (see the second story in the last section for an example). Because poor women have usually had no outlet for any latent leadership talents (indeed, any signs they showed early in life were probably suppressed harshly), it quite often happens that modest encouragement from SEWA releases remarkable abilities that were previously untapped. Many women have come into their own in this way, and attained leadership roles in SEWA, despite illiteracy and limited exposure to the wider world.

A more formal role in leadership development is played by SEWA Academy, as part of its capacity building mission. Courses at the Academy include very basic “self-presentation” skills (e.g. talking into a microphone, and telling people who you are), more advanced courses to build self-confidence, and quite sophisticated courses that include, for example, material on how to deal with politicians. The one organizational form that SEWA regards as completely off-limits is the political party, because they know from experience that politicians will use them, to the disadvantage of their members. Now that SEWA numbers have grown so large, members with any leadership role are constantly being wooed by politicians seeking votes at election time, or

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<sup>10</sup> See footnote 4 above.

<sup>11</sup> This rule applies to SEWA’s Headquarters and District staff, not necessarily to all cooperatives in the SEWA family or all projects for which SEWA draws on external funding.

the endorsement of party positions at other times. SEWA Academy teaches them why and how to avoid such entanglements.<sup>12</sup>

## Issues and Lessons

This concluding section takes up the lessons that can be drawn from SEWA's experience, with a view to their possible applicability elsewhere. It briefly addresses two questions:

- What challenges did SEWA face and how were they overcome?
- What key factors led to SEWA's successful outcomes and growing scale of activity?

*Challenges:* SEWA's initial challenge was, of course, to overcome the assumption, even the strong conviction, that organizing workers in the informal sector "just can't be done." That was overcome by determination, the inner strength of the few women involved. It was this same determination, combined with a shrewd eye for what the general public would support, that carried SEWA over many hurdles as it organized self-employed women in Ahmedabad in its first few years. This quality of determination is probably essential during the start-up phase of any major undertaking—what is interesting about the SEWA experience is that the same quality *has been required repeatedly throughout its life*, simply because SEWA is constantly embarking on new ventures (and modifying old ones) in response to its members' concerns. Every reversal or setback is seen as a challenge and an opportunity. It seems likely that this repeated interplay of "challenge and response" contributes significantly to the solidarity and continued enthusiasm of SEWA members, despite their rapidly growing numbers.

The challenges SEWA faced in its initial start-up were in part problems with the *policy environment*. India is not a country that is hostile in principle to NGOs or unions or the empowerment of women—on the contrary, public rhetoric and a considerable body of legislation strongly favor such endeavors. The problem for SEWA (and India's myriad other civil society organizations) is not the rhetoric, but the practical realities of a huge country with strongly entrenched interests, an unwieldy bureaucracy, and a painfully slow and congested legal system. SEWA had to struggle for two years, for example, before it could initially register as a union, because the Registrar was not convinced that self-employed women were legally entitled to form a labor union—who were the corresponding employers? Similarly, the banking authorities were at the outset very reluctant to allow the establishment of SEWA Bank—how could a bank be financially viable if it lent only to self-employed women without collateral?

Over the years, almost every step in SEWA's growth has meant engaging with the policy environment in this very practical sense, and patiently pushing the boundaries so that SEWA members are actually covered by the programs and agencies and rules that are ostensibly in place to help India's poor. It was not until 2002, for example, that the informal sector and self-

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<sup>12</sup> SEWA members may of course join political parties and vote for them, but they may not stand for election as members of a party. Some SEWA members have been elected to village assemblies, but always as independents.

employed workers were recognized as major contributors to the economy, as an outcome of the National Labor Commission chaired by Ela Bhatt. SEWA's successful (and continuing) efforts in this direction have obviously had a much broader impact than on its own membership, and have benefited self-employed workers, as well as civil society organizations assisting them, throughout India.

Other challenges have taken three main forms. The first is *resistance to the organizing activities* of SEWA, on which all subsequent activities are based. The resistance invariably originates in the suspicions of the community's men folk, sometimes with the acquiescence of their wives. There are many, many stories about how SEWA organizers eventually overcame such resistance through guile and patience. And in the vast majority of cases, even the men who originally objected are pleased by the later outcome. But there are communities where opposition remains firm, and organizers have simply not been allowed to enter the area. SEWA's tactic in these cases is to wait. Sooner or later, the time will be ripe—and there is plenty to do in other communities in the meantime.

Second is the *financial viability* of various enterprises. This case study made no attempt to investigate whether and how far the cooperatives and member services promoted by SEWA are financially viable in the long run. SEWA's policy in this area is clear—that all such activities should be sustainable. But actually making them so, and deciding when initial subsidies have gone on long enough, is always difficult. Up to now, SEWA has been able to rely on funds from donors to make good any deficits. In the future, financial issues are bound to loom larger, for two reasons. First, donor funds are likely to keep flowing as long as SEWA maintains its reputation, and may even increase, but they are unlikely to grow as rapidly as SEWA's membership—and new members bring new demands for cooperative activities and services. In effect, whatever subsidy funds are available will have to be divided among more activities, and the urgency of tight financial discipline will become steadily more pressing. Second, some of the new activities in which SEWA is engaging (such as insurance) require a much longer planning horizon and more refined risk management than SEWA's traditional activities. SEWA is already engaging private sector partners and expertise to address these issues, and additional donor support would be helpful.

Third is the challenge of *growth*. As noted earlier, SEWA's membership has grown at a very high rate for an extended period—the average annual rate of growth has been over 25 percent in each of the last three five year periods. This has proved possible because of SEWA's decentralized, flexible structure and management arrangements described earlier. One can hope that the same principles, if not precisely the same arrangements, will work well for an organization with one million members... or two million. But there are bound to be challenges—with such large numbers will it be possible to maintain the “flat” structure that today ensures participation at the grass roots as well as responsive governance arrangements? Will SEWA find the necessary numbers of organizers and team leaders and village volunteers? Will it be possible to recruit professionally qualified women to enlarge the dedicated management cadre, and to absorb the new recruits quickly? As outside support grows, will the different and sometimes conflicting oversight and reporting requirements imposed by different donors become a major

burden? Will it be possible to avoid political entanglements as SEWA becomes a more and more attractive potential “vote bank” for politicians seeking election?

To conclude the discussion of challenges, one other aspect of growth deserves attention. The growth of SEWA’s membership in other states has been uneven, and certainly less dramatic than in Gujarat. Membership exceeds 100,000 in Madhya Pradesh, and is around 50,000 in Uttar Pradesh, but in most other states numbers in the hundreds rather than thousands. What light does this cast on scaling up? There are several reasons why SEWA’s success in Gujarat was not simply replicated, after a delay of some years, in other states. Probably the most important has to do with timing. SEWA’s activities in Gujarat in the 1970s and 1980s were truly path breaking, and provided a firm foundation for subsequent growth in the state. On the other hand, SEWA’s expansion into other states came later, when the ideas pioneered by SEWA had gained much wider currency, and could be found in the programs of many NGOs. While SEWA still has a unique approach, in other states it does not have the innovative edge that worked to its advantage in Gujarat. A second reason flows from the first—because it is by now so well known and respected in Gujarat, SEWA can attract funds from the state government and other sources that are tied to expenditure in Gujarat. In other states, SEWA faces more competition for local funds from other local NGOs, and this hampers its rapid growth. A third, more speculative, reason is that Gandhi’s principles have a special intensity and following in his home state of Gujarat. While these principles are embraced widely throughout India, it may be that this core feature of the SEWA movement has somewhat less resonance in other states.

This discussion points to a paradox—perhaps SEWA’s very success in introducing innovations in Gujarat in the 1970s, innovations that were later adopted quite widely by civil society activists elsewhere, had the effect of slowing down SEWA’s subsequent expansion in other states. The paradox highlights a classic problem in measuring the scaling up impact of almost any development activity—how does one take into account the spread of ideas as opposed to growth in the number of participants? The case study has no answer for this question, but concludes that there are no obvious lessons to be drawn at this stage from the uneven pattern of growth in SEWA activities outside Gujarat.

*Key factors for success and growth:* Section 4 above identified four significant features that account for SEWA’s success in mobilizing large numbers of poor women and encouraging them to empower themselves. They are recapitulated here, in general language that might be applicable to situations elsewhere:

- Member-based organizations help ensure “ownership” and that activities are based on member demands/needs. They can harness energy hitherto untapped, and generate it anew, as members attain self-confidence and learn new skills. Such organizations can grow rapidly if attention is paid to organizing/recruiting new members, and the selection and training of new organizers among them.
- An organization based on values must emphasize them constantly—if it does so, it can maintain consistency of purpose, and function very flexibly. Values generate strong loyalty

from staff and members, as well as support from the wider public, and underpin the patience and perseverance required to change the policy environment.

- A flexible style encourages learning and innovation, and therefore facilitates adaptation to changing circumstance, including the ability to see crises as opportunities. At the same time, it motivates high performance and low turnover among staff, and makes it possible to take advantage of partnerships with external actors.
- Leadership skills are crucial, not only to define and uphold the vision of an organization, but also in establishing management and behavioral practices that minimize social distance between the management cadre and the organization's members (or clients). Moreover, with proper attention to training and practical research, an organization can find and develop new leaders among its members (or clients), despite their poverty and lack of conventional education, and in this way assure its continuity and growth.



## **How SEWA Has Touched Three Lives**

### **Bhavnaben's Story**

Bhavnaben is a 32 year old salt worker. Salt farming involves pumping underground brine into salt pans laid out on the desert floor, rimmed by low mounded walls. The brine evaporates until a certain level of salt concentration is reached, and is then transferred via ditches to larger “finishing” salt pans nearby. The low dikes and connecting ditches require constant repairs—this is done mainly by the women while the men attend to the pumping engine and brine flow. Women usually also take care of compacting the floor of the “finishing” pans by trampling it with bare feet. Then a heavy roller is pulled by hand over the entire floor. More semi-concentrated brine is gradually added to the pan, and the trampling and rolling process repeated, until evaporation brings the brine concentration to a critical level for efficient crystal formation, and the entire floor of the pan turns into a giant carpet of salt. The final steps involve raking to separate the salt from underlying sand and stones, and piling the salt for transportation.

Conditions in the desert are extremely harsh—no vegetation or water whatsoever, intense heat during the day, and cold at night, complicated by regular dust storms and occasional cyclones. The intense glare from the sun reflecting off the sand, brine ponds and salt causes severe eye problems including night blindness, while constant exposure to chemicals and salt causes extreme discomfort to the skin and more general health problems. The story repeated often by people in the area is that the feet of a salt worker never burn completely (or burn last) in the funeral pyre, because of the high salt content.

### **Her Home**

Bhavnaben and her husband have built their desert home next to the brine well by digging a rectangular hole about 10'x15'x2' deep, and erecting over it a simple tent-like structure, made of wood poles, sticks, desert clay and matting. The next hut and well can be seen on the horizon (which is shimmering with mirages). Between November and February the nights are cold, and the whole family of seven sleeps inside the hut, otherwise her husband and son sleep outside. Cooking and eating also take place inside the hut—the cooking area is in one corner, and the few receptacles with basic ingredients are stored on a shelf carved in the clay wall of the pit. The family sits on the floor in a circle at meal times and shares food from a common plate. There are few utensils, and the food is more or less the same for all three meals—flat breads made from millet flour called rotlas. At breakfast they are accompanied by sweet tea served in a saucer, and sometimes at lunch or dinner by some potatoes and spinach and jaggery (raw sugar). But mostly the meal consists simply of rotlas.

Once or twice a week Bhavnaben walks ten kilometers to their village to bathe and fetch basic supplies, including fuel wood and water. She sometimes get a ride from a relative with a bicycle or from a tractor or tanker, but most of the times she walks, often carrying her four month old baby. Her small one-room house in the village was recently finished (the original house was destroyed by the 2001 earthquake) with the help of SEWA and a program financed by the

government and international agencies. However, her lack of funds meant that there is no underground water storage tank or latrine in her compound.

Water is a precious commodity, in the village almost as much as in the desert. Its scarcity is evident from the way Bhavnaben uses only two or three glassfuls to wash dishes after each family meal. Bathing is done only once or possibly twice a week. Sanitation is primitive. Garbage is thrown into the common areas outside dwellings, where cattle and pigs devour almost everything. Most dwellings in the village have no toilet or latrine of any kind—people relieve themselves in the fields.

### **Her Family**

Two months after her baby's birth, Bhavnaben fell sick and could not work for a month. She did not go to the clinic immediately and the fever got worse. When she eventually went to the clinic her fever was lowered, but before recovering fully she developed a severe cough and symptoms similar to pneumonia. Other members of the family also became ill. She spoke a lot about this sickness and its consequences—they lost about a month at the start of the current salt production season on this account. Bhavnaben has four older children, daughters age 12 and two, and sons age eight and six. None go to school. They move with their parents to live in the desert during the salt season from September to March, and stay with them in the village for the rest of the year. The 12 year old helps her mother with everything, including taking care of the baby and cooking.

Bhavnaben's mother-in-law has been a dominant—and domineering—influence in her life. She is very conservative, insisting that Bhavnaben follow every local tradition. That includes such outdated customs as covering her face in the presence of elder males from her husband's side. It also means not leaving the house on her own for any reason, so that for all her SEWA activities Bhavnaben has to be accompanied by another relative—usually an aunt who is also a SEWA member. She also objects whenever Bhavnaben is asked to go away from the village for a SEWA meeting, insisting that a female relative go with her, and saying “what does she know, how can she take part in such meetings?” Bhavnaben tells the story of going to a SEWA meeting in Baroda. Later, when her mother-in-law asked if she said anything, Bhavnaben replied that not only did she speak, she even sat in a big chair that went around in a full circle!

### **Role of SEWA**

Since joining SEWA, Bhavnaben says she has found the courage and encouragement to take an active part in matters affecting her. She opened a SEWA Bank savings account, putting aside about US 40 cents per month plus other occasional deposits. The balance has grown to \$23; this is important, as she can borrow from SEWA Bank three times the savings balance whenever needed. Other benefits from SEWA include a credit line which advances about \$110 per month for operating and living expenses during the seven salt production month season. If they have stayed within the limit of the advances they received plus interest, the entire season will yield a net income of some \$450. SEWA has helped the salt workers negotiate better prices for their salt, bypassing the middlemen who used to exploit them both by paying less for salt (\$2 per ton against the renegotiated price of \$2.65) and also by charging ruinous interest rates on advances.

Although quite shy, and relatively junior within the community, Bhavnaben has been very active in SEWA and is becoming a leader. At a village meeting, she was one of only two villagers who got up in response to an invitation to talk about the benefits of joining SEWA. Her intervention was impressive and eloquent. In response to a heckler trying to be funny, Bhavnaben shot back “you did not have the courage to stand up and speak; if you wish to speak now, I will sit down”. That shut him (and the audience) up and she went on to make her points.

Source: Excerpted with minor editing from a report by Praful Patel, World Bank, November 2003

### **Kamlaben’s Story**

Kamlaben is a 37 year old agricultural worker, who lives in a single room house with her husband and two of her three sons. The room is about 11’ x 8’ with a roofed verandah 11’ x 7’. She rises every day at 5:30, starts a fire in the corner of the room, and cooks breakfast for the family consisting of chapatis and rice plus tea with milk and sugar, all of which takes an hour or so to make from scratch. After washing the dishes and cleaning the house, Kamlaben usually goes to the tobacco field with other women for the morning or all day. As a field worker, her tasks vary with the season, but most involve back wrenching work and constant bending over. All the fields, as well as the tobacco factory and related infrastructure, are owned by one extended family, who contract with various “village managers” to tend different fields. The managers recruit fellow villagers—typically four or five women—to do the work. The manager is paid an agreed amount per kilo of tobacco harvested for managing the recruitment and payment of labor, and shares some of the risks if weather or other conditions reduce the crop. Kamlaben earns about 25 US cents for a half day’s work and 43 cents for a full day.

In addition to her work as a casual laborer in the tobacco fields, Kamlaben has two other sources of income, as a member of a tree nursery cooperative, and as owner of a “shop” near her home. The nursery cooperative was recently formed with other village women, with SEWA’s financial and technical assistance. Kamlaben took a SEWA loan of \$110, to be repaid in 10 installments at a 21 percent interest rate. All loans are made solely to the women members, not their husbands, with a guarantee provided by a respected literate person in the village. The women have, with the help of family members (including Kamlaben’s husband), cleared and leveled two small areas in the village, bought tree seeds and other inputs, and mixed and bagged enriched soil for the seeds. The business appears promising and they have already sold a number of saplings for planting around the perimeter of fields. Kamlaben is the “spearhead leader” for the cooperative, providing guidance to the other women, and managing and collecting on their loans; for this she receives a small stipend from SEWA.

Her third source of livelihood is a “shop,” a simple wooden box on stilts, 5’ x 4’ x 4’ deep, stocked with small food and household items. This was purchased with another \$110 loan from SEWA. The shop is open from 9 am to 9 pm, and is run by her 14 year old son, with some assistance from her husband and her husband’s brother. They have started buying fresh vegetables to sell, and are making sales of about \$5 to \$6 a day. Here again, Kamlaben is the sole

borrower and proprietor of the shop. She plans to start paying her son a salary once she has repaid the loan.

### **Her History**

Kamlaben suffered great hardship as a child because of her fathers' heavy drinking and abuse of her mother and subsequently of her, coupled with the family's poverty. Her mother ran away and was never found. Kamlaben went to school through grade 5, and was then obliged to work in the tobacco fields.

She was married at age 16 and moved to her in-laws' home. Her inability to conceive for the first four years brought on the wrath of her husband and mother-in-law, who both beat her. Her mother-in-law would say that the family would have been better off with a buffalo, which would at least have provided some milk. Eventually her mother-in-law threw them out of the house, and they were forced to rent accommodation. They lived in vacant houses or sheds belonging to other villagers, and had to move often.

Kamlaben finally went to a health clinic and was given medicine which corrected her infertility, and she gave birth to three sons at two year intervals. The eldest (now 16) completed grade 9, but dropped out after injuring his ankle and being unable to go to school for a couple of months. He is living with an uncle in another town, in hopes of finding a job. The second (14) dropped out of school after grade 8, and is currently looking after the family's little "shop". The youngest (12) is in grade 5, but is not keen about school and sometimes skips classes. The family does not put much stock in education, not seeing any connection between school and livelihoods.

Kamlaben's primary asset, as she says herself, is her body. She has worked since she was a child and expects to work until she dies. Health and its fragility are key concerns for her. She sometimes has back problems that prevent her working as long as normal. The doctor is not the first port of call when illness strikes; Kamlaben may visit the temple or just hope the problem goes away.

### **Role of SEWA**

Kamlaben has been a SEWA member for many years and is one of its local village leaders. She has received training through its member and leadership education programs, and loans from SEWA Bank have helped build her economic assets in the form of working capital for the plant nursery, and her "shop" and its stock. The biggest asset is her house, built with a grant (\$130) provided by the Government after she was sterilized, plus a series of three successive loans (\$45 followed by two loans of \$110, all now repaid) from SEWA Bank. Having a roof over the family's head—no longer relying on rental accommodation or living with her husband's mother—is a great source of mental security for Kamlaben.

With SEWA's help, Kamlaben and other women in the village have found solutions to problems like day care for babies and children, and modest health care centers. Advanced leadership training for the forestry cooperative has brought Kamlaben skills in accounting, report preparation and business planning. Women who attended SEWA's Jivanshala (lifelong education program for adult women) were thrilled by their newly acquired literacy, not just for practical

reasons (e.g. reading the bus schedule and not relying on someone else who might put them on the wrong bus), but also for the dignity of being able to sign their own name on a document instead of just making a thumbprint.

But most of all, in Kamlaben's own opinion, SEWA has been instrumental in helping her overcome an abusive family situation and develop a sense of self-confidence that is evident in her manner of speaking and even in the way she walks—proudly, with assurance and conviction. Membership has also brought a very real solidarity with other women—not only have they come together as workers, but also as women. If a member's husband beats her, a group of women will descend on the house to tell him off, as happened in Kamlaben's own case. In an environment where women have traditionally had so little choice, these are impressive signs of self-empowerment.

Source: excerpted with minor editing from a report by Judith Edstrom, World Bank, December 2003.

### **Shantaben's Story**

Shantaben is a 47 year old street vendor in Ahmedabad, one of around 100,000 who earn a living by selling fruit, vegetables, flowers, fish, clothing and other items for daily use. They carry their wares in baskets on their heads or on handcarts. Some wander from street to street, others sit on the ground in one place.

Shantaben buys small quantities of vegetables at the wholesale market early each day, and tries to sell them by the end of the day. Her negotiating power is minimal, her profit margin very small, and she is regularly shortchanged by the wholesalers and forced to pay inflated prices for produce. And her vulnerability is not only economic. She sits and waits for customers for up to 14 hours a day on the street, where she is defenseless. She is exposed to floods and rains in the monsoon and to the burning sun in the hot months. At the major intersection where she has sold vegetables for many years now, the air she breathes every day is heavy with toxic engine emissions.

But rain, sun and toxic emissions are the least of her problems—far greater than all these is the fact that she has no rights whatsoever. Street vendors are a thorn in the side of the city administration because they block pavements with the goods they lay out and impede traffic with their countless handcarts. By law, street peddlers must obtain a license from the city administration. However, to obtain a license you need to know the right people, and you have to be willing and able to pay a large sum of money. Since Shantaben has neither the money nor the right contacts, she is at the mercy of the police, who stop at her stand every day and charge her Rs 40 (about \$1, one-fifth of her daily sales) as a “penalty” for not having a license.

Earning enough money day in and day out to feed her family, and still have some left over to buy vegetables at the wholesale market next morning is a constant struggle. She could not borrow from banks, because the amounts involved (the equivalent of \$10 to \$20) are very small. And the wholesale merchants and the moneylenders who have set up shop around the wholesale market charge exorbitant interest rates.

### **Her History**

Shantaben's father died when she was a year old, and her mother worked as a headload worker to provide for her family. When Shantaben was 17 she married, and she and her husband moved to the country to grow vegetables with his family. Droughts forced them to return to Ahmedabad after only a few years. Shantaben's husband found work in a textile factory and Shantaben took care of their two young children, living in a small room no larger than 10 square meters in a simple house on the city outskirts. The owner and his family lived in the other two rooms, and they all shared the toilet. Then her husband had an accident at work and lost a hand, so was unable to work for several weeks. She began selling vegetables in front of their home to provide for the family. Her best friend fell seriously ill and Shantaben promised to take care of her two small children. When her friend died a short time later, Shantaben took in the two orphans. More bad luck followed—a few years after his accident on the job, her husband died. She was then alone, raising four small children—two girls and two boys—on her own.

### **The Role of SEWA**

A few years later, Shantaben joined SEWA when a friend told her about the way they fight for members' interests as well as offering loans through SEWA Bank. Her first loan from SEWA was very small, the equivalent of around \$10, to buy more vegetables at the wholesale market, and so increase her income marginally. When she repaid the first loan on time, she was able to borrow progressively higher amounts, and in this way gradually expanded her selling area from the original 2 sq. meters to 6 sq. meters. Later she took out a larger loan to buy the room in which she and her family had been living, plus an additional room from the owner of the house, and a few years later took another SEWA loan to purchase the remaining room. She is now the proud owner of the entire house with three small rooms and a small terrace, not more than 40 sq. meters in all, where she lives with her four grown children and two grandchildren. Shantaben will be repaying the loan for quite some time. Each day the SEWA member in charge of her district stops by her vending site and collects the instalment, which corresponds to roughly one-third to one-half of her daily intake, depending on sales. She has no difficulty repaying the loan.

In many ways, this is a success story. But Shantaben remains vulnerable. She cannot afford to fall ill or to have an accident because she would lose the means of existence for herself and her family. Earthquakes, floods, and violent conflicts between Hindus and Moslems are recurring catastrophes that keep the lives of poor people in Ahmedabad in constant jeopardy. If her modest possessions are damaged or destroyed, the fruit of decades of hard work will disappear. And old age looms—for the poor, there is no retirement, people work until their dying day. Their children have either moved out long ago to seek work, or are themselves so poor that they cannot support their parents.

The SEWA women have resolved to break out of this vicious circle. But progress is slow, and even the best laid plans sometimes go awry. For example, after a long struggle, SEWA opened its own shop at the wholesale vegetable market about two years ago. The idea is to offer "fair prices" to members who produce vegetables, as well as to members who are street vendors, by cutting out the middlemen merchants and the high commissions they charge. But when Shantaben arrives at the wholesale market at 4.30 am to purchase her vegetables, she buys only small quantities at the SEWA shop and the rest from the well-established wholesalers. She

explains that at that time in the morning, the SEWA shop has only a few different kinds of vegetable, forcing her to continue to rely on purchases from the merchants.

The social cohesion among SEWA members is very strong. This is not just because they are all poor women. There is also a new spirit emerging—women who no longer regard poverty and marginalization as their inevitable destiny, but are increasingly willing and able to take action. SEWA meetings invariably begin and end with everyone singing not just prayers, but also “battle songs” that describe their independence (from brothers, husbands, mothers-in-law etc.) and their struggle for their rights. Change is in the air.

Source: excerpted with minor editing from a report by Nassir Djafari, KfW, December 2003.