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Indian Journal of Gender Studies 2011 18: 241

DOI: 10.1177/097152151101800206

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Indian Journal of Gender Studies
18(2) 241–261
© 2011 CWDS
SAGE Publications
Los Angeles, London,
New Delhi, Singapore,
Washington DC
DOI: 10.1177/097152151101800206
<http://ijg.sagepub.com>



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Abstract

This article examines the significance of trust in women's collective efforts for development through self-help groups (SHGs). Community building efforts cannot ignore the importance of trust among group members and, between group members and organisational members. The article explores the manner and forms in which trust manifests itself during periods of formation, activity and defunct stages of SHGs in India. Personalised trust forms the centre of the radius of trust in SHGs and it gets extended to generalised and institutionalised trust. Development interventions for communities often aim to build social capital which is an important corollary of trust. Community and group development efforts aimed at building social capital must take into consideration the factors associated with building and generating trust.

Keywords

Self-help groups, trust, social capital, community development, women's empowerment

Introduction

In recent years, the group model has become one of the most widely adopted means for alleviating rural poverty in India and many other

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developing countries. Groups are used as a channel for both individual and community development through people's self-effort and self-reliance. Micro-credit groups and self-help groups are some examples of the group-based models for community and women's development. Groups have been found particularly relevant for poor women in the rural areas where they are formed and nurtured to empower them both economically and socially. The formation, functioning and sustainability of groups, however, depend on cooperation. Trust is an essential ingredient of cooperation.

Trust is not something fixed; it can develop, be renewed and even get destroyed through people's interactions. The manner in which women negotiate relationships with each other or with outsiders in collective situations and develop trust is a significant issue. In development interventions, there is the implicit assumption that relationships built through positive social capital in micro-finance groups and SHGs can contribute to community building through economic and social development. However, underpinning all these relationships is the presence or absence of trust. This article will examine the factors that contribute to trust being built, retained or even depleted in rural women's groups, such as SHGs.

Community Development, Self-Help Groups and Trust

Group work achieves more than bringing people together; it embodies cooperation and involves encouraging people to work with each other, developing structures that make people more dependent on each other to get things done, and developing ways in which every person can contribute and be valued by others. Group processes that emphasise inclusiveness, building trust and developing a common sense of purpose are all critically important in community development (Ife, 2001, p. 139; Putnam, 1993). The success of these efforts depends on the members' ability to establish cooperative relationships based on mutual trust in each other and in outsiders, such as community workers and other agencies.

Trust is an amorphous aspect of group work that cannot be seen, but only felt. According to Uslaner (2002, p. 1):

Trust is the chicken soup of social life. It brings us all sorts of good things, from a willingness to get involved in our communities to higher rates of economic growth, and ultimately, to satisfaction with government performance ...yet, like chicken soup, it appears to work somewhat mysteriously. It might seem that we can only develop trust in people we know. Yet, trust's benefits come when we put faith in strangers.

Trust not only links people who know each other and have common interests, it links people who are different from themselves, and strangers who have the resources and skills to satisfy certain needs of a particular group of people. Seligman (1997, p. 171) maintains that 'trust as a condition of interaction between morally autonomous and economically agentic individuals becomes a central component of generalised exchange'. Trust becomes the basis for cooperation among individuals and between individuals and representatives of organisations.

Putnam's (1993) conception of trust is contained in his theorisation of social capital,¹ relating it to patterns of membership in a range of associations. Others conceptualise trust through social capital which is a multi-dimensional concept (Grootaert and Bastelaer, 2002, p. 343). Trust becomes a type of norm, a cognitive social capital that governs interactions among people. Trust between individuals translates into social trust through reciprocity and networks (Putnam, 1993). Structural manifestations of social capital, the objective aspects, like local institutions and networks, are more visible and easy to measure. Trust, on the other hand, can be observed only indirectly, through the perceptions of the people who act, basing their actions on the norms of trust (Newton, 1997).

Fukuyama (1995) sees trust as a manifestation of a cultural characteristic, as something given or as a static commodity. In its static aspect, trust is a trait of interpersonal relationships, a personality trait or a reflection of the culture (Sztompka, 1999, p. 60). From this perspective, trust is 'the expectation that arises within a community of regular, honest and cooperative behaviour, based on commonly shared norms, on the part of other members of that community' (Fukuyama, 1995, p. 26). For Fukuyama (1995, 2001), trust is more societal than economic—an instantiated informal norm that promotes cooperation between individuals. By implication, in societies where there is the expectation that other people will regularly cheat their fellows, behaviour is regular but dishonest, and leads to a deficit of trust.

Community and women's development efforts believe in people and the ability of organisations to cooperate in group activities (Coleman, 1990; Gambetta, 1988; Putnam, 1993), but cooperation requires the ability of the agent to build or generate trust. Development agencies like the World Bank (2001) recognise the need for building, bonding, bridging and linking social capital in people's collective efforts for development.² However, even social capital is a capability that arises from the prevalence of trust in a society (Fukuyama, 1995, p. 26). As such, mobilisers and agents have to pay attention to building people's expectations and incentives in a manner that improves upon the existing level of trust in a society. The community worker is expected not to do things 'for', 'to' or 'on behalf of' the community but rather 'with' the community (Ife 2001, p. 110). In its active stage, trust manifests itself as a form of bonding social capital among individual members.

The ability to build bonding capital at the interpersonal level depends on the level of trust brought into a particular situation through people's economic, social and cultural reality. Non-governmental organisations often take the initiative to build bridging and linking social capital, but community workers' ability to do so depends on people's perception of their role and the ability to trust the organisations they represent. The processes of group functioning can further generate and build trust, but in reality it can even deplete the existing levels of trust in a society. The World Development Report (World Bank, 2001, p. 130) recognises that the manner in which relations between the participants of development evolve over time has an important bearing on the generation of trust. Thus, trust, though theorised as one type of social capital, is the most important antecedent for any cooperative activity. All other forms of social capital become corollary to trust.

Through the self-help group (SHG)³ model in India, women are organised as collectives for achieving the goals of sustainable community development (Purushothaman, 1998, p. 80). SHGs formed by women are a form of micro-finance group that relies on the members' cooperative action to build a community of women for economic development and to challenge their structurally defined gender roles. Self-help⁴ embodies teamwork and collective action. The ability to engage in collective action becomes particularly challenging for communities marked by diversity, internal differences and consequent mistrust of each other.

Anthony (2005) examined how group identity, sanctions and reciprocity facilitate cooperation in micro-credit groups and found that only reciprocity limits loan delinquency and is associated with group longevity. Burman and Das (2002, p. 116) point out that kin based organisations are more cohesive and have greater group solidarity even though they do not operate exclusively for economic gains. The underlying implication of trust in these efforts cannot be ignored.

Studies have looked at the economic empowering potential of micro-finance groups (Fernando, 2006; Mahmud, 2003; Mayoux, 2001) and the psychological empowering potential of other forms of SHGs, such as citizen's groups for civic affairs and mental health patients and their families (Cheung, Mok and Cheung, 2005; Zimmerman and Rappaport, 1988). The ability of the group members in establishing links or networks (Mayoux, 2001) or in acquiring financial skills and social control (Fernando, 2006; Mahmud, 2003; Mayoux, 2001) have been explored in micro-credit groups. Other authors have emphasised the needs for training and capacity-building (Chakrabarti, 2004) and building of community solidarity (Berner and Phillips, 2005). Ito (2003) examines social capital in horizontal and vertical relationships. Shylendra (1999, pp. 13–32) discusses the role of motivation and other locational factors in SHG formation and their financial viability, but the role of trust as a social product and as a variable is not examined. Fukuyama (2001) maintains that all groups embodying social capital have a certain radius of trust, that is, trust exists in the circle of people among whom cooperative norms operate. Motivation, development of solidarity and cooperation leading to community development are heavily dependent on trust—often generated by and built upon the existing levels of trust. This aspect in group-oriented development remains unexplored and it will be examined later with reference to women's participation in SHGs in India.

Methodology

The discussions contained in this article are based on fieldwork done in two districts of India during 2003–04—Sonapat in Haryana and Kolar in Karnataka. Data was collected through semi-structured interviews, informal group discussions, document analysis and observation of SHG

members and NGO officials. Participants were selected from the members of the SHGs formed under the guidelines of a development project (RWDEP: Rural Women's Development and Empowerment Project)⁵ in India. The objective of the development project was to assist women's development through SHGs by providing access to credit and raising consciousness and awareness. All the participants for the study belonged to groups that were at least three to four years old. The experiences of the women in the groups provided several interesting insights.

The presence or absence of the norms of trust in group formation, functioning and decline will be assessed from the perspective of three main types of trust (Stone, 2001). First, there is personalised or particularised trust of familiars that exists within established relationships and networks within one's own community. Second, generalised trust is trust extended to strangers, often on the basis of expectations of a certain kind of behaviour or a sense of shared norms. It is a form of social trust, a generalised trust that leads people to join voluntary associations and engage in collective action (Uslaner, 1999, p. 124). Third, civic or institutional trust is basic trust in the formal institutions of governance including fairness of rules, official procedures, dispute resolution and resource allocation. Institutional trust refers to trust in expert systems, whereas civic trust refers to familiarity in social relationships as people relate to each other as citizens, clients, customers or users of a system. The different forms of trust can have a direct bearing at every stage of the SHGs' life-term—during the processes of formation, regular functioning, sustainability and decline.⁶

Generation, Maintenance and Depletion of Trust in SHGs

Generation of Trust

Groups form on the basis of the trust of familiars, the particularised trust that exists within the day-to-day social networks of a person. The description of SHGs as 'self-help affinity groups' (SAG)⁷ is based on intangible characteristics such as being able to trust one another, sharing common values, being able to enjoy the company of one another and being able to work with one another. In rural India, homogeneity

becomes an important element in making use of existing trust and affinity among members. Homogeneity refers to similarities in caste, religion, sex, occupation, geographical area, language, income, age and so on. Affinity in such cases is only possible with the friendly relations that a woman has with her neighbours in the village. Almost all the groups were formed among neighbours who could get along well with each other and shared similar religious and occupational background—through a process of self-selection.

In the initial stages of group formation, the relationships with the facilitating organisations (or NGOs) were mediated by influential members of the villages and the male members of the households. In patriarchal societies, such as those in rural India, a woman's identity is through her status in her natal or marital home and her ability to forge networks or relationships is usually only through her male relatives. At the village level, such trust could only be won by talking to village elders, leaders and others who exercised influence in motivating the target group members. The personal reputation and perceived capacity of the motivator were more important than his or her organisational affiliation. NGOs made their entry through people who could establish contact with the target group. It could be a government official like an *anganwadi*⁸ (child nutrition centre) worker, an ex-employee or a locally influential person.

Mobilisation strategies, however, worked only when the members extended a form of generalised trust to strangers, often on the basis of expectation of some material benefits or out of a sense of shared norms, such as working collectively for village improvement. The NGOs in both Kolar and Sonipat used both persuasion through the rhetoric of self-development and manipulation to convince the women to form groups. This was through building the women and their families' expectations of receiving some form of tangible benefits from the banks and government. One NGO official in Sonipat maintained, 'We have to show them some benefits; otherwise they are not convinced [enough] to participate'. This relationship was established not through coercion, but through what the beneficiaries could expect from the process of participation.

During formation, an important aspect of group activity was to entrust strangers with knowledge of the money saved in the group's funds⁹. Trust had to be built to let the women and their families know that rights to the money deposited in the banks would remain with the members and that the NGO staff would not have access to it. Women had known about

banks, but many of the poorer ones and their families had never saved their money in banks. To entrust somebody with their money was an important first step. In the rural areas, villagers had more than one reason to be suspicious of outsiders because of previous experience of having been cheated by people masquerading as well-wishers. With their experience of having been cheated by chit fund¹⁰ promoters, women knew better. The women in Kolar explained, 'We enquired about the organisation and its activities from others. We heard that SHGs have been formed in a nearby village and my husband went to enquire'.

So, when the women came forward to form the groups, it was a form of generalised trust that was extended to the field workers on the basis of expected benefits from the development project.

The generalised trust extended had to tackle gender-specific issues when the NGOs explained that the groups were to be formed only of women. Always the initial experience of the field workers was to face the question, 'Why do you want our women?' A male field worker working alone did not inspire confidence, while it was not possible for a female field worker working alone to break through the male cordon. Sometimes derogatory remarks were hurled at the women field workers for working and travelling alone with a male colleague who was neither husband nor brother. After staging a street drama depicting the subordinate status of women in the villages, one field worker in Kolar was challenged, 'What are you trying to teach our women? Next time you come around, you better be careful...?'

There were hurdles even in the case of women who were slightly literate and showed leadership abilities. Single as well as married women faced special difficulties in building new forms of trust for fostering development—they were subject to suspicion of extra-marital affairs, limited mobility and autonomy, and their triple role burden¹¹ (Kabeer, 1994, p. 275) and sometimes it was even lack of motivation. Trust assumed a gendered aspect when women and NGOs had to take these factors into consideration.

Maintenance of Trust

The SHGs were required to maintain and continue to build upon their initial levels of trust throughout their existence. Attending meetings,

going for training, depositing savings, taking decisions on loans, participating in economic and non-economic activities were acts that women undertook through the groups. The new forms of social relations created among the members had to be maintained through cooperation. When women went outside their villages to attend training courses and on exposure visits, they interacted with other group members, trainers and various officials. A new form of trust would grow among the women who were no longer mere neighbours but co-workers. This was a form of civic trust that grew through trust in the network of women that had been established and fostered through group activities.

The ability to manage the group fund and deal with conflicts arising from it determined the extent of the women's cooperation and their ability to maintain the trust built through their new relationships. The process, however, was not smooth even in well-functioning SHGs, as one SHG member in Kolar explained:

At first, we did not know how to come to a decision. We all wanted to speak and nobody to listen ... Then our Sir (the field worker) told us the story about the five blind men and the elephant ... we learnt that it is important to listen to each other before we make a final decision.

The trust developed was, however, affected by women's perceptions of whether they were able to get anything from participating in the groups. Once the initial trust was established and one's personal savings deposited into the group fund, the motivation for a member to continue depended on the opportunities provided for financial and other services through the common pool fund (Satish, 2001, p. 50). The group members were under constant pressure from family members and other villagers to show what they had gained from their participation in group activities. The satisfaction of social interaction, for example, could be enough for an elderly woman with no family responsibility in terms of household work and children, but not for younger women. Their participation had to bear some tangible results. Without any tangible benefits to show, they sometimes felt guilty, as when women in Sonepat remarked that 'people think we are loafers' or believed that participation in collective activities for social change was 'working for others'.

The basis for an SHG's continuity is mutuality and trust in depositing individual savings in the group fund (Satish, 2001, p. 50). In the activity

stage, trust assumed the form of institutional trust when women had to show a fundamental trust in the formal institutions that would keep their money. In the case of loans extended by banks, trust in the form of peer monitoring was used as pressure to return loans; it was also used as peer support to mutually support each other in times of need. Peer support and peer monitoring are, however, two weapons that are double-edged—they can both generate and destroy trust. Support can generate thicker forms of personalised trust when members help each other in times of crisis and emergency. Peer monitoring can become beneficial for weaker members who need constant guidance to manage their activities. Support is also vital for individual women who may get discouraged if their activities, even though profitable, do not get encouragement from the other members.

Collective responsibility does not necessarily eliminate free-riding through the mechanisms of peer pressure or peer monitoring. The tendency to cheat does not disappear when families have the opportunity to migrate to another place, when there is no expectation of children marrying into the same community or where there are no repeat dealings and formal enforcement mechanisms (like the lower courts) are weak. In situations of such thin levels of personalised and institutionalised trust, peer monitoring is not effective. In the case of a group in Sannipalli (name changed), a village in Kolar, existing members had to bear the burden of returning the loan taken by a member who moved away to the city and was not contactable or traceable. In the absence of any reciprocal relationship, the group was not able to enforce its informal sanctions and enhance cooperation (Anthony, 2005, p. 511).

Personalised trust (in each other), generalised trust (in the facilitating institutions) and institutionalised trust (in the expert system) were important for the women to be able to continue to save for the group fund. This trust, however, was built and maintained on thin ice. The initial personalised trust among the familiars showed signs of deterioration when a member in Kolar was unable to follow the rules of the new system. In one group, the members explained why they asked another member to leave: 'We threw her out of the group as she was not regular in attending meetings'. When asked why she was not regular, they replied, 'She always had some excuses to do with her small children ...' This group was considered to be one of the most successful groups in

terms of its ability to access bank loans, but peer support was observed to have evaporated into non-sympathy for a member who could not follow the rules of attendance.

Illiterate women, who deposited money and could not read the amount written against their names, had to trust the others to be honest. Some of them took help from other family members to recheck the amounts shown against their names. Weak relationships broke down in cases where there was a perception of misuse of money. Accusations and counter-accusations threatened to break group solidarity. This happened where field workers borrowed money from SHG members or where there was a perception of misappropriation of money from the bank. In such cases, there were visible signs of strain in trying to build or retain any form of trust.

Depletion of Trust

Group members started losing trust in each other and in outsiders when they could not develop or maintain relationships and could no longer function as a team. Defunct groups are, by implication, the ones where cooperation/trust has broken down, conflicts cannot be managed and mutual trust cannot be established. Decision-making in SHG meetings centred on collection of dues, inter-loaning,¹² marketing of products, attending training courses and participation in miscellaneous activities. While trust could increase women's decision-making ability through discussion and negotiation, differences over group money can lead to conflict. Wherever there was severe conflict, the groups became defunct. The experiences of three defunct SHGs show that in the first case, personalised trust was absent; in the second case, personalised trust could not be sustained; and in the third case, there was perceived breach of generalised trust.

In the first instance, members of a group in Kolar were never friendly neighbours. The husband of one member wanted to interfere in the group's activities. The group members could not agree on the tasks they wanted to do, they could not become a team and the group was on the verge of breaking down. In this case there was a very thin level of personalised trust from the beginning and it could not be strengthened.

Groups where personalised trust could not be sustained grew defunct. Though homogenous groups had potentially more ability to develop bonding relationships, homogeneity on the basis of religion or caste alone did not necessarily indicate that these were sufficient to develop trust and strong relationships. Hasina in Sonipat belonged to an all-Muslim group in a predominantly Muslim village. The SHG was homogenous on the basis of religion and all the women belonged to the poorer category, yet the relationships within the group had broken down as there was a perception of misuse of money. Hasina explained, '*Baimani* (cheating) was done to us' [*sic*]. According to Hasina, the fault lay with the members who lied and those who could not come to a consensus about inter-lending. As neighbours, they had their own perceptions about the needs of a member asking for a loan, the actual purpose for which it would be used and her credibility (for returning the loans). It was understood and assumed that one could lie on paper, but one could not lie orally to other members. It was necessary to trust '*uols*' (the members), but not '*them*' (the NGOs and government officials).

Another group in Kolar had become defunct due to the perceived breach of generalised trust by the treasurer of the group. The NGO worker was accused of misappropriating some money from the common fund in collusion with the treasurer of the group. When the NGO worker left to get married and the treasurer left the group, the suspicion became confirmed. Thus, in defunct groups, a major reason for their demise was lack of trust or where no trust of any form could be established in the first place.

Trust, Social Capital and Social Reality

A self-help group has to go through several stages before it reaches maturity and becomes sustainable. The practices and activities in which the women were engaged determined the life stages of the SHGs. At each stage of a properly functioning group, trust assumes different forms at different levels.

Table 1 depicts the different forms and levels of trust at different stages of a self-help group and their likely achievable degrees of trust in an ideal situation. Personalised trust is most important for a group's survival, as it has to be high at every stage. Group formation is possible only

Table 1. Degrees of Trust

Types of trust	Short-term/ Formation	Medium-term/ Functioning	Long-term/ Sustainable
Personalised-Familiar/thick	High	High	High
Generalised-Stranger/thin	Low	Medium	High
Institutionalised-Organisation/thin	Nil	Low-Medium	Medium-High

Source: Prepared by the author from field observations.

in situations where initial personalised trust is available and grows through the activities of the SHGs. Where the initial trust level is low or very low, it can be destroyed (as in the case of defunct groups). Generalised trust can start at a low level, but as group activities increase it is likely to get stronger. For the poor and the disadvantaged, institutionalised trust is often absent in the beginning, and it grows only in the later stages. As SHG activities move into operational and management areas, generalised and institutionalised trust become important for sustainability. Personalised trust depends on homogeneity, reciprocity and the ability to manage conflicts; generalised trust towards NGOs depends on NGO legitimacy and accountability; and institutionalised trust depends on people's faith in the good intentions of the civil society organisations and other institutions of the state. Bonding, bridging and linking social capital are significant corollaries to the three forms of trust mentioned earlier.

Homogeneity was the most important factor that facilitated personalised trust. Although the SHGs in both Sonipat and Kolar consisted of women who were fairly homogenous neighbours, they had internal differences leading to diversity in interests and expectations. The differences in age and marital status, caste, economic status and interests of the women involved impacted on how relationships were built. There was no simple one-way street through which women could generate personalised trust among themselves, thereby building bonding capital. Inter-community prejudices were reflected in women's relationships with each other in some of the mixed caste groups. Mixed groups were often formed with members from different castes and the social distance among the castes impacted on relationships within the SHG.

Most groups set up under the project in Kolar were at the sustainable stage, whereas none had reached that stage in Sonipat where most remained at the functioning stage. Bonding relationships that developed

through the generation and maintenance of personalised trust were observed to be more in number in Kolar than in Sonipat. This gave more sustainability to SHGs in Kolar than in Sonipat. Members of the Scheduled Castes¹³ (SCs) in Sonipat comprised only 18 per cent of the population. The mixed caste group consisted primarily of the dominant peasant caste, the Jats and the SCs. Rigidity in caste society in North India and pre-existing tensions between the Jats and the SCs in the area meant that mixed groups started with a lower level of trust among members. There was definitely visible tension among some members in the mixed groups, some of which had remained stuck developmentally at the initial stage and had not yet reached the functioning stage even after two years. Durga in Sonipat, the President of one SHG, was an elderly Jat lady. She explained why they did not make intra-group loans and why her SHG had not taken off. Her group members contributed only ₹20 per month and did not trust that the money would be repaid if they gave loans to each other. She said,

We formed the group by collecting ₹50 per month. After that, I had to go after them and ask them for the money. My sister tells me, 'why do you take all this trouble ... people will only blame you'. I do not pressure anybody now. The money is lying in the bank and nobody wants to inter-loan.

Lack of trust resulted in their blaming each other. In another case, one Jat member said, 'We try to explain to them the benefits of the group and what we should do ... but they do not understand. They only fight with us ... they say, "others will eat our money"'.

By contrast, in Kolar the higher percentage of SC, ST (38 per cent) and other lower caste¹⁴ people meant that in mixed caste groups they were dominant. Except a few high caste members, all the non-SC and non-ST members belonged to the OBC community who were also from the poorest economic category. They perceived themselves and were perceived by others as equally disadvantaged as the SCs and STs. In one mixed group where there was one higher caste member with OBC and SC members, the higher caste member's lower economic position explained her association with SC and ST women, 'I am from a poor family. I decided to join the group ... if I get a loan I can earn independently, it will help my children'. Though they belonged to different social groups,

the members were in a similar economic condition and were united through their common economic interest. One of the members mentioned that 'We do not talk about our castes, we do not want to bring in divisions'.

In generating and maintaining generalised trust, women's agency was facilitated by factors like the demonstration effect¹⁵ and better legitimacy enjoyed by NGOs. Acceptance of the NGO's role in assisting women's development and the capacity to establish networks outside the family helped in the formation of social capital. NGO legitimacy is associated with moral legitimacy of their political and social actions (Atack, 1999, p. 855). Legitimacy flows from the length of the NGOs' association with the people. Long-standing NGOs draw more trust and cooperation from the people, as they are more easily available for scrutiny. Most of the NGOs in Kolar had built legitimacy through their long presence and experience in the area. This helped in creating the perception that they were more representative and effective. By contrast, in Sonipat, the perception of some of the implementing NGOs was that they were in the 'business' to make profits. There was a great deal of mistrust at the grassroots level towards some civil society organisations, and acknowledgement of the fact that *every politician today has his/her own NGO* (a remark made by a journalist in Sonipat). The perception persisted that the NGOs had become a convenient mechanism through which political leaders re-appropriated government and donor money for personal and political interests. Frank Tesoriero (2006, p. 322) points this out when he says that the integrity, competence and commitment of locally based organisations is a critical factor in the life of successful SHGs. NGOs' belief in women's abilities and the trust given by the women to the NGOs to work on their behalf were intimately connected to the formation and success of bridging and linking social capital.

Conclusion

SHGs are an attempt to build a form of informal organisation through a combination of thick trust (personalised) within peer groups and the thin trust (generalised and institutionalised) that exists between specialised elites (banks, NGOs and other agencies) and the non-elites. Building this

is not always easy. Self-help groups build on existing levels of trust, build new avenues of trust and sometimes, may even deplete such trust. The preceding discussion shows that in SHGs, personalised trust is the core from which it extends to generalised and institutionalised trust. Personalised trust is dependent on good interpersonal relationships, but generalised and institutionalised forms of trust are more complex and depend on the relationships between the individuals and organisations with which the members interact. In this study, it was observed that a weak form of generalised trust was built through frequent interaction with the NGOs and that civic trust improved with bank officials, but that institutionalised trust with outside organisations remained at a lower level.

My experiences in both Kolar and Sonipat show that women's social reality plays an important part in determining the level of trust that can be used to build nurturing cooperative relationships. This was particularly low in Sonipat where SHGs were formed with members from traditionally distrustful communities and there were greater economic differentials among members constituting the group. It was not possible to bridge the social gap in Sonipat, while their poorer economic condition in Kolar encouraged members to establish better networks with outsiders. Group activities cannot ignore the participants' social reality in attempts to build and nurture trust among group members, and between group members and outsiders. Community and group development efforts aimed at building social capital must take into consideration the factors associated with building and generating trust.

Acknowledgements

I wish to especially thank my supervisor Dr Salim Lakha, Senior Fellow, University of Melbourne for reading and giving helpful comments for improving the article.

I acknowledge with thanks the financial support provided by the School of Anthropology, Geography and Environmental Studies (Fieldwork Grant), the Faculty of Arts (Travel for Research in Postgraduate Study) and the Melbourne Scholarships Office (Postgraduate Overseas Research Experience Scholarship), University of Melbourne for the fieldwork in India. Fieldwork was done for the author's research for her doctoral dissertation.

Notes

1. Structural social capital facilitates mutually beneficial collective action through established roles and social networks. Rules and procedures exist to guide individuals' behaviour through well-recognised roles of leadership. In contrast, cognitive social capital includes shared norms, values, attitudes and beliefs, and it predisposes people towards mutually beneficial collective action. Structural social capital is external, whereas cognitive social capital is internal (Krishna and Uphoff, 2002, p. 87).
2. Bonding social capital refers to the strong ties connecting family members, neighbours, close friends and business associates; bridging social capital refers to the weak ties and horizontal connections between individuals from different ethnic and occupational backgrounds; linking social capital consists of vertical ties between poor people and people in positions of influence in formal organisations (banks, agriculture extension offices, the police) (World Bank, 2001, p. 128). Bonding relationships strengthen links between people, facilitating forms of intra-group interaction and collective action (Bebbington and Carroll, 2002, p. 237).
3. Self-help groups are informal groups of women where 15–20 come together for savings, economic and other non-economic activities. The group members pool savings and re-lend within the group on a rotational basis. The groups can organise around a specific activity, promote savings among members or use the pooled resources to meet the emergent and other needs of the members. Based on performance, the internal savings are supplemented by loans from banks or grants from other agencies. The groups are the medium through which women can access credit, learn habits of saving and thrift, avail and repay loans, engage in economic and other productive activities, and work for holistic improvement through education and other awareness raising activities.
4. Adams (1990) defines self-help as a process in which groups or organisations comprising people come together or share an experience or problem, with a view to individual and/or mutual benefit. Community development efforts often try to combine individual, institutional and structural perspectives of the self-help process (Ife, 2001, p. 50).
5. Rural Women's Development and Empowerment Project (RWDEP) was an International Fund for Agricultural Development (IFAD) initiated and World Bank co-financed development project in India with the implementation period from 1999 till 2005. It was implemented in six states of the country through the Department of Women and Child Development, Government of India.

6. The course of an SHG's life can be divided into three stages: forming, functioning and sustainable. The initial process of getting together and holding meetings is the forming stage. When groups start saving, inter-lending and dealing with bank loans, it can be said to have moved from the forming to the functioning stage. Functioning groups are the ones that have started inter-lending at the minimum. These groups supposedly help in social development through knowledge of organisational functioning, women's physical and mental well-being and experience in economic as well as non-economic activities. Sustainable groups give wider exposure to women through their links with clusters and federations.
7. Mysore Resettlement and Development Agency (MYRADA) (2001) uses the term 'Affinity Group' to indicate the importance of trust as the most important element in the formation and sustainability of SHGs. MYRADA is a national level NGO that coordinates and trains other smaller NGOs in India.
8. Anganwadi or Child Development Workers work under the UNICEF-assisted Integrated Child Development Scheme (ICDS) in India.
9. The group fund refers to the savings made by the members and deposited in the bank. The group fund is accumulated through the members' contribution (internal source), but a bank loan comes from an external source (the bank).
10. Chit is a kind of savings scheme practiced in India. In a chit scheme, a specific number of individuals come together to pool a specific amount at periodic intervals. Usually the number of individuals and the number of periods remain the same. At the end of each period, the saved fund is allotted in accordance with some pre-arranged principle to each member of the group.
11. Kabeer (1994, p. 275) theorises that the reality of women's lives in the households of Third World countries is based on performing a 'triple role'. First, it involves reproductive work through child bearing and child rearing responsibilities. Second, it includes productive work, often as secondary income earners. Third, women's work increasingly includes community-managing work, work done at the neighbourhood level.
12. Inter-loaning takes place when self-help groups lend and borrow money among themselves.
13. The Scheduled Castes (SCs) and Scheduled Tribes (STs) are communities that are accorded special status by the Constitution of India. These communities were considered 'outcastes', accorded low rank and were historically disadvantaged in the Indian caste system.
14. The official terminology for backward castes other than SCs and STs is, Other Backward Castes (OBC).

15. Pre-existing, successful SHGs can play an important role in the formation and sustainability of new SHGs in an area. This is known as a 'demonstration effect'.

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