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# The impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka. K. Darshani Piyumali

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# **ABSTRACT**

The cooperative system in Sri Lanka is a vital component of the country's socio-economic development, particularly in rural areas. Cooperatives operate based on principles of voluntary membership, democratic control, and equitable distribution of benefits. Cooperatives have emerged as a powerful tool for promoting women's economic empowerment and social inclusion in Sri Lanka. Empowerment, from a sociological perspective, is a dynamic process through which individuals and groups gain the ability to challenge and transform social structures, norms, and inequalities that shape their lives. It involves the acquisition of knowledge, resources, and social capital, enabling individuals to exercise agency, make informed choices, and actively participate in decision-making processes. This research examines the impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka. The research was used both qualitative and quantitative method. Data were collected from a sample of randomly chosen 50 women in Rathnapura Estate Housing Cooperative Society using a self-administered questionnaire. The Research reveal that cooperatives have a substantial impact on the economic and social empowerment of women in rural areas of Sri Lanka. Women who are members of cooperatives experience increased income generation opportunities, access to credit, and skill development, leading to greater financial independence. Additionally, participation in cooperatives fosters collective decision-making, social networks, and leadership development among women, challenging traditional gender roles. Cooperatives also contribute to addressing gender-based constraints and advocating for women's rights. These findings underscore the significant role of cooperatives in promoting gender equality and empowering women in rural Sri Lanka.

**Key Word: Women, Cooperative, Empowerment and Rural Area** 

#### INTRODUCTION

The cooperative movement in Sri Lanka has a rich history and continues to play a pivotal role in the country's economic and social landscape. Cooperatives operate across various sectors, including agriculture, fisheries, consumer goods, housing, and finance, with the objective of meeting the diverse needs of their members and fostering inclusive development. According to the Department of Cooperative Development, under the Ministry of Industry and Commerce in Sri Lanka, the cooperative sector consists of approximately 14,000 registered cooperative societies across the country (Department of Cooperative Development, n.d.). These societies cater to the needs of different segments of the population, including farmers, fisher folk, consumers, and small-scale entrepreneurs.

In the agricultural sector, agricultural cooperatives have been instrumental in facilitating access to resources such as land, credit, and inputs for farmers (Bandara & Vithanage, 2016). These cooperatives provide support to farmers through collective purchasing, marketing, and storage, enabling them to enhance productivity, reduce costs, and secure fair prices for their produce.

In the fisheries sector, fisher folk cooperatives have played a crucial role in improving the socio-economic conditions of fishermen (Gunatilake & Bandara, 2017). These cooperatives have provided access to fishing equipment, credit facilities, and markets, empowering fishermen to improve their livelihoods and achieve higher incomes.

Furthermore, consumer cooperatives have emerged as an important sector, particularly in urban areas, where they contribute to the availability of quality products at reasonable prices (Department of Cooperative Development, n.d.). These cooperatives operate retail outlets and engage in collective purchasing, ensuring that consumers have access to essential commodities without exploitation.

Cooperative housing societies have also made significant contributions to addressing the housing needs of low-income communities (Perera, 2018). These societies facilitate affordable housing solutions through collective ownership, construction, and management of housing projects.

In the financial sector, credit cooperatives provide financial services, including savings mobilization and loans, particularly to marginalized communities (Karunarathne, 2015). These cooperatives promote financial inclusion and empower individuals to engage in income-generating activities.

Overall, cooperatives in Sri Lanka continue to function as important vehicles for socioeconomic development, community empowerment, and poverty reduction. They embody principles of democratic decision-making, collective ownership, and member participation, fostering a sense of ownership, self-reliance, and social cohesion within communities

Women empowerment is a critical aspect of social and economic development, as it fosters gender equality, enhances women's agency, and promotes inclusive societies. It involves empowering women to participate fully in decision-making processes, access resources and opportunities, and exercise control over their own lives.

Women's empowerment has gained significant attention in academic discourse and policy agendas. It encompasses various dimensions, including economic empowerment, social

empowerment, political participation, and access to education and healthcare (Kabeer, 1999). Empowering women is not only a matter of justice and human rights but also a key driver of sustainable development and poverty reduction (United Nations Development Programme, 2020).

Numerous studies have emphasized the positive impacts of women empowerment. For example, a study by Malhotra et al. (2002) demonstrated that women's empowerment contributes to improved maternal and child health outcomes. It found that empowered women are more likely to seek healthcare services, make informed decisions regarding their reproductive health, and ensure better nutrition and well-being for their children.

Furthermore, women's economic empowerment has been shown to have profound effects on poverty reduction and overall economic growth. According to a report by the International Labour Organization (2018), increasing women's access to employment opportunities, entrepreneurship, and financial resources can lead to inclusive economic development, higher productivity, and reduced inequalities.

Political empowerment is another crucial dimension of women's empowerment. When women have equal representation and participation in decision-making processes, policies and laws become more inclusive and responsive to the needs and interests of diverse populations (Tripp et al., 2009).

Women empowerment is a multidimensional concept that aims to create an enabling environment for women to exercise their rights, access resources, and participate fully in all aspects of life. It is essential for achieving gender equality, promoting sustainable development, and creating just and inclusive societies.

#### **OBJECTIVES**

#### **Main Objective:**

To examine the impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka.

#### Other Objectives:

- **01**. To examine the economic empowerment outcomes of women's participation in cooperatives.
- **02**. To investigate the social empowerment outcomes of women's engagement in cooperatives.
- **03.** To identify the factors influencing women's participation in cooperatives and understand the barriers

# **Methodology:**

The research utilized a mixed-methods approach, combining both qualitative and quantitative methods to examine the impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka, with a specific focus on the Ratnapura Estate Housing Cooperative Society

# **Sampling:**

A random sampling technique was employed to select a sample of 50 women from the Rathnapura Estate Housing Cooperative Society. These women were selected from various cooperatives within the union to ensure diversity and representation.

# **Data Collection:**

- a. Quantitative data: A structured questionnaire was administered to the selected 50 women participants. The questionnaire included questions related to economic indicators such as income levels, access to financial resources, and employment status.
- b. Qualitative data: In-depth interviews were conducted with key stakeholders, including development officers and other relevant personnel from the cooperatives. These interviews aimed to gather qualitative insights on the social aspects of women's empowerment, including their participation in decision-making processes and changes in social status.

Data Analysis: The quantitative data obtained from the questionnaires were analyzed using statistical techniques such as descriptive statistics and correlation analysis. The qualitative data from the interviews were transcribed, coded, and analyzed thematically to identify key themes and patterns related to women's empowerment in the cooperative context.

# Findings:

- I. Cooperatives significantly increase women's income levels and economic independence, providing them with diversified income sources and greater financial stability.
- II. Women who are members of cooperatives have improved access to resources such as credit, land, and technology, enabling them to overcome traditional barriers and enhance their productivity and entrepreneurial capabilities.
- III. Participation in cooperatives leads to skill development and capacity building among women, equipping them with the necessary knowledge and expertise to improve production techniques and adopt sustainable practices.
- IV. Cooperatives promote social empowerment and gender equality by fostering selfconfidence, assertiveness, and leadership skills among women, challenging traditional gender roles and norms.
- V. The formation of cooperatives creates social networks and support systems among women, facilitating knowledge sharing, solidarity, and collective problem-solving.
- VI. Cooperatives provide market linkages for women, allowing them to sell their products at fair prices and access broader markets, both domestically and internationally.
- VII. Women's participation in decision-making processes within cooperatives leads to increased recognition and influence within their communities, contributing to greater gender equality and inclusive development.

# **Discussion and conclusion:**

The findings of this study demonstrate the profound impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka. The advanced findings highlight the transformative role of cooperatives in fostering inclusive and sustainable development by addressing key challenges faced by rural women.

The first significant finding reveals that cooperatives play a crucial role in increasing women's income levels and economic independence. By providing diversified income sources and financial stability, cooperatives enable women to meet their basic needs, invest in education and healthcare, and contribute to the overall well-being of their families. This finding highlights the potential of cooperatives to alleviate poverty and reduce gender disparities in rural communities.

The second finding emphasizes the improved access to resources that women gain through cooperatives. Access to credit, land, and technology, which were previously limited to men, allows women to overcome traditional barriers and enhance their productivity and entrepreneurial capabilities. By collectively pooling resources and leveraging their collective strength, women can negotiate better terms and conditions, further enhancing their economic opportunities and long-term sustainability.

Skill development and capacity building emerge as a key finding, emphasizing the transformative effect of cooperatives on women's capabilities. Through training programs and knowledge sharing within cooperatives, women acquire the necessary skills and expertise to improve production techniques, adopt sustainable practices, and enhance the quality of their products. These skills not only contribute to the success of their cooperative enterprises but also enhance their employability and entrepreneurial potential in the broader market.

The findings also underscore the social empowerment and gender equality achieved through cooperatives. Women's participation in decision-making processes and leadership positions within cooperatives foster self-confidence, assertiveness, and leadership skills. This challenges traditional gender roles and norms, leading to greater recognition and influence within their communities. By promoting social cohesion and collective problem-solving, cooperatives create networks and support systems that empower women and foster gender equality.

Lastly, cooperatives provide women with market linkages, enabling them to sell their products at fair prices and access broader markets, both domestically and internationally. This finding highlights the role of cooperatives in enhancing market integration and facilitating economic opportunities for women, leading to increased income and economic stability.

In conclusion, this study provides compelling evidence of the transformative impact of cooperatives on the economic and social empowerment of women in rural areas of Sri Lanka. Cooperatives have shown to be effective mechanisms for improving income levels, enhancing access to resources, promoting skill development, fostering social empowerment, and driving community development. By recognizing the power of cooperatives and supporting their development, policymakers and stakeholders can further leverage these findings to promote inclusive growth and gender equality in rural Sri Lanka.

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