Women’s Livelihoods, Global Markets and Citizenship

Julie Thekkudan and Rajesh Tandon
October 2009
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**Summary**

The underlying assumption of the economic integration epitomised by globalisation was that it would lead to greater economic participation and an enhancement of livelihood opportunities, which in turn would have positive impacts on citizens and their practice of citizenship. This integration would open new spaces and create new mechanisms for interaction between various actors in governance processes. Economic participation in the global economy manifests in two principal ways: the export of local products for global marketing through multinational corporations (MNCs), or the local marketing of goods that are globally produced by MNCs. Both models have the potential to increase livelihood opportunities for the poor and those hitherto excluded from the market. If the second model is followed, what avenues for market integration might create more sustainable livelihoods for rural women? Can this model provide a sustainable source of income for such women? As rural women are integrated into global markets, what are the implications for their identities? Do they see themselves as an integral part of the global marketplace, with important links to the global economy? Or do they continue to maintain local, regional or maybe national identities? When these women claim rights, to whom do they turn? Do they ask governments to mediate on their behalf? Do they consider the medium of their integration, the MNCs, as their obligator? What kinds of organising efforts evolve for such claim-making purposes? This paper attempts to answer these questions through an analysis of Project Shakti, an initiative of Hindustan Unilever Limited, promoted by the Indian government.

**Keywords:** globalisation; women’s livelihoods; citizenship; corporate social responsibility.
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Rajesh Tandon is an internationally acclaimed practitioner of participatory research and development. He founded PRIA, a voluntary organisation providing support to grassroots initiatives in South Asia, 26 years ago, and has been its Chief Functionary since 1982. A PhD from Case Western Reserve University, he has specialised in social and organisational change. He has contributed to the evolution of new thinking and methodologies in people-centred development through his research, practice and writings. His studies, writings and training programmes have helped to advance the concept of strengthening civil society and reforming governing institutions for citizen participation worldwide.
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Local Global Working Group

Preface

Working paper series on Citizen Engagements in a Globalising World

Around the world, globalisation, changes in governance and emerging transnational social movements are creating new spaces and opportunities for citizen engagement. Indeed, some would argue that citizenship itself is being de-linked from territorial boundaries, as power is becoming more multi-layered and multi-scaled, and governance increasingly involves both state and non-state actors, which often are transnational.

One of the research programmes of the Development Research Centre on Citizenship, Participation and Accountability, the Working Group on Citizen Engagements in a Globalising World explores the significance of these changes to poor and disenfranchised citizens. In particular, the group’s work explores how the diffusion of power and governance resulting from globalisation gives rise to new meanings and identities of citizenship and new forms and formations of citizen action. The research programme is asking questions across local-national-regional scales related to

- The dynamics of mobilisation, paying particular attention to new forms and tensions of alliance-building and claim-making;
- The politics of intermediation around representation, legitimacy, accountability;
- The politics of knowledge around framing issues, the power to frame, dynamics of contestation across forms of expertise and ways of knowing; and
- The dynamics and processes of inclusion and exclusion to examine who gains and who loses.

The group’s work is a unique contribution to a vast literature on transnational citizen action in the way in which each project examines the vertical links from the local to the global from a citizen’s perspective, looking up and out from the site of everyday struggles. And while much normative and conceptual literature examines the concept of global citizenship, few studies of the theme are actually grounded in empirical study of concrete cases that illustrate how global reconfigurations of power affect citizens’ own perceptions of their rights and how to claim them.

The group is made up of 15 researchers carrying out field projects in India, South Africa, Nigeria, Philippines, Kenya, The Gambia, Brazil and South Africa, as well as other cross-national projects in Latin America and Africa. The projects examine new forms of citizen engagement across a number of sectors, including the environment, trade, education, livelihoods, health and HIV/AIDS work and occupational disease, agriculture and land – and across different types of engagement, ranging from transnational campaigns and social movements, to participation of citizens in new institutionally designed fora.

The working papers in this series on Citizen Engagements in a Globalising World will be available on the Citizenship DRC website www.drc-citizenship.org, as they are completed. The Citizenship DRC is funded by the UK’s Department for International Development.
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This paper was conceived as an attempt to delve into the self-help group movement in India and its impact on women. The paper would not have been possible without the contributions of K. Rakesh, Pavan Kare and Santoshi R. Nimmaiah, who were instrumental in facilitating interactions with the stakeholders, thereby enriching the information that has been accessed. John Gaventa and Marjorie Mayo have provided the authors with valuable comments, which have helped in earlier drafts of this paper. Further comments and suggestions are welcome and can be sent to rajesh@pria.org

Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tbody>
<tr>
<td>AP</td>
<td>Andhra Pradesh</td>
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<tr>
<td>CSO</td>
<td>Civil Society Organisation</td>
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<td>CSR</td>
<td>corporate social responsibility</td>
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<td>DRDA</td>
<td>District Rural Development Agency</td>
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<td>GoAP</td>
<td>Government of AP</td>
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<td>HUL</td>
<td>Hindustan Unilever Limited</td>
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<tr>
<td>MART</td>
<td>Marketing and Rural Team</td>
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<tr>
<td>MNCs</td>
<td>multinational corporations</td>
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<tr>
<td>PPP</td>
<td>public-private partnership</td>
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<tr>
<td>PRIA</td>
<td>Society for Participatory Research in Asia</td>
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<tr>
<td>RSP</td>
<td>rural sales person</td>
</tr>
<tr>
<td>SEWA</td>
<td>Self-Employed Women’s Association</td>
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<tr>
<td>SHGs</td>
<td>self-help groups</td>
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1 Introduction

The second great era, Globalisation 2.0, lasted roughly from 1800 to 2000 (...) [and] shrunk the world from a size medium to a size small. In Globalisation 2.0, the key agent of change, the dynamic force driving global integration, was multinational companies (...) Globalisation 3.0 is shrinking the world from a size small to a size tiny and flattening the playing field at the same time (...) The thing that gives it its unique character is the new-found power for individuals to collaborate and compete globally.

(Friedman 2005: 9–10)

In recent years, globalisation has led to interconnections across the world as never before. It has brought new actors into prominence – multinational corporations (MNCs), global governance institutions, civil society and individuals – as change agents transforming the landscape of governance, politics and the economy. Most visible in its economic sense, globalisation has led to a closer integration of the world’s economies, through the reduction of barriers to the movement of goods, services and capital. Associated with this has been increased competition between firms, availability of consumer goods from any part of the world in local supermarkets, expansion of technologies and communications. People across the world aspire to similar, homogenised globalised lifestyles.

This view of globalisation sees increased homogenisation and interdependency all over the world in the cultural, social and economic dimensions. The underlying assumption of this integration of economies is that it would lead to greater economic participation by diverse citizens.¹ Economic participation in the global economy manifests in two principal ways: either as the export of locally produced goods for global marketing or, as local marketing of goods that are produced globally. A classic example of the former model has been the sweatshops that have mushroomed in many Asian countries, catering to markets that did not exist before the growth of international trade (Nathan, Reddy and Kelkar 2008). The latter model is epitomised by Amway, a multi-level marketing company started in 1949 which has today grown to cover most parts of the world. On both counts, participation in the economy increases livelihood opportunities for the poor and those, such as women, hitherto excluded from the market.

Globalisation is also seen as an opposing relationship between the global and local. Although identifying the trend towards global markets and politics, it also highlights an increased diversity, and the importance of regionalism and community (de Haan 2000). Although the process of globalisation may bring about new livelihood opportunities for some, it is questionable whether it can eliminate

¹ The potential of globalisation for job creation, increased competition, improved education, health and technological learning for reducing poverty is acknowledged by most. Migration of skilled and semi-skilled workers can also contribute to an increase in livelihoods of many an impoverished household in the developing countries (Goldin and Reinert 2006).
social and economic exclusion. Economic programmes that are based on market liberalisation, privatisation and reduced government controls often benefit only those who already have a fixed place in the economy. For those who are already excluded from economic processes, it may add new obstacles to the constant search for a sustainable livelihood.

In the context of globalisation and global institutional frameworks, one dominant experience so far has been the active participation of national governments and their agents as primary interlocutors with global institutions. This is the domain of statist politics in the global arena. A second dominant modality is the treatment of citizens of nation states as mere producers and consumers of goods and services in the global marketplace. This is the domain of transnational corporations and capital. This paper is supportive of a different model, moving away from an exclusive focus on either the state, capital or transnational corporations to one that centres on citizens.

This paper examines Project Shakti, an initiative promoted jointly by the government of India and Hindustan Unilever Limited (HUL), the Indian division of Unilever, a large multinational corporation. It looks at the ways in which changing patterns of power and governance affect the meaning, experiences and practices of citizenship in a globalising world.

The paper is divided into four sections. The first section provides a brief overview of some key theoretical debates that set the context for the research. If the globalisation train is to pull all citizens behind it, policies that ensure that the poor people of the world share in its benefits are required (Goldin and Reinert 2006). What is then needed are new inclusive options and processes of dealing with globalisation (Nathan et al. 2008; Clark 2008).

The second section summarises key background information on Project Shakti, a public-private partnership (PPP) promoted by HUL, which promotes the income-generating capabilities of underprivileged rural women by integrating them as local retail agents of HUL. Initiated in 2001, it envisioned the creation of a million Shakti entrepreneurs covering half a million villages, and touching the lives of six hundred million rural people by the year 2010. Part of HUL’s corporate social responsibility programme, Project Shakti was also aligned to the needs of the company to reach out to so far untapped markets. It visualised the transformation of a rural woman to an empowered entrepreneur who, in addition to bringing economic resources to the family, would also be part of its decision-making processes.

The next section of the paper further discusses the implications of this initiative for the existing notions and practices of citizenship and identity of all involved. Examining the nature of spaces within which citizens mobilise locally, nationally and globally, it also attempts to analyse the dynamics of mobilisation by various actors across different scales. Issues of the legitimacy and accountability of actors as an outcome of their engagements to make governance more inclusive are also analysed. Within these processes of intermediation, the dynamics of inclusion and exclusion become an important aspect of understanding how engagements affect the rights and responsibilities of the various stakeholders. The politics of knowledge between various actors affect the potential for citizenship and identity
to become a change agent for those hitherto excluded from governance processes.

The paper concludes by highlighting some points for consideration regarding the potential and opportunities that various actors bring with them in attempts to increase the inclusiveness of governance. Governance processes in today's context are multi-layered and each actor has the potential to bring about meaningful and effective inputs into the 'governance wheel' of citizenship, participation and accountability, moving towards the achievement of public goods (Tandon 2000). Accountability is the basis on which citizens can act to increase openness and transparency in policymaking. Such action builds social reciprocities characterised by equity, inter-group tolerance and inclusive citizenship. In turn, responsible and active citizenship leads to meaningful participation. Citizenship gives the right to hold others accountable, and accountability is the process of engaging in participation. An active citizenship asserts itself by seeking greater accountability from all actors, which necessarily must have a participatory dimension (Tandon 2000).

2 Conceptual questions on global citizenship, sustainable livelihoods and global governance

Development is about people, about enhancing their ability and power to direct their own lives, in the context of their environment, their history and their aspirations for the future. Development is not about catching up with other people. But it is about an enlarged range and quality of choices, of lifestyles, of occupation. It encompasses better nutrition, health, education and freedom from oppression and poverty. The process of development involves structural transformations in the organisation of society and the economy. Such a process cannot take place without altering relationships of dominance and subordination, or affecting the interests of different groups within society. Therefore, questions regarding the character, direction and pace of development are fundamentally political questions (Krishna 2007).

Global citizenship is complex. Some feel that the absence of a global governmental institution means it is difficult to claim traditionally understood rights and entitlements, and hence that the notion of global citizenship is non sequitur. Others point out that global citizenship is already alluded to in documents like the Universal Declaration of Human Rights (Gaventa 2001). Globalisation has led to a rethinking of the notion of citizenship as moving beyond the limits of the state, and the concept of global citizenship has been debated as both aspirational and philosophical. The human spirit has the capacity to empathise with distant and unknown others; human beings are emotional and moral beings and are, therefore, able to share essential humanity with other humans. Cosmopolitanism as it is known (Held and McGrew 2002) argues for the active agency of humans to expect and demand universal claims by all people. Falk, talking of 'democracy without frontiers' (1993: 40), proposes that global citizenship is a human calling. In
this formulation of the democratic principle, it is the sovereignty of citizens rather than the sovereignty of governments that is posited to be supreme. This is what has been variously called democratic internationalism (O’Brien and Williams 2004) or transnational democracy (Held and McGrew 2002). March and Olsen (1995) have argued that citizenship as civic virtue, as the liberal ideals of liberty, freedom and equality, is universally rooted, and is able to transcend the moral significance of state borders for expressions of solidarity.

Underlying these arguments is the assumption that global citizenship identity is feasible. Writing to define the base of global civil society, Oliveira and Tandon (1994) described the concept of planetary citizenship – an aspirational world of global humanity. Heater has elaborated the contours of ‘world citizenship’ which is based on the notion of multiple identities, from local to global; his argument is based on the belief that each ‘citizen of the world’ shares a common ethical and moral code. He goes on to further elaborate the notion of ‘civic patriotism’, a form of patriotism which is without nationalism and exclusion (2002: 181). Rosenau (2003) presents a cogent argument to articulate the concept of distant proximities, based on the ever faster processes by which distant and different developments become proximate, closer to one’s home.

Given the diversity of thinking on the notion of global citizenship, deriving exact meanings and concrete features is particularly taxing. An analysis of the existing literature reveals three dominant dialogues on global citizenship. The first is a civic republican dialogue that emphasises concepts such as awareness, responsibility, participation and cross-cultural empathy. It discusses those who feel that for citizens to make an impact, they need to engage with social, political and economic processes at the international level. This engagement is often characterised by initiatives from the grassroots and is therefore self-motivated. The second strand is the much-criticised libertarian dialogue which stresses unimpeded and free international mobility and competitiveness as key facets of global citizenship. The last is a legal dialogue, focusing on international and transnational laws, especially the rights and responsibility of non-state actors such as transnational citizens, multinational corporations and collectives in international law (Benequista and Levine 2006).

The civic republican dialogue is the main propellant for the notion of global citizenship. The emphasis on citizenship as participation focuses on something that is realised through responsible action (Lister 1998, cited by Edwards and Gaventa 2001). Global citizenship can hence be seen as the exercise of the right to participate in decision-making in social, economic, cultural and political life within and across the local, national and global arenas. In the global arena, this is manifest through the process of citizen action or human agency itself. Like national citizenship, global citizenship also carries responsibilities, but many actors have not been successful in fulfilling these (Gaventa 2001).

An important element providing visibility to the idea of global citizenship has been the notion of global civil society. It is an equally contentious term, with some thinkers feeling that there is no such thing as a global civil society, only transnational civil society or international social movements (Edwards 2001) and others looking towards global civil society as an actor with immense potential to counter the ill-effects of globalisation (Clark 2008). However we understand it,
global civil society can be viewed largely as a way to make global processes visible and accountable to ordinary citizens who might otherwise be confined to national political arenas (Appadurai 2006). It is the voice of non-state actors, the people’s voice (Tandon and Kak 2008). Although the substance of politics has been globalised, the process of political decision-making has remained at the national level (Clark 2008). Global institutions still work on the premise of state-based system of international negotiation and are hesitant to open up to non-state participation in decision-making (Edwards 2001). This reluctance to engage with non-state actors is the core thrust of global civil society in its operation as ‘the citizen’s voice’ in these arenas (Walker and Thompson 2008).

As global civil society has reached a critical mass in its involvement in global issues, it has become better informed and therefore critical of other actors and their role in development (Walker and Thompson 2008). Global citizen action saw an upsurge through the late 1990s, highlighted by the large-scale protests against the G8 meeting in Birmingham in 1998, the World Trade Organisation in Seattle in 1999, the long-running Jubilee anti-debt campaign, and various environmental protests across the globe. The slogan ‘think globally, act locally’ seems to have been reversed to read ‘think locally, act globally’ – or even as ‘think locally and globally; act locally and globally together’ (Clark 2001).

This debate on global citizenship needs to be empirically rooted. Do processes of global integration generate global citizenship identities? How manifest are meanings of ‘globality’ in the daily practice of local citizens when they are part of a global economic enterprise? Or do they continue to understand their rights and obligations largely in the national, domestic sense? Which agents are intermediaries between different levels in this global chain? What kinds of pressures and issues confront intermediary actors?

The question of livelihood and its sustainability as promoted by global economic processes is one concept that can give empirical reality to the notion of global citizenship. Chambers and Conway (1992) argue that a livelihood comprises the capabilities, assets and activities required for a means of living. They suggest that it is sustainable when it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and when it contributes net benefits to other livelihoods at the local and global levels, in the short and long term. A sustainable livelihood is not the same as employment or income enhancement: it has to be seen as synonymous with social inclusion (de Haan 2000).

In India, self-help groups (SHGs) and microfinance are often seen as the best medium for promoting livelihoods, especially within the rural context. The Self-Employed Women’s Association (SEWA), one of the earliest organisations

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2 Targeted at women by providing them with access to credit and financial services, SHGs were initially promoted by NGOs, but both governments and banks have subsequently promoted them. According to the National Bank for Agriculture and Rural Development at the end of March 2007, 2.92 million SHGs cumulatively received bank loans of Rs. 180,410 million (US$4.5 million). The southern states of Andhra Pradesh, Karnataka, Kerala and Tamil Nadu account for almost 54 per cent of the SHGs and almost 75 per cent of the bank credit (Ramesh 2007).
working on women’s livelihoods, identified the lack of access to credit as a major source of constraint for women working in the informal sector (Mayoux 2003). Microcredit – the disbursement of very small subsidised loans and other financial services to raise income levels and improve living standards – gained popularity as a tool for providing the poor and the very poor with access to credit. Subsequently, the concept was broadened into microfinance, which includes a broader range of services like credit, savings and insurance.

Although often microfinance is often credited with contributing to women’s empowerment, the SHG movement has had its limitations in promoting or even actualising formal citizenship rights for women, which are not an automatic outcome of women’s access to savings and credit, or group formation. In many cases, the benefits to empowerment are marginal. A majority of existing SHGs are limited to short-term material gains and do not really challenge women’s status as a vulnerable and marginalised group. Given that there are vast differences in the quality and nature of groups promoted throughout the country, SHGs provide spaces for women to address processes of social change only if the agenda within the group is nurtured and directed in that direction by the promoting organisation and its willingness to invest in such long-term goals (Banjeri, Dhar, Khalidi and Dhawan 2007). Only when such enabling spaces and processes have been provided are the women able to sustain social transformation regarding their status within the community and in society.

Income generation programmes such as those promoted through SHGs have done little to change the concentration of women’s enterprises in a narrow range of low-profit activities with few assets and low productivity. This has had related impacts on women’s economic participation. Any expansion in women’s income-earning activities is not compensated by men making a greater contribution to domestic work. Evidence on women’s control over assets is scarce (Mayoux 2003). Women are able to increase their productive role only through decreasing their leisure time, time for their children and social and political activities. Their ability to increase their income is limited by restrictions on their interactions with men outside the household, and responsibilities for unpaid household work or childcare, which undermine their negotiating power in markets. Even where they control their own incomes, these resources are commonly used for household consumption, rather than for investment. SHG programmes have often built on women’s traditional skills and on supplementary, part-time work in and near the home which can be combined with domestic work. They have not often sought the introduction of new skills or prepared women to enter male areas of expertise.

One SHG activity that has been promoted by various CSOs has been building market linkages for greater sustainability of women’s collectives. The aim was to market the products of women’s SHGs more widely, thereby realising better

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3 Empowerment refers broadly to the expansion of freedom of choice and action to shape one’s life. It implies control over resources and decisions. Empowerment can be seen as the expansion of assets and capabilities of poor people to participate in, negotiate with, influence, control and hold accountable institutions that affect their lives. An empowering approach to poverty reduction is grounded in the conviction that poor people themselves are invaluable partners for development, since they are the most motivated to move out of poverty (Narayan 2006).
returns and higher incomes. Similarly, marketing goods and services branded by women’s groups has been seen as an opportunity for expansion. Globalisation of economic activities, and the subsequent entry of large MNCs seeking new markets, has broadened the scope of market linkages for SHGs.

Globalisation and the spread of MNCs into the domestic markets of many countries has given rise to the notions of corporate social responsibility (CSR) and corporate governance. CSR is the ‘ethical behaviour of a company towards society’ (Agarwal 2008: 12). It ideally involves engaging directly with local communities, identifying their needs and attempting to integrate these identified needs with the business goals and strategies of the company. From the government’s viewpoint, CSR becomes the company’s contribution to the nation’s sustainable development goals. Companies in turn gain benefits from CSR activities, from innovation and learning to risk management, reputation and brand building, improvement in market position, cost savings and improved government relationships (ibid.).

Given the outreach of MNCs in the globalised world, corporate governance has gained credence. The UN started negotiations for a Corporate Code of Conduct in the 1970s, and although these were never concluded, the Organisation for Economic Cooperation and Development has had Guidelines for Multinational Enterprises since 1976, and the UN Human Rights Commission established its Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises in 2003 (Goldin and Reinart 2006).

Various businesses have also developed their own codes of business conduct and ethics, which touch upon several areas such as rules and regulations, the environment, equal employment opportunities and policy against sexual harassment (Agarwal 2008). Corporations fearing a ‘fall from grace’ have often been the stimulus for voluntarily formulated standards. These cannot be a substitute for global and national standards, but Goldin and Reinert (2006) argue that they should be actively scrutinised and supported for their ability to bring about improvements. Current global efforts at developing a code of conduct for multinationals – such as the UN Global Compact and the Global Reporting Initiative – do not have any mandatory compliance either from the signatories or the governing authority, raising doubts about their effectiveness.

Anti-corporation campaigning and transnational solidarity networks have grown to be a significant check to various MNCs (Naples and Desai 2002). There have been civil society campaigns against corporations, for example targeting Nestle for irresponsible marketing of baby milk, Barclays Bank for refusing to disinvest from apartheid South Africa, and a range of clothing manufacturers for abuse of labour standards and human rights. Many anti-corporation campaigns, such as the anti-Nike Clean Clothes campaign, have pressurised corporations to go beyond compliance with the law and adopt a more progressive and socially aware stance (Haufler 2008).

What then are the implications of globalised markets, campaigns and governance for women’s livelihoods in an obscure district in Andhra Pradesh in India? What opportunities for market integration would make their livelihoods more sustainable? Can following the model of marketing global branded products
provide a sustainable source of income? As rural women are integrated into the
global markets, what are the implications for their identities? Do they see
themselves as a part of the global marketplace, with important links to the global
economy? Or do they continue to maintain local, nationalist identities? When
these women need to organise to claim their rights, to whom do they turn? Do
they ask governments to mediate on their behalf? Do they consider MNCs, the
medium of their integration, as their obligator? And what kinds of organising
efforts evolve for them to make their claims?

3 *Shakti Amma* (empowered mothers)

Project Shakti is unleashing the potential of rural India and thus
changing lives. It is ushering in prosperity and more importantly, self-
respect.

(HUL 2008)

One of the best and sustainable ways Unilever can help to address
global social and environmental concerns is through the very business
in a socially aware and responsible manner.

(Unilever 2008)

Everybody wants brands. And there are a lot more poor people in the
world than rich people. To be a global business and to have a global
market share you have to participate in all segments.

(Keki Dadiseth, Former Chairman HUL, 2004)

The findings of this research are based on fieldwork undertaken in the districts of
Nalgonda and Medak in Andhra Pradesh (AP), where Project Shakti was initiated
before it was scaled up to seven other states. Nalgonda as the poorest district in
AP was in need of such initiatives to improve women’s economic status. In
Medak, adjacent to Nalgonda, one particular NGO was instrumental in promoting
Project Shakti. The key stakeholders involved in the research were HUL
personnel, government officials from state and district levels, heads of NGOs
collaborating with HUL in promoting the initiative, key personnel of microcredit
institutions and the main actors, the *Shakti Amma*.4 In partnership with the
Government of AP (GoAP), HUL had approached women who were already
running *kirana* (traditional provision shops) to become *Shakti Amma*. Meanwhile
NGOs collaborating with HUL on Project Shakti had approached women who had
no livelihood options; of these, half were nominated by SHGs.

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4 The women entrepreneurs supported by Project Shakti are called *Shakti Amma* (empowered mothers),
portraying an image of the woman entrepreneur as mother figure.
Open-ended questionnaires were administered to 40 Shakti Amma, 20 each from Nalgonda and Medak districts. There has been a deliberate attempt to have an equal mix of Shakti Amma selected by HUL and those selected by NGOs. The majority of the Shakti Amma interviewed were between 25 and 45 years old. Most had studied until the tenth standard (secondary school), but some were illiterate, while others had studied until the twelfth standard (higher secondary), and a couple were graduates. Most belonged to the Scheduled Castes. There was a sole representative from the Muslim community. Most of the Shakti Amma interviewed were below the poverty line.

Project Shakti was initiated by HUL in 2001 with the aim of creating income-generating capabilities for underprivileged rural women by providing a sustainable micro-enterprise opportunities, and to improve rural living standards through health and hygiene awareness. It aimed at transforming women from underprivileged households into entrepreneurs. According to the company, such income-generating initiatives are successful and sustainable when they are linked with the company’s core business and are mutually beneficial to both the intended beneficiaries of the programme and for the company. For HUL, Project Shakti was started as a CSR endeavour, a pioneering effort in creating livelihoods for rural women which, by equipping and training them to become an extended arm of the company’s operation, provides additional income and thereby improves living standards.

According to senior HUL personnel, the viability and sustainability of livelihood promotion activities needed to transform the microcredit agents created by the SHG system into micro-entrepreneurs. Development of skills was key to achieving this, but centres already set up by the GoAP to facilitate this transformation in districts were not effective. Influenced by the Grameen Bank model from Bangladesh, HUL approached the GoAP and suggested collaboration. In December 2000, HUL entered into a PPP with GoAP to initiate Project Shakti in 50 villages of Nalgonda District. A pilot was initiated in 2001 and subsequently operations were scaled up from 2002. Currently, in Andhra Pradesh, there are 3,077 Shakti entrepreneurs spread across 22 districts.

A private, national-level livelihoods and marketing support agency, Marketing and Rural Team (MART) was employed by HUL to work with government agents in Nalgonda District to identify market-driven PPP opportunities. It explored local opportunities and presented HUL with the idea of retailing their products. After detailed discussions with HUL representatives and field visits by HUL’s senior staff, details of the collaboration were worked out. HUL, MART and the GoAP, through the District Rural Development Agency (DRDA) were jointly involved in

5 HUL has successfully integrated business benefits with CSR initiatives in the past. Lifebuoy Swasthya Chetna (health awakening) is an HUL initiative in rural health and hygiene, launched in 2002, which has covered more than 17,000 villages across the country. The basic message was of the hygienic habits of hand washing. In 2003–04, sales of Lifebuoy soap increased by 20 per cent. The company has termed Swasthya Chetna ‘a marketing programme with social benefits’. It states in a report that ‘We recognise that the health of our business is totally interconnected with the health of the communities we serve and if we are to grow sales of our brand we have to increase the number of people who use soap’ (Agarwal 2008: 185–6).
the selection of the Shakti Amma. In some cases, DRDA staff and local
government officials were instrumental in the selection of the Shakti Amma.

HUL’s survey on the feasibility of Project Shakti and expected sales of HUL
products ascertained that rural households spend about Rs. 100 per month on
products of daily use like soaps, detergent and cosmetics. Shakti Amma were
asked to note the families known to them and list them as their customers, and to
try and sell goods worth Rs.100 to each of these families. This, according to HUL,
was an achievable target in villages with a population of more than 2,000. Villages
with less than two thousand population were to be treated as satellite villages that
could be tapped by the nearest Shakti Amma.

According to HUL, a typical Shakti Amma conducts a steady business, which
gives her an income in excess of Rs. 1,000 per month on a sustainable basis. As
most of these women live below the poverty line, and hail from extremely small
villages, this earning is very significant, and almost twice the amount of their
previous household income. In addition, it involves health and hygiene
programmes, which help to improve the standard of living of the rural community.

Project Shakti also includes Shakti Vani (public speech), a social communication
programme. Women, trained in health and hygiene issues, address village
communities through schools, village baiithaks (meetings), SHGs and other social
fora. iShakti, a network of Internet kiosks providing specially tailored rural
information services was launched in 2003 to support the project.

Project Shakti has been implemented through different modes across the country – in collaboration with the state government, through NGOs, financial institutions
and directly through individuals. In various districts of Andhra Pradesh, five NGOs
already involved in promoting microcredit partnered with HUL to implement the
Project. In two blocks, it was implemented through government programmes, and
at the outset, government was central in facilitating the selection of Districts and
identification of SHGs. According to senior government officials, there were
negotiations between the Government and HUL with respect to the benefits
accruing to women in the Project, though the current incumbent of the concerned
office was unable to share the exact details of the negotiations. Moreover she was
unaware of any differences of opinion regarding major issues of the Project
between the two parties (interview with Director, Self-Help Groups, Commission
for Women and Child Development, 24 November, 2006).

The idea of implementing Project Shakti through the SHG Federation was
explored, since it afforded a bigger scale of operations, but practical difficulties
were encountered (interview with Regional Manager, Project Shakti, HUL,
23 November 2006). The Federation was unwilling to bear all the expenses that
would be incurred, and members were also unwilling to remunerate those who
would manage the business.
4 Implications for citizenship through citizen engagements in global processes

4.1 Enhanced incomes?

‘I thought I would be employed, so I took this initiative.’
(Lakshmi, Medak)

‘My family needed some financial assistance.’
(Ratnamala K., Medak)

‘There were too many expenses at home and I wanted to increase my family income through this initiative.’
(K Sreelatha, Nalgonda)

‘I gave my gold chain as collateral for a bank loan to start this dealership.’
(V. Lalitha, Nalgonda)

‘I thought I would be the only one in the village selling HUL products, I would be able to make a good profit.’
(K. Vijayalakshmi, Nalgonda)

On average, Shakti Amma have invested Rs. 10,000 each in purchasing stocks from HUL. The NGOs collaborating with HUL on Project Shakti provided money to some Shakti Amma for this initial investment, while others were given loans through the credit and savings schemes of their SHG. Most however generated their own funds for the investment required for the dealership. HUL estimated that the Shakti Amma would be able to make a profit of Rs. 1,000 to Rs. 3,000 per month on this investment, depending on the sales turnover. A Rs. 3000 profit would depend on a Rs. 30,000 per month turnover.

For about half the Shakti Amma, the profits they make now have doubled since they began the dealership. For a few, the increase in the profits has not been significant, while profits have fallen for others. Four Shakti Amma interviewed have stopped the dealership because of falling sales and an increase in the number of retail outlets in the villages. According to HUL, Shakti Amma make a minimum of 8 to 9 per cent profit on their turnover.

HUL worked out variable profit margins for Shakti Amma, depending on the clientele. A Shakti Amma could distribute goods to village shopkeepers, with a margin of 3 per cent, but would sell the goods at 6 per cent margin to other SHG
members, and at a 9 per cent margin when they become retail outlets. Although on the whole Shakti Amma have followed the margins set by HUL, quite a few of them have used their own rationale in fixing margins for various customers. For instance, a few of them have sold products to other SHG members at a 5 per cent margin, and there were some who sold products to other SHG members at market price. At their own local shops, most of the Shakti Amma sold the products at the maximum retail price. HUL admits that although the company advocates margins for selling their products to different consumers, they leave the final decision of the margins to the Shakti Amma.

4.2 Opportunity costs in Project Shakti

With profits from dealerships largely depending on the sales of the HUL products in the village, some Shakti Amma felt that the kind of profits on offer were not worth the hard work involved. Only where the Shakti Amma is already a shopkeeper are initiatives running with relatively high profits. According to some Shakti Amma the Rs. 10,000 target turnover was too high and they were unable to achieve it; it was difficult to increase sales. HUL claims that there are no fixed targets for a Shakti Amma. She sells whatever she can on her own initiative, while they simply give directions and guidance.

The time spent by Shakti Amma on the dealership varied between two to eight hours a day, and usually involved the active support and participation of the entire household. Husbands or sons employed outside the village or having means of transport by which they can easily access other villages become primarily responsible for taking orders and delivery of goods to the nearby villages. A Shakti Amma relies on children, in-laws or unmarried siblings to cater to customers in her absence. She also relies on women family members, especially daughters, to carry out household chores to give her the time to take up the dealership more actively. The success of the Shakti Amma is then dependent on the active participation of the entire family.

In some villages, SHG members competed with each other to become the Shakti Amma in the village. Almost half the Shakti Amma faced opposition from the traditional shopkeepers in the village. Initially, Shakti Amma would go door-to-door in an attempt to increase their outreach. Traditional shopkeepers were apprehensive that this would affect their sales and profits. There were also differences regarding the margins at which the women entrepreneurs would sell the products to the traditional shopkeepers. Shakti Amma have also found it difficult to sell HUL products since duplicate products with similar names as the branded products were available at lower prices, and villagers prefer buy these to the HUL products.

4.3 Citizenship and identity formation in Project Shakti

Citizenship and the notion of identity – how people see themselves as citizens with their multiple identities of caste, sex and class – has an impact on their perception of rights, obligations and their sense of participation in public spheres.
(Jones and Gaventa 2002). Acquiring a sense of independent identity has in some cases become a starting point for changing this perception of the self as a citizen for some Shakti Amma. Almost all Shakti Amma interviewed have stated that they are happy to be a part of the project. Prior to this initiative many were housewives, teachers, working in their fields or in the family shop. After the initiative, they have started earning money of their own and now contribute to the family expenses. The ability to do this even within the confines of their homes has increased their self-confidence and their awareness and knowledge of their surroundings. One Shakti Amma said that fights between her and her husband have increased ever since she became an entrepreneur, as both were now working and would come home tired.

Only four Shakti Amma have expressed dissatisfaction regarding the initiative. One felt that the dealership was not doing well, especially since she did not have any experience in running a business, and so she stopped trading. Another stated that similar inexperience had led to a loss of Rs. 20,000 as products remained unsold. The other two Shakti Amma who had stopped the trading said that the main distributor for HUL products had moved from Bongir to Ghatkesar, which proved more expensive in terms of transportation charges.

For a limited few, engaging in Project Shakti has given access to formal notions of citizenship. Socially, almost all Shakti Amma stated that they have gained respect and recognition within their villages. A few have claimed to establish good linkages with the teachers, sarpanch (village head) and other important members in the village after becoming the Shakti Amma. A few stated that although the surname of a person is important in the village, they are now being recognised by their first names, giving them a sense of pride and satisfaction. One even stated that the villagers may not know her as a Shakti Amma, but if anyone in the village asks for the person who sells soaps, they are quickly directed towards her.

Of the political benefits for the Shakti Amma, only three of the women interviewed have contested elections to the local self-government institutions. Three more have supported other candidates to contest elections. One stated that she would not be averse to contesting elections if she were given the chance but has not pursued it actively. Yet another stated that contesting elections would mean that her business would suffer, leading to a reduction in sales. During the previous elections, the reduced sales resulted in increased pressure from HUL to meet targets and she did not reconsider contesting elections.

Although Project Shakti has led to a strengthening of individual identity for almost all, an identity formation among the Shakti Amma as a collective engaging with global economic processes has been neither promoted nor developed as a result of such engagements. A space for the collective has not been created either by the company or by the state. HUL has not taken the initiative to ensure regular interaction among the Shakti Amma within a specific region to ascertain their opinions on the Project or ways to improve the existing processes, or even as a means of improve business. The state seems to be of the opinion that the mere act of engaging with the MNC and becoming economically solvent has empowered these Shakti Amma enough to take on the role of an active citizen and if need be challenge the might of the MNC. But even assuming that Shakti Amma would have an autonomous sense of agency to change the terms of such...
engagements is thrusting upon them a responsibility for which they are currently ill-equipped.

Though Project Shakti may have brought the Shakti Amma outside the ambit of the private spheres of their homes, it is doubtful whether it has exposed them to spaces beyond the village, the district or the state, let alone to global arenas. At the most, Shakti Amma are aware of HUL as a producer of 'good quality soaps and detergents'. Engagements with HUL have not led to a greater understanding of the global processes embodied by it.

With reference to a sense of global identity, ability to access and participate in trans-state institutions and decision making fora, Shakti Amma do not come across as being 'globalised'. The existence of a sense of global citizenship among Shakti Amma is very weak. The terms of their engagements with global processes in production and consumption have been mediated and negotiated by either the state government or through NGOs, without their direct involvement. The effectiveness of such engagement has not been enriched with the lived experiences of those directly involved in the engagement.

4.4 Alliances and mobilisation within Project Shakti

Although individual agency may be a central aspect of claiming rights and observing duties, collective struggles to redefine processes have often been successful in the transformation of institutions that have resulted in more inclusive practices of citizenship (Kabeer 2003). The absence of a collective of the Shakti Amma is indicative of the many problems that they have faced in Project Shakti. The formation of a collective body and a legitimate space could have been instrumental in solving some of the problems, particularly understanding margins and keeping accounts at the start of the initiative. All the Shakti Amma interviewed stated that they did not negotiate with HUL about any aspect of the initiative.

In particular, the idea of credit was not encouraged by HUL either for the Shakti Amma or for their clients. Some Shakti Amma felt that given the rural situation and their economic background, the idea of credit needed to be explored. A few have, on their own initiative, given credit to other SHG members to promote the dealership within the village, but the Shakti Amma would have to pursue the customers to collect her dues. Sometimes villagers would only purchase their monthly or daily requirements from the Shakti Amma if they were specifically promised a discount. One Shakti Amma stated that it was difficult to convince even the SHG members to buy the products from her. Another claimed that since she was giving a discount on the products, villagers were doubtful about the quality of the products. In some places, where mandal headquarters were close, villagers preferred to buy from the mandal rather than the Amma.

Delivery of stocks by the HUL representatives has also posed problems. HUL’s rural sales person (RSP) would not take regular orders from the Shakti Amma, who have reported delays in the delivery of stocks, or the delivery of stock in instalments. They observed that no such leeway was given when it came to payment for these stocks. In addition, new products were sent without consultation regarding product feasibility, and HUL was reluctant to take back
products that had low sale turnovers. Shakti Amma also said that the RSPs forced them to purchase stocks valued at more than Rs. 10,000 with the promise that they would get gifts, which were never received. An entrepreneur had also stated that she was given bills on a blank sheet of paper and not the company receipt, which should have been the correct procedure. Moreover, the Shakti Amma feel that the frequent replacement of the HUL marketing personnel is a deterrent in the smooth functioning of the Project.

Shakti Amma have also faced problems with the process of retailing. Although HUL agreed to take back unsold stocks, they have not done so. According to the Shakti Amma, often only small quantities of any product are required in rural areas, and the quantities sent by HUL were in excess. They also feel that products that have no market in rural areas are dumped on them. The fact that they are not allowed to sell other branded products is, according to them, a hindrance in achieving greater profits. Storing excess stock was often a problem, needing either an investment on the part of the Shakti Amma for constructing a shed to store the products, or storage limited spaces of family houses.

Distributors of HUL products with large stock storage areas get high subsidies through the Project. NGO implementing partners have asked for the Shakti Amma to receive similar levels of subsidy from HUL as those given to the distributor, despite their problems with stock storage.

Civil society, through its popular representative the NGO, attempts to provide a voice to the marginalised and excluded by challenging the existing power structures in society. Civil society can be the driving force behind actualising an ethical globalisation and Civil Society Organisations (CSOs) have the ability to pull other prominent actors with them (Clark 2003). National government horizons are too parochial and short term (Clark 2003) and they may find it difficult to regulate corporations for fear of capital flight or relocation of industries (Gaventa 2001). Corporations are quick in their responses to the dynamics of an integrated market whereas the state and civil society may be slow and fragmented in their response, given the kind of balancing act between the different interests and demands they represent (Edwards 2001). Despite this, civil society may be better equipped to play the countervailing role between the expanding influence of the market and the declining power of the state (Gaventa 2001) though in reality few CSOs have been successful in doing so (Edwards 2001).

In recent years the practice of democracy has moved from a delegative democracy where the citizens have the occasional chance to pick delegates from a small group, to deliberative democracy in which citizens are more actively engaged in decisions that particularly concern them (Held 1998 cited in Clark 2003: 69). Civil society has to some extent been involved in this transformation. Civil society is poised to play the role of an innovator or facilitator by influencing large institutions like the state governments and corporations to adopt and embrace participatory approaches to change (Gaventa 2001). Clark (2003) argues that civil society offers the only avenue for fostering political concern on these issues, using moral persuasion to press for specific reforms and greater accountability to citizens. Codes of conduct that are developed by the corporations are stringently implemented only when there is a strong consumer pressure to do so. Building constituencies for creating this pressure are often the
Clark continues by arguing that engaging with multinational corporations can and should shift from problem-focused advocacy to solution-focused advocacy and influencing the corporations to try out new approaches. CSOs working for inclusive solutions can include practical strategies to ensure participation (ensuring that people have influence over decisions affecting their lives), empowerment (helping people see their own potential as active agents in development), equity (ensuring that laws, services and opportunities are afforded without favouritism and that the benefits of development are broadly shared) and security (ensuring that the most vulnerable people get the most protection) (Clark 2003: 209–10).

In the context of Project Shakti, civil society actors become important in the terms of their capacity to negotiate with different bodies, be they MNCs, transnational networks or groups of local grassroots women. The corporate sector, in its attempt to undertake CSR as a business strategy, relies to a large extent on NGOs, as they feel that NGOs possess a better understanding of the dynamics of rural India. Five NGOs involved in implementing Project Shakti in AP have discontinued their association with the Project, but they have not come together to establish horizontal linkages over the issues on which they disagreed with HUL. Creating such linkages could have been instrumental in creating a constituency for compelling HUL to reform Project Shakti in AP, which would have had implications for the implementation of the Project throughout the country.

The NGOs, though an actor involved in the partnership, were never included in the negotiations between HUL and GoAP. Subsequently, all five NGOs disassociating with Project Shakti have raised questions regarding the sustainability of the initiative, and critiquing the assumptions behind Project Shakti. They have stated that Project Shakti as an income generating activity is not synonymous with livelihood promotion. A sustainable livelihood involves the promotion of assets and its maintenance and enhancement for the coming generation along with benefits to other livelihoods. According to the NGOs, HUL has used the SHG model to build the entrepreneurial skills of women, which cannot amount to a livelihood activity. There are no additional activities of production based on the existing livelihood opportunities available in the area, which are largely agricultural. Questions have also been raised regarding its sustainability. One NGO head had requested all SHG members to buy from the Shakti Amma, but he felt that this kind of ‘requesting’ cannot go on for an indefinite length of time. If it had to be continued for a longer period, the same resources could be invested in other initiatives which would have better chances of sustainability.

The NGOs also suggested that HUL take the financial burden off the Shakti Amma and become a kind of guarantor for them by using its status as a registered body to provide surety for stocks given on credit. This suggestion by the NGOs was not incorporated into the initiative. NGOs also felt that HUL had promised more activities directed towards empowering the women – such as training in book-keeping – than it had actually delivered. A six-month literacy class
which paid local literate women an Rs.200 honorarium to teach others was stopped abruptly by HUL.

If the NGOs, which were instrumental in the implementation of the Project, had been part of negotiating the project, along with the government and HUL, the terms and conditions of the economic engagement may have been different.

4.5 Representation, legitimacy and accountability in Project Shakti

Existing resource distributions among various institutions in society characterise the terms of access to these resources and the agency that actors possess that ultimately define the power relations between them. Power relations between different actors involved in Project Shakti influence the dynamics of representation, legitimacy and accountability in the project. HUL is clearly the main actor. Worldwide, HUL’s parent company Unilever has attempted to transform itself by minimising the negative impacts of its business and becoming part of the solutions to global crises. For example, through an analysis of its economic footprints in Indonesia and South Africa, the company is striving to understand economic, social and environmental impacts on the countries where it does business (Kapstein 2008). One of the important findings of this analysis was that participation in Unilever’s value chains does not guarantee improvements in poor people’s lives.

In India, HUL has endeavoured to be a ‘good citizen’ through its CSR approach which, according to its website (www.hul.co.in) aims to ‘integrate our social, economic and environmental agenda with our brands, our people and the way we conduct our business’. Along with Project Shakti, HUL’s ‘Citizen Lever’ programmes include Greening Barrens (water conservation and harvesting), Lifebuoy Swasthya Chetna (health and hygiene education), Fair and Lovely Foundation (economic empowerment of women), and Happy Homes (special education and rehabilitation of children). CSR is seen as a business strategy which focuses on finding opportunities to work out market solutions to public problems. For a corporation, pursuing CSR might be expected to have positive results like productivity gains, cost savings, new product markets, brand enhancement and protection of its reputation. In the case of HUL, Project Shakti is in part a strategy to ensure the future survival of the business by breaking into the huge, untapped rural market of small Indian villages which its traditional distribution centres did not reach (Gupta and Rajshekar 2005). Despite Project Shakti’s CSR identity, HUL is not really in a position of accountability to any other stakeholders, whether GoAP, NGOs or Shakti Amma.

The GoAP was keen to participate in Project Shakti, because the benefits of the initiative were to percolate to existing SHGs. The assumption in collaborating with HUL in this Project was that new ideas would be brought into the SHG movement. But GoAPs enthusiasm has waned over the years. It withdrew from the role of the facilitator two or three years after the Project was initiated, with government officials feeling that since the Project was now in place, both the Shakti Amma and HUL could manage on their own. Although government officials are very confident that women would approach them if they faced problems in the initiative,
there has been no active interaction with the Shakti Amma to ascertain whether there are problems associated with the project. Problems individually communicated to the government officials at the lower levels may not have been considered as common to a sizeable proportion of the Shakti Amma. The government admits that on their part, currently, there is no monitoring of Project Shakti. It is thus not surprising that the government does not possess figures on the number of active Shakti Amma in the district.

In developing countries, the state is still a significant player in the changing relationships brought about by the processes of globalisation. Even in developed countries, the State has played the role of setting the basic acceptable standards of public action in society, and of mediating between conflicting interests. It was expected to act as a negotiator for marginalised and excluded sections of society. In the pre-globalised context, to a large extent, citizen engagements in governance processes have never been direct, but almost always through the medium of the state at the global, national and local levels.

With the process of globalisation, the state has withdrawn from its welfare role. The state is trying to find solutions to promote welfare measures, and PPPs are one such solution. The state views itself largely as the facilitator in the implementation of PPPs. In a developing country like India, the state cannot abdicate its responsibility towards its citizens. The primary stakeholders of any PPPs, like the Shakti Amma in Project Shakti, are not engaging in such PPPs as equal partners. And it is the mandate of the state to ensure that the terms of such PPP are not harming the less powerful actors in such initiatives. It seems that the GoAP never questioned the objective of HUL in starting this initiative, but took the philanthropic objectives for granted. The lack of government monitoring does not bode well for the Shakti Amma. The GoAP did not heed the anxieties of the NGO partners. The State needs to listen to civil society assertions which reflect the need for incorporating people’s agenda in the scheme of governance (Tandon and Mohanty 2003).

The representation of the Shakti Amma in decision-making processes of Project Shakti has been virtually non-existent, to the extent that some are quite unsure even of who to approach for resolution of problems in the dealership. Although those selected by HUL do identify with the corporation, they do not approach them for resolution of problems. Those selected and promoted by NGOs look towards the NGOs to mediate with HUL on their behalf. For most, there seems to be an implicit trust that whatever the GoAP promoted would be in the interest of its citizens. The Shakti Amma stated that they looked towards the government to give women more employment and livelihood opportunities for their social and economic development. They wanted the government to give subsidies or loans to underprivileged women, provide them with training to start their own small industries, and most importantly, help in the marketing of such initiatives. NGOs should, according to them, focus on vocational training, especially in the preparation of household products, which might be useful for the villagers to enhance their livelihoods.

The Shakti Amma look towards HUL for credit facilities to facilitate the dealership. A couple have also expressed a desire that HUL provide them with two-wheelers to make them mobile and hence increase the opportunities to take up satellite
marketing. A few wanted the company to advertise the dealership to help increase sales, while others asked for higher margins for the products being promoted under the Project. Some felt that though HUL has started a good initiative, it has not put the proper structures in place to enable the smooth functioning of the project.

**4.6 Dynamics of inclusion and exclusion in Project Shakti**

Gupta and Rajshekar (2005) argue that, for most companies, rural India has remained an abstract concept [...] Over the years, [HUL] has defined what competitive marketing is all about. Its distribution system has been the envy of every other marketing organisation in the country. [...] [HUL’s] much-admired distribution machinery was directly servicing less than a fifth of India’s villages. This was the fallout of uneconomical last-mile logistics. The business generated by retailers in these half a million villages was less than that incurred by the company to service them. That meant [HUL] could not reach out to nearly 87 per cent of India’s villages, which have a population of 2,000 or less [...] Retailers in these villages relied on the wholesale channel – easily one of the most cost-effective mass distribution systems. So products did get through, but only fast-moving brands [...] Without a direct distribution system in place, Lever knew that only a handful of its brands would reach rural shop shelves.

(2005: 2–6)

Although HUL representatives claim that Project Shakti has not generated an income equivalent to the investment in the Project, let alone profits (interview with Regional Manager, Project Shakti, 23 November 2006), Project Shakti has been an opportunity to build its brand in hitherto untapped and therefore, unsaturated markets. It has increased its visibility in these areas and generated further markets for the company. Some have pointed out that HUL has ridden the SHGs piggy back, a system that was promoted and whose investment costs were borne by the government, not HUL (interview with Director, People’s Action for Creative Education, 26 November 2006). Earlier, retailers used to stock only the faster moving items like Lifebuoy and Rexona (brands of soaps). Now, with the *Shakti Amma*, the company has achieved enhanced popularity and increased sales for other items like Pepsodent (a brand of toothpaste) and Annapurna (a brand of iodised salt) (Gupta and Rajshekhar 2005). HUL also launched *Shakti Vani*, to increase awareness on health and hygiene through public service demonstrations. This emphasis on health and hygiene, in turn, was expected to increase demand for its personal care products.

Although HUL has brought about economic independence to some women in areas with incomes as low as Rs. 650–1000, for the company there is much at stake. It is believed that profits from Project Shakti could be as large as those of HUL within a decade. In 2006, the size of the business for Project Shakti was a little over Rs. 100 crore; the targeted size was to be Rs. 1000 crore by the end of 2007. Even as part of its CSR, critics point out, Project Shakti as a social enterprise cannot be equated solely with either enterprise or social work. Although
CSR has its positive aspects, the current practice of CSR may not be sufficient to bring about a positive change in existing societal structures and relationships, as a number of issues are excluded from the ambit of CSR, including for example changing gender relations in society.

Shakti Amma were to be the primary stakeholders in this engagement with market forces. Yet, they have come across as the object of the project, without the status of an active partner. Moreover, there has been no feedback mechanism to inform HUL’s senior representatives of the problems associated with the implementation of Project Shakti. HUL’s interaction with the Shakti Amma is at its best at the lowest level of the company, through the RSPs, but they have been given vast territorial areas to cover, and are under tremendous pressure to meet their targets. Only a few of the successful Shakti Amma have actually got to meet the senior representatives in HUL, at felicitation ceremonies held in Bangalore and Tirupati. These senior representatives have unofficially agreed that mechanisms for getting feedback to the women is virtually non-existent.

Project Shakti assumed that creating income-generating capabilities for underprivileged rural women would lead to economic independence and better rural living standards. The levels of empowerment witnessed by Shakti Amma have been rather varied. They have contributed to the family income, leading to an enhancement of self-worth amongst some. Greater social recognition and respect for almost all the Shakti Amma have led to an increase in their confidence, and for some, their knowledge of business has increased too.

Yet empowerment as freedom of choice and action to shape one’s life, along with control over resources and decisions, is not an evident result of the project. Often, men have appropriated the benefits of microcredit enterprises (Goetz and Sen Gupta 1996, cited in Masika and Joekes 1996: 3). In the case of Project Shakti, many dealerships are in the names of a Shakti Amma, but their actual running is in the hands of the husband, with limitations on women’s mobility of often cited as a reason. There is also a feeling that the women, in their effort to improve their living standards, are in reality subsidising the time they spend on such initiatives by cutting down on other activities like household chores, leisure activities and socialising. This is not taken into account as a cost of the project.

The Shakti Amma can be seen as a door-to-door sales lady, marketing the concept of health and hygiene alongside HUL’s products. Associated with this sense of cleanliness are also a sense of modernity and a ‘modern’ notion of feminine beauty as epitomised by Fair and Lovely, a skin whitening cream which is a very popular brand of HUL. Universalised notions of beauty have spread with globalisation, and are now percolating down to influence the lower and middle classes, even the poor (Bhattacharya 2004). Female viewership of television has increased and when women becoming earners, they become the prime targets for advertising (Thakurta 2004).

HUL has provided opportunities that are empowering, but if the structures within which those empowerment opportunities are provided are problematic then there cannot be empowerment in the more encompassing sense of the term. HUL has not been interested in changing the structure of society. Increasing the capacity of women to purchase Fair and Lovely does not translate into the automatic
empowerment of women purported by advertisements that suggest it leads to greater success in professional and personal lives. The *Shakti Amma* are not in a position to make informed choices regarding avenues for enhancing their quality of life. Selling HUL products might not be the best option for them, but has often been the only one on offer.

The original intention at the outset of Project Shakti was to engage through SHGs. The practical implementation of the project has mostly been through individuals rather than groups. Hence, the position of the SHG and the power and agency of the collective has to a certain extent been undermined in the process. There is no active involvement of the groups in the project and there are no efforts at reduction of poverty through group savings and credit, one of the main functions of SHGs. There are, limited as it may be, traces of jealousy among other group members of the economic gains from the project, diluting the social cohesion that might have existed within the group in its savings and credit form.

Those *Shakti Amma* who are members of SHGs do not feel that they have brought any substantial benefits to the group. Some have stated that they have made cards for the SHG members who can then take products from the *Shakti Amma* on credit, along with a 5 per cent discount. A couple of *Shakti Amma* stated that they would give loans to the SHG members if they asked for them. One *Shakti Amma* stated that she has given other SHG members the confidence to take up the initiative in their own areas.

Implementing NGOs now seem to be caught in a dilemma. On the one hand, having collaborated on this initiative, they have in some senses agreed to the basic principles of PPPs. On the other hand, implementation problems have raised doubts regarding their perceived role in the promotion of such PPPs. There is a perception among them that Project Shakti may not be suitable for all the places and even for all SHG members. One has to keep in mind that a large number of SHGs are being formed through various projects, and that their quality varies in the areas. Due to this treatment of SHGs as a uniform entity across the state many such initiatives have only led to failures.

The community is also an indirect stakeholder in the project. Project Shakti had no space for active engagements on the part of the community and was in fact initially opposed by the other traditional shopkeepers in the village and some male members in the community. The shopkeepers were opposed to *Shakti Amma* as competitors in their traditional occupation. The male members of the community were opposing the initiative being targeted only towards women. The project seems to have limited scope to bring about greater social and economic cohesion or integration within the community. There are no sustainable livelihood opportunities, in the form of asset building or resource sharing generated by the Project that would lead to the overall development of the community as a whole. During the groundwork for the start of the project although there were opportunities for incorporating the community as a whole within the process of production and not merely consumption, there was no attempt to do so. Informal advice to HUL to source castor oil from this region in order to boost local incomes and thereby increase purchasing power were not taken up (Gupta and Rajshekar 2005).
4.7 Contestations over knowledge in Project Shakti

The process of knowledge formulation and building in citizen engagements with global processes is an important avenue in claiming rights from concerned institutions of power. The process of data collection during the research has hinted at some of these challenges. While trying to meet the local representatives from HUL to explain the research, the research team was requested to seek permission from district level HUL personnel working on Project Shakti for undertaking the research. The district level personnel in turn asked the team to seek permission from the regional level Project Shakti staff who in turn asked them to get in touch with the national level business representative of HUL. During an hour-long conversation with the concerned person, there were questions raised on the need and authenticity of the research outcomes. After the conversation with the national level HUL personnel, the research team then contacted the regional level representative who claimed that before extending his support for conducting the research he would have to ascertain from the national level personnel whether it was all right for him to do so. Each level of staff followed this process of seeking approval.

During the interviews with the Shakti Amma, the local in-charge of Project Shakti accompanied the researcher in one instance and took strong objections to some of the questions being posed to the Shakti Amma. He stated that the research team had no right to enter and ask questions, and asked the research team to forward the questionnaire that was formulated. During this particular round of interviews, he stopped the researcher from asking certain questions pertaining to the problems associated with the project. Despite clarifications by the research team, the concerned staff asked the researchers to re-assess and allow all questions to be approved by the HUL representative, failing which HUL would withdraw support from the study and ensure that the Shakti Amma would not interact with the research team. Upon much reassurance of the genuine intentions of the research study, the concerned staff later made a minor change in one of the questions in the questionnaire.

The importance of sharing with HUL any report which was to be put into the public domain was impressed on the research team. When the draft report was shared with the local representative of HUL, he initially seemed reluctant to meet the team to provide his feedback on the findings. Finally, over the phone, he stated that he did not agree with some of the findings of the report. He stated that the information gathered by the research team about these ‘supposed’ problems in Project Shakti were incorrect. As the implementing agency, HUL should be the main actor to which the research team should have spoken, and they should not have sought information from other sources, which may have been a fabrication of the facts.

In today’s world of instantaneous communications, examples of socially irresponsible practices or behaviours can do enormous damage to organisations’ credibility on other issues and other places, be they private corporations or civil society (Gaventa 2007). The implication of this stance of the company runs counter to the principles of transparency that are written in its Code of Conduct. Some of the problems that Shakti Amma faced may have been teething problems that could have been sorted out through a feedback mechanism which then
addresses the gaps and loopholes of the system, which then results in it functioning more effectively. Resisting and ignoring facts acquired through research by other independent bodies may actually be more harmful for the company in the long run. This could have been an opportunity for HUL to reinforce its image as a responsible citizen, taking into account the needs of those whom they are trying to empower. NGOs involved in this initiative could have been the starting point for the raising of issues relating to the Shakti Amma at the local level, with the government as well as with the HUL. They could have also imparted the knowledge that they acquired through a wider implementation of the initiative to those directly concerned in the Shakti Amma in order to facilitate a process of collective response to the existing problems.

5 Conclusions

Globalisation 3.0 is going to be more and more driven not only by individuals but also by a much more diverse – non-Western, non-white – group of individuals. Individuals from every corner of the flat world are being empowered.

(Friedman 2005: 11)

Historically, the local has been considered a key site for democracy building and citizen participation. It is where spaces and mechanisms are created for new forms of citizen participation whereby citizens can ‘make and shape’ policies which affect their lives (Cornwall and Gaventa 2000, cited in Jones and Gaventa 2002: 23) and where citizenship agency among people has been able to ‘reclaim the state to protect people’s interests’ (Naples and Desai 2002: 268). For this to be actualised citizens need to have sense of a right to participate, the capabilities that would make such participation effective, and the sense that such participation would have a positive impact on political processes with the nation state (Jones and Gaventa 2002). For the Shakti Amma, participation in Project Shakti may have realised for some the benefits of formal citizenship. But this sense of being a citizen is not the same as having the potential claiming and exercising the right to act as a citizen (Lister 1997, cited in Jones and Gaventa 2002).

Globalisation may have offered livelihood opportunities to rural women as marketing agents for HUL. Through this MNC initiative, Shakti Amma have been able to increase their income and gain some social status within their limited sphere of the village or district. Despite being a part of the global economic chain, these women continue to view their identity locally, but in a slightly different image, that of ‘hygiene amma’, bringing the message of cleanliness, aspirations of the modern and popular notions of feminine beauty to villages. This different image is not without costs to most of the Shakti Amma, caused by the many problems in the actual running of dealerships.

To some extent Project Shakti has undermined existing collective approaches and collective forms of self-organisation as counter-hegemonic alternatives. Some SHGs have lost their strong leaders to Project Shakti. More involved in promoting the dealership to achieve the targets set by HUL, many Shakti Amma are not
active in local politics, or inclined to deal with larger social issues that were often taken up by the SHGs.

The actual running of dealerships has often been in the hands of the men. While HUL sought empowerment of women through Project Shakti, it may have, to a certain extent, perpetuated the existing gender relations in the larger society.

The GoAP helped HUL build linkages between individual members of SHGs, and then washed its hands of the project. This is the consequence of shifting global authority and weak regulation of MNCs by national and provincial governments. The endeavour on the part of the state should be to continue as the core actor in the formulation of common goals of economic and social justice, promotion of genuine citizenship through the participation at the national and sub-national levels, while simultaneously advocating on these issues at the global level. Globalisation can work for poor people but it cannot be automatic. This crucially depends on the government policies regulating MNCs: this is where the state has an important role to play in the globalised economy (Goldin and Reinart 2006).

Global citizen action can be successful when it is located at multiple levels – local, national and international – through effective vertical alliances (Gaventa 2001). In the case of Project Shakti, this citizen action at the local level could have been a collective agency of the Shakti Amma engaging with state and market actors at the sub-state and national levels, with NGOs playing the facilitator role. Civil society actors in this project missed the opportunity of taking the nascent space and mechanism of citizen participation that were opened by such engagements to turn it into more meaningful issues for advocacy at the sub-national and national levels. Vertical links are also strengthened through horizontal networks and partnership (Gaventa 2001). In this case the civil society actors could have forged alliances with the other NGOs involved in this Project to build upon common issues to strengthen the case with state and market actors at the sub-state and national levels.

Corporations seem keen to join with NGOs on business-civic partnerships or corporate-citizenship ventures simply because in the eyes of the common person the NGOs are more trustworthy than the large corporations or even the government. Sometimes NGOs seem to be sceptical of such partnerships arguing that they depoliticise the issues and obscure power inequalities (Newell 2002, cited in Clark 2003). Civil society has also become aware of the real possibility that in this sense corporations have claimed themselves to be global citizens but in reality little changes and then CSOs run the risk of endorsing such a bogus trend (Clark 2003). Civil society therefore runs the risk of becoming the midwife of market penetration; and in this case, some have disappeared without any accountability to the Shakti Amma they were instrumental in creating. Others, questioning their role in the partnership and attempting to resolve it, are left with a sense of helplessness. Civil society may have to be more discerning in the partnerships that they may forge with global processes and in some cases, be the catalyst that takes local struggles to more public arenas of debate and discussion.

The market too has found that working with civil society is good for business leading to better project implementation, lower failure rate, better public image and political support from different stakeholders (Edwards 2001). For MNCs, engaging
with civil society is critical in building their image. It has been found that social responsibility and emotional appeal are the two important factors in building the reputation of corporations. There has been a steep growth in MNCs engaging with the community, global philanthropy and the United Nations. Apart from drafting and publishing codes of conduct, they have also started hiring former NGO campaigners as advisers. Many subject their operations to social and environment assessments through the various accreditation methodologies (Zadek 2001, cited in Clark 2003). For MNCs aspiring to be a more responsible citizen, both globally and in individual states, citizen-oriented mechanisms need to be evaluated more dispassionately and accurately.

Changing landscapes of power and governance within the global arenas have significant implications for all actors, state and non-state. For globalisation from below to become more meaningful to citizens, citizenship, participation and accountability should become the core pillars of all governance processes within the national and global governance landscapes. Spaces and mechanisms for citizen participation in decision-making both at the national and the global scales need to be created and stressed by various actors. Legitimate representation, participation, mobilisation, intermediation, transparency and accountability should become the guiding principles for these new spaces of civic engagements.
References


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