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Financial Inclusion and Women's Economic Empowerment: A Study of Orunodoi Beneficiaries in South Salmara Mankachar District of Assam

Md. Muktazur Rahman Kazi[1], Dr. Anil Bhuimali[2]

[1]Ph. D. Research Scholar, Department of Economics, North Bengal University & Associate Professor in Economics, Mankachar College, Assam

[2]Professor, Department of Economics, North Bengal University

ABSTRACT: Economic empowerment of women is being considered a primary development agenda, especially in areas with chronic poverty levels and gender disparity. The cash-based financial inclusion program of direct cash transfer (DCT) is actively encouraged to strengthen the financial agency of women and the welfare of households. This paper looks at the effects of the Orunodoi Scheme, a women-based cash transfer program of the Government of Assam, on the economic empowerment of women in the South Salmara Mankachar district. The research employs a comparative and multidimensional methodology, utilizing primary data collected from 200 Orunodoi beneficiaries and 100 non-beneficiaries across ten Gram Panchayats in the district. A weighted additive method of aggregation is used to create two composite indices, namely the Economic Empowerment Index at the Household level (EEIH) and the Economic Empowerment Index at the Community level (EEIC). The findings suggest that the beneficiaries have witnessed a significant increase in their household-level economic empowerment, reflected in increased income control and involvement in financial decision-making. However, both groups continue to have a low degree of community-level empowerment, indicating poor translation of household gains to broader social and economic agency. The study highlights the necessity of combining institutional and livelihood interventions to have transformative empowerment results.

KEYWORDS: Women's Economic Empowerment; Financial Access and Inclusion; Direct Benefit Transfers; Orunodoi Scheme; Composite Empowerment Indices; Spatial Disparities; Assam.

1. INTRODUCTION

Economic empowerment of women has become one of the developmental policy priorities, especially in regions characterized by excessive poverty, gender disparity, and reduced access to economic opportunities. Financial inclusion is a widely promoted instrument used to foster the economic agency of women, but their impact can largely vary across space and socio-economic contexts. Direct Cash Transfer (DCT) programs are becoming more and more popular among governments of the Global South as a means of reducing poverty, improving household well-being, and empowering women. With a direct transfer of financial resources to women, these programs are likely to not only ease the consumption process but also enhance the decision-making capability of women in the households as well as their involvement in the economic life outside the family.

Gender inequalities in India continue to exist even with impressive economic growth. Men still have greater dominance in decision-making both within the household and community; ownership of assets is also very unequal, as well as labor-force participation among women has stagnated. To address this, several state governments have launched women-oriented welfare programs with the two-fold goal of enhancing household welfare as well as improving the economic status of women. The Orunodoi Scheme, introduced by the Government of Assam in 2020, is one of those initiatives. The program gives women from low-income households direct cash payments every month. By providing individualized cash transfers to the bank accounts of women, the scheme serves to boost income security and financial freedom and, at the same time, ensure formal financial participation. Although the welfare orientation of the scheme has been commonly acknowledged, empirical studies that address its empowering implications, and in particular, in many areas of women's economic life, are rather limited.

It is against this background that the current research looks into how the Orunodoi scheme has influenced the economic empowerment of women in the South Salmara Mankachar district of Assam by distinguishing between the household-level empowerment and the community-level empowerment. By measuring the empowerment outcomes in both the domains using composite indices and making a comparison between the empowerment levels of the Orunodoi recipients and the control group (non-recipients), this paper adds to a comprehensive understanding of how welfare-oriented cash transfers convert into empowerment outcomes and where their transformative potential is limited.

2. REVIEW OF LITERATURE AND RESEARCH GAP

The literature on the empowerment of women is extensive and interdisciplinary that involves economics, sociology, gender-studies, and development policy. The initial ideas focused on access to income and employment (Sen, 1999), whereas subsequent models enlarged the concept of empowerment to encompass agency, choice, and control over resources (Kabeer, 1999). Empowerment in contemporary literature is considered a process and not an outcome and is influenced by structural, institutional, and normative contexts.

Cash transfer programs have received much research interest as a means of aiding social protection and alleviating poverty. The Latin American, African, and South Asian experience indicates that these programs enhance the household consumption, food security, and human capital investments (Bastagli et al., 2019). In cases where transfers go to women, several studies identify positive impacts on intra-household bargaining power and expenditures on the health and education of children (Duflo, 2012; Haushofer & Shapiro, 2016).

However, it has been debated how far cash transfers can lead to transformative empowerment. Molyneux (2007) points out that most welfare programs that address the needs of women only help to perpetuate traditional gender norms by focusing on them as caregivers and not as economic agents. In another study, Molyneux and Thomson (2011) note that cash transfer may be effective at meeting the short-term practical needs of women; however, too often they cannot suffice to change the power status quo at the community and societal level.

Studies on Indian programs like Janani Suraksha Yojana, PMJDY-based transfer schemes, and women-focused programs at the state level indicate that they have positive effects on consumption smoothing and financial inclusion, but the outcomes are unclear when it comes to women's autonomy and social participation (Desai & Andrist, 2010; Holmes & Jones, 2013). The available evidence on the Orunodoi scheme of the government of Assam is mostly descriptive, addressing coverage, targeting efficiency, and the short-term welfare consequences, but there is little analytical effort on domain-specific empowerment effects of the scheme.

Research Gap: Although a significant amount of literature analyzing gender-related cash transfers exists, micro-level empirical studies that are simultaneously able to evaluate household-level and community-level economic empowerment based on composite indices have not been conducted in the context of Orunodoi. Available literature typically lacks a comparative design involving a control group, and they do not investigate spatial differences across local governance units such as Gram Panchayats (GPs) within a given district. This paper attempts to fill these gaps through the creation of multidimensional empowerment indices, as well as analyzing intergroup and spatial disparities in empowerment outcomes.

3. CONCEPTUAL FRAMEWORK AND METHODOLOGY

The study operationalizes the concept of women's economic empowerment as a multidimensional process that occurs in two interrelated spheres, the household and the community. To measure these dimensions, two composite indices are created, namely, the Economic Empowerment Index at the Household level (EEIH) and the Economic Empowerment Index at the Community level (EEIC). The weighted additive aggregation technique is employed to construct the indices. The indicators are given different weights according to the relative significance and reliability of their responses. Core indicators associated with access, control, and freedom are assigned a greater weight, and indicators that could be attached to reporting bias and measurement restrictiveness are assigned a rather lower weight. This technique corresponds with the OECD (2008) standards and the normative weighting framework used in the WEAI (Alkire et al., 2013).

Women's economic empowerment index at the household level (EEIH) is constructed using six indicators with different weights to different indicators. All the indicators are supposed to be binary, while '1' would stand for yes and '0' for otherwise. Application of dichotomous indicators conforms to existing practices of measuring empowerment, especially where the result shows a qualitative change of control or decision-making and not continuous variation (Jejeebhoy, 2000; Kishor & Subaiya, 2008). Most well-known composite indices, such as the Women's Empowerment in Agriculture Index (WEAI), also use binary indicators to determine the achievement level across empowerment domains (Alkire et al., 2013).

Indicators X_1 and X_2 have been assigned equal weights of one ($W_1 = 1$ and $W_2 = 1$), whereas indicators X_3, X_4, X_5, and X_6 are allocated identical weights of 0.5 each ($W_3 = 0.5$, $W_4 = 0.5$, $W_5 = 0.5$, and $W_6 = 0.5$). The formula for computing the index is

$$EEIH = \frac{\sum W_i X_i}{\sum W_i} = \frac{\sum W_i X_i}{4}$$

where,

X_1 = Access to and control over household income

X_2 = Participation in household financial decisions

X_3 = Autonomy to make spending on self

X_4 = Autonomy to make spending on children's basic requirements

X_5 = Ownership of household items/asset or property (other than land)

X_6 = Ownership of family land

In a similar way, the economic empowerment index at the community or society level (EEIC) is calculated utilizing the following indicators, each assigned different weights. Indicators X_1 and X_2 are assigned weights of 1 each ($W_1 = 1$ and $W_2 = 1$). Indicators X_3, X_4 and X_5 are allocated equal weights of 0.5 each ($W_3 = 0.5$, $W_4 = 0.5$ and $W_5 = 0.5$).

$$EEIC = \frac{\sum W_i X_i}{\sum W_i} = \frac{\sum W_i X_i}{3.5}$$

where,
X_1 = Access to paid employment in the society
X_2 = Access to markets
X_3 = Access to credit from formal sources
X_4 = Aware about and/or access to different types of formal financial services like insurance, etc.
X_5 = Use of community/public facilities that are beneficial to women
(post office, hospital, etc.), without any limitations
To facilitate comparisons and econometric analysis, the indices corresponding to each dimension are placed on the scale of 0 to 1. This is consistent with the widely used composite indices, such as the Human Development Index and Alkire-Foster based measures of empowerment, that apply additive aggregation and normalization to a scale of 0 to 1 (UNDP, 2010; Alkire & Foster, 2011). However, to improve analytical clarity without losing sufficient variability for quantitative analysis, the index has been purposefully sub-divided into six categories with approximately equal interval widths. In the absence a set of universally accepted thresholds, equal-interval classification maintains proportional scaling and avoids arbitrary values and classification, which is justified according to the methodology of composite indicators (OECD, 2008). This type of ordered categorization is more interpretable and is widely used in capability-based and empowerment analyses (Sen, 1999; Alkire & Santos, 2014). As shown below, a well-defined conceptual attribute is assigned to each category, ranging from "No Empowerment" to "Complete Empowerment", to enhance the construct validity and interpretability.

1. No Empowerment: 0.00 – 0.16
2. Very Low Empowerment: 0.17 – 0.33
3. Low-to-Moderate Empowerment: 0.34 – 0.50
4. Moderate Empowerment: 0.51 – 0.67
5. High Empowerment: 0.68 – 0.84
6. Complete Empowerment: 0.85 – 1.00

This study was carried out in the South Salmara-Mankachar district of Assam, using the entire district as the universe from which the sample has been meticulously and systematically drawn. The reason for choosing this district is that it is one of the least developed areas in the state. As compared to other districts in the state, South Salmara Mankachar has developmental deficits that remain significant as demonstrated by low literacy levels, low income earning opportunities, high poverty levels, and inadequate infrastructure and social amenities. All these factors indicate the relative backwardness and socio-economic marginalization of the district. Under these circumstances, South Salmara Mankachar represents an important and critical empirical context for evaluating the effectiveness of government initiatives aimed at improving the status of women.

Primary data were collected using a structured questionnaire from 200 Orunodoi recipients and a control group of 100 respondents drawn from 10 Gram Panchayats (GPs) across the district to ensuring diverse and proportionate representation. The collected data were analysed using descriptive statistics to examine distributional patterns and spatial variations.

4. RESULTS AND DISCUSSION

This paper evaluates the effects of Orunodoi scheme on the beneficiary women based on the two composite indices, i.e., Economic Empowerment Index at the Household level (EEIH) and Economic Empowerment Index at the Community level (EEIC). The explanation follows the frequency distributions, mean values, and standard deviations, which help evaluate the degree and extent of variability of empowerment among respondent groups as well as geographical locations.

4.1 Levels of empowerment of Orunodoi recipients vis-à-vis the control group

Table 4.1 presents the levels of economic empowerment among the Orunodoi beneficiaries vis-à-vis the control group respondents at both the household and community levels.

The data show that there is a strong positive impact of the Orunodoi scheme on household-level economic empowerment. The percentage of Orunodoi beneficiaries in the "*no*" or "*very low*" empowerment categories (13.5 percent combined) is much lower than that of non-beneficiaries (44.0 percent). Conversely, Orunodoi recipients are strongly concentrated in the higher levels of

empowerment. To be more specific, the cumulative share of beneficiaries showing *moderate*, *high*, and *complete* empowerment (57 percent) is more than double that of the non-beneficiaries or control group (25.0 percent). This trend is a strong indication that the Orunodoi's direct cash transfer increases the financial agency of women, intra-household decision-making power, and strategic control over day-to-day economic resources.

Table 4.1 Comparative Distribution of the Levels Economic Empowerment of Orunodoi Recipients and the Control Group

Empowerment Level	EEIH		EEIC	
	Orunodoi recipients	Control group	Orunodoi recipients	Control group
No empowerment	11 (5.5)	25 (25.0)	110 (55.0)	52 (52.0)
Very low	16 (8.0)	19 (19.0)	23 (11.5)	20 (20.0)
Low-to-moderate	59 (29.5)	31 (31.0)	50 (25.0)	20 (20.0)
Moderate	46 (23.0)	10 (10.0)	8 (4.0)	5 (5.0)
High	42 (21.0)	7 (7.0)	8 (4.0)	2 (2.0)
Complete	26 (13.0)	8 (8.0)	1 (0.5)	1 (1.0)
Total	200 (100.0)	100 (100.0)	200 (100.0)	100 (100.0)

Note: Figures in the parentheses indicate percentages.
Source: Based on sample data and calculated by the author using SPSS.

On the other hand, both groups have limited empowerment at the community level. Most of the respondents, 55.0 percent of beneficiaries and 52.0 percent of non-beneficiaries, are classified into the no empowerment category. Only around 8 percent of the recipients of Orunodoi achieve moderate and higher levels of economic empowerment at the community level. This inconsistency between household-level and community-level outcomes of empowerment implies that the gain in household-level economic empowerment because of the Orunodoi scheme has not so far been systematically converted into an increase in community-level economic agency.

These results can be compared with the global evidence on cash transfer schemes, which shows strong effects on household welfare and poverty alleviation but little impact on altering the gendered power relations in the societal context (Molyneux, 2007; Molyneux & Thomson, 2011; Bastagli et al., 2019).

4.2 Spatial variations in economic empowerment among the Orunodoi recipients

Table 4.2 displays the spatial distribution of the levels of economic empowerment across GPs in Fekamari and Mankachar blocks. The analysis indicates high inter-GP variations.

Table 4.2 Economic Empowerment Levels of Oruodoi Beneficiaries across GPs and Blocks

Block	GP	EEIH			EEIC		
		Mean	SD	Empowerment Level	Mean	SD	Empowerment Level
Fekamari	Dakhin Salmara	0.43	0.26	Low-to-Moderate	0.18	0.22	Very Low
	Monirchar	0.49	0.27	Low-to-Moderate	0.18	0.19	Very Low
	Molakhowa	0.61	0.16	Moderate	0.22	0.19	Very Low
	Malir Alga	0.71	0.16	High	0.33	0.22	Very Low
	Puran Diara	0.57	0.20	Moderate	0.19	0.18	Very Low
Fekamari block as whole		*0.56*	*0.23*	*Moderate*	*0.22*	*0.20*	*Very Low*
Mankachar	Baghapara	0.61	0.23	Moderate	0.26	0.22	Very Low
	Bengerbhita	0.51	0.19	Moderate	0.08	0.14	No Empowerment
	Pathuria	0.52	0.20	Moderate	0.13	0.18	No Empowerment
	Mankachar East	0.62	0.14	Moderate	0.37	0.14	Low-to-Moderate
	Thakuranbari	0.71	0.18	High	0.38	0.22	Low-to-Moderate
Mankachar block as a whole		*0.59*	*0.20*	*Moderate*	*0.24*	*0.22*	*Very Low*
District as whole		**0.59**	**0.22**	**Moderate**	**0.23**	**0.21**	**Very Low**

Source: Based on sample data and calculated by the author using SPSS.

The mean EEIH scores at the household level vary between 0.43 and 0.71 across the GPs, with the majority of the GPs being categorized in the moderate level of empowerment. The mean scores of certain GPs like Malir Alga (0.71) and Thakuranbari (0.71) are relatively higher and the standard deviations are relatively low (0.16 and 0.18), which implies that there is a stronger and consistent empowerment outcomes among the beneficiaries. However, the standard deviations of certain GPs are relatively larger

(e.g., Monirchar, SD = 0.27), which implies that there are differences in intra-GP experiences, which may be explained by variations in their household structures, financial literacy, and/or access to alternative livelihood sources.

Community-level empowerment, on the other hand, is consistently low, with mean EEIC scores ranging between 0.08 and 0.38. The degree of empowerment does not go beyond the low-to-moderate level even in relatively better-performing GPs like Thakuranbari (Mean = 0.38) and Mankachar East (Mean = 0.37). The very low EEIC scores, along with moderate standard deviations, suggest the existence of structural and normative barriers that limit the economic visibility and involvement of women at the community level, despite significant improvements achieved at the household level.

The average EEIH scores in the two blocks, Fekamari (mean = 0.56, SD = 0.23) and Mankachar (mean = 0.59, SD = 0.20), depict that the economic empowerment at the household level is moderate. In contrast, the corresponding EEIC scores of 0.22 (SD = 0.20) and 0.24 (SD = 0.22) indicate very low community-level empowerment in both the blocks. At the aggregate level, a similar trend has been found for the district as a whole. The district-wide average EEIH score of 0.59 (SD = 0.22) represents a moderate level of empowerment, whereas the corresponding EEIC average is 0.23 (SD = 0.21), which expresses a very low level of empowerment. These results support the arguments that welfare-based cash transfer programs, in the lack of supportive institutional and collective strategies, cannot produce transformative empowerment effects (Holmes & Jones, 2013; Kabeer, 2016).

On the whole, the findings indicate a clear positive impact of the Orunodoi Scheme on household level economic empowerment as demonstrated by relatively higher numbers of beneficiaries included in moderate to high categories of economic empowerment than the control group. On the other hand, the degree of community-level empowerment is consistently low among beneficiaries and non-beneficiaries, which may indicate that the economic empowerment that has been gained within households is not reflected in community settings. Spatial analysis further demonstrates the existence of substantial inter-GP disparities, meaning that local socioeconomic factors, institutional access, and normative contexts are all significant factors contributing to the outcomes of empowerment.

5. CONCLUSION AND POLICY IMPLICATIONS

The study shows that the Orunodoi Scheme has been quite effective in enhancing the economic empowerment of women at the household level in the South Salmara Mankachar district. Direct cash transfers to women have made them more independent in taking care of their own and children's needs, have raised their role in family financial decision-making, and have enhanced their control over income. The effectiveness of the Orunodoi program as a welfare intervention is highlighted by the fact that beneficiaries are more likely to occupy moderate to high levels of household-level economic empowerment than the non-beneficiaries.

However, the analysis also shows a certain shortcoming of the scheme. Both beneficiaries and non-beneficiaries still have very low economic empowerment at the community level. Structural and normative restrictions continue to limit women in their access to formal credit, markets, community institutions, and paid jobs. The large gap between improved household-level outcomes and persistently low community-level empowerment shows that cash transfers by themselves cannot achieve transformative empowerment. The existence of significant inter-GP variations also indicates that the local socioeconomic and institutional factors have a decisive impact in determining the outcomes of empowerment. These results illustrate the relevance of the contextual policy design and implementation.

From a policy perspective, the results suggest that DCT programs like the Orunodoi should be supported by complementary initiatives that create employment opportunities, develop skills, and expand livelihood options to enable women to convert household-level gains into sustainable economic participation. Enhancing access to formal financial services, financial literacy, and market linkages are key factors toward achieving better empowerment results. Also, the use of collective platforms, such as self-help groups and local governance institutions, is imperative to increase the participation and collective agency of women at the community level. It is also important to address the restrictive gender norms and implement spatially differentiated strategies.

On the whole, although the Orunodoi is an essential tool to enhance the economic security of women, it is not a standalone instrument. Durable and transformative empowerment outcomes can only be achieved through a multidimensional policy that integrates cash transfers with institutional, economic, and social interventions.

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