



**Research Article**

**A STUDY OF FINANCIAL LIBERTY AMONG WOMEN**

**Indu\***

Department of Commerce, Post Graduate Government College for Girls, Sector-42, Chandigarh

**ARTICLE INFO**

**Article History:**

Received 16<sup>th</sup> December, 2017

Received in revised form 21<sup>st</sup>

January, 2018 Accepted 05<sup>th</sup> February, 2018

Published online 28<sup>th</sup> March, 2018

**Key words:**

Financial Liberty, Hidden Savings, Male Dependency, Financial Literacy, Digital Knowledge, Cashless Economy.

**ABSTRACT**

This paper attempts to analyze the financial status of women in India. Today women empowerment is one of the most important concerns in our country. But still it is an illusion of reality because of lack of their financial liberty. Financial liberty is the vital instrument to expand women's ability to have resources and to make strategic life choices. This study is based on the primary data which reveals the disempowered financial status of women in our country. Even if they are working or housewives, they have no right to use their earned or saved money. The need is to make them aware of their financial independence by creating supportive infrastructure in the form of digital knowledge and ensure their financial security. Moreover, active participation of women in economic activities and decisions would contribute towards overall economic development.

*Copyright©2018 Indu. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.*

**INTRODUCTION**

“The real spirit of democracy will come true only after women are financially independent.”

Pratibha Patil (Ex-President of India)

Women's financial liberty refers to strengthening the economic powers of women. It refers to an environment where women can have equal rights regarding their financial matters. Women constitute almost half of the human race. They have every right to be treated equally in every sphere of life and society, be it household matters or financial matters. Modernization has increased their necessities and economic expectations. Also the rising level of education makes them aware of the importance of financial independence. Studies have found that secondary education for women confers the greatest benefit and the education is most beneficial when they also have moderate access to resources and wealth (Malhotra *et al* 2002).

But economically, woman is still dependent on man, be it father/husband/son. Survey conducted by the Indian Human Development Survey (IHDS) in 2012 found that 79.8 percent of women needed permission from family members to visit a health centre. The status of financial liberty is still at stake. In spite of being an active contributor to her family's income, they are not financially free. Only 22 percent of Indian women are completely liberated while 71 percent of them have only a moderate sense of financial freedom. (HDFC on Life Freedom Index, 2012).

The grant of financial liberty to women demands the grant of right to earn and save, right to hold and invest their earned/saved money as per their need and choice.

**Literature Review**

Jasprit Kaur Soni (2006) in her study on women empowerment quotes Pandit Jawaharlal Nehru, “Freedom depends on the economic conditions even more than political. If a woman is not economically free and self-earning, she will have to depend on her husband or someone else and dependents are never free.” Kathleen Brennan (2014) studied that how the ignorance in financial matters is increasing since women have unique financial challenges and rely on their husbands to handle the money.

The data collected by salary.com on value of jobs (2017) explored that in USA average housewife's job saves money worth \$134000 a year. Urban Indian woman might be doing as much as their US counterpart. A study on pay equality in The Tribune (2017) revealed that Women earn on an average 77% of what men do and it is only in the year 2086 when they will achieve pay equality around the world.

A report by Daily Mail to UK described that the sad side of demonetization is that those who are truly reeling the effects of this move are the women of India who don't have access to bank accounts. The country's first one stop crisis centre (OSCC), Bhopal revealed in its report (2017) that after demonetization on 8<sup>th</sup> Nov. 2016, there was a sudden spike in instances of domestic violence over the next few weeks when men realized that their wives had saved money without their knowledge. Seema Pandey (2016) shared whether out of sheer economic necessity from the spread and utilization of

\*Corresponding author: **Indu**

Department of Commerce, Post Graduate Government College for Girls, Sector-42, Chandigarh

opportunities; women are entering into the public & private, formal & informal sectors of the Indian economy in increasing numbers today.

Sarika Sinha (2017), Regional Director of Action Aids, an NGO shared that husbands threatened their wives, beat them and warned them of consequences of hidden savings because they felt loss of control over their wives. Veena Majumdar ((1985) pointed out in her book on the role of women that unless the economic and social utility of women in the eyes of their family and nation by opportunities to take part in social and economically productive roles is recognized, the national neglect of women will continue.

Various studies on investment behavior of women found that throughout their lives as a woman, they will be faced with different financial challenges than their male counterparts. If women are going to take control of financial future, it's important that they recognize those differences and empower themselves (Hassan, 2010).

**Objectives of the study**

1. To have an understanding of the respondents' saving patterns.
2. To understand the needs and wants of the respondents with respect to their financial requirements through hidden savings
3. To measure the extent of control on their saving.
4. To study the liberty to spend their savings.
5. To study the role of women in financial matters.

**RESEARCH METHODOLOGY**

The study is based upon the primary data collected by administering a detailed questionnaire and personal interview. Efforts have also been made to use available relevant information through various sources such as newspapers, magazines, journals, books and internet. Population chosen for the study is urban women in tricity (Chandigarh, Panchkula & Mohali) aged 25 to 50 years. Sample size used for the study is 1000 women respondents. Sample unit taken for the study is women only. Sampling technique used for the study is judgmental sampling technique. The sample selected under the study is representing the population. Data analysis is made by using the various tools like tables, bar graphs, pie charts and percentages.

**Limitations of the study**

1. This is an academic effort and is limited to cost, time and geographical area.
2. As the data is collected from 1000 respondents only, generalization to other women's financial liberty is evitable.
3. An interpretation of the study is based on the assumption that the respondents have given correct information
4. It is conducted in tricity (Chandigarh, Panchkula & Mohali) only.

**Research Analysis**

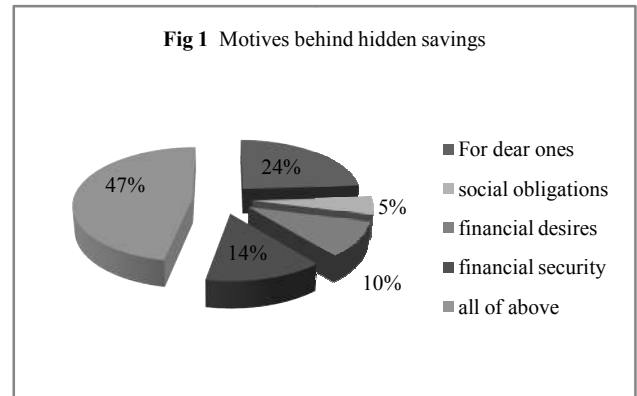
**Saving habits among women**

Women have the natural tendency to saving. The study revolves around 1000 urban married women. Out of them 80 percent are homemakers and 20 percent are working women. But the data shows only 10 out of 1000 (i.e. 1%) women have the freedom to spend without giving explanation to their

husband/in-laws. While out of those 10, 9 are working women. So the study says that majority of the women do not have the freedom to spend. This results into the habit of hidden saving among them. The study reveals 99.2 percent women prefer hidden saving due to their oppressive financial position in the family. Thus the struggle of financial liberty they are fighting with by making hidden savings.

**Motive behind hidden savings**

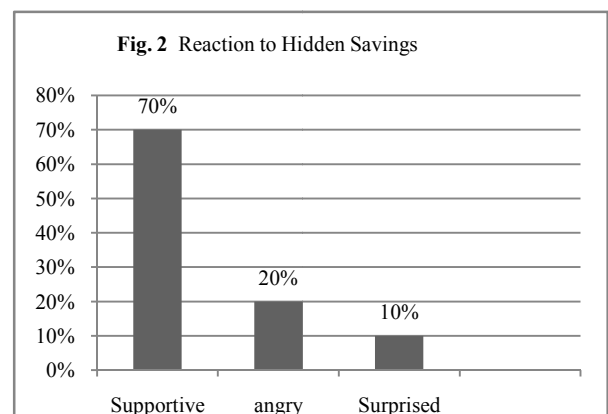
The tendency of hidden savings among women reflects the changing paradigm of putting the efforts to be financially independent. Yet the motives for such type of savings are varied depending upon their needs and aspirations.



As fig.1 shows that responsibility towards parents/children is one of the main motives behind such type of savings. Among 992 of the respondents, 24 percent save with this motive. 5 percent of the respondents feel they have their own liabilities to make a mark in the society. 10 percent of the women save with the purpose of fulfilling their financial necessities which their husbands are unable to satisfy. They want their own resources to fulfill their financial desires. 14 percent of the respondents feel that hidden saving provides them financial security. And 47 percent of the women save the money with one or more than one of the above motives. This proves that motive can be anything, such kind of savings on the part of women leads to an attempt to safeguard and uphold their financial independence and authority within the family and society.

**Victims of demonetization**

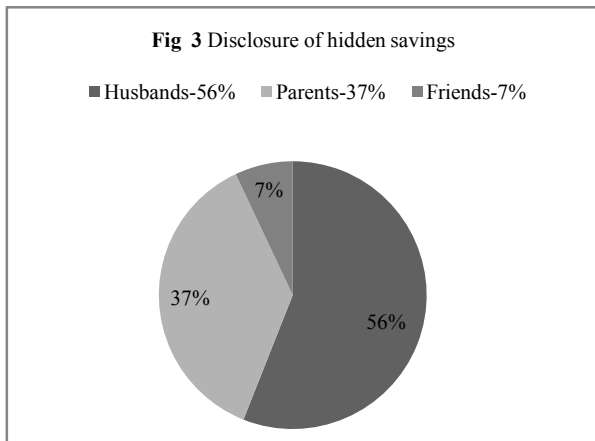
A large number of women have become the victims of demonetization. Demonetization is one of the recent factors which again reflect the inadequate state of women's financial liberty. The violent behavior of the husbands/in-laws is the result of the effort of savings on the part of women.



The data shown in fig.2 indicates that 70 percent supportive and 10 percent surprising attitude comprise of the mix reaction from husbands/Parents/friends etc. But 20 percent who are angry/violent are all husbands. The objection raised by husbands reflects the conventional settlement of the society that certain things are made gender specific. Financial matters to be managed by husbands only. And when a woman defies convention, their existence comes to stake.

**Extent of control on savings**

Since women have to depend upon their male counterparts and when it comes to disclosure of savings due to demonetization, they again have to look for the help of their husbands, parents or friends. But the study reveals that once their savings go out of their hands, there are least chances to get back particularly from husbands.



**Table 1** Recovery of Disclosed Savings in New Currency Form

	Return back of Exchanged money (%)	Extent of amount received back (%)	
		Full	Partial
Husbands	2	36	64
Parents	99	100	---
Friends	74	100	---

Fig.3 shows that showing confidence in their husbands, out of 992 respondents 56 percent of women prefer to disclose their hidden savings to their husbands. While out of them only 2 percent get back their money from their husbands. Parents/siblings gain full trust by paying back full amount of disclosed money. And 74 percent of disclosed money has been recovered from friends. So the study feels the sense of incapability of women to manage their money on their own. The data in table 1 shows that only 2 percent women were able to get got their saved amount back their savings from their husbands in the form of new currency, but only 36 percent women get full amount of money while 64 percent of women get only a part of their saved money back. This shows the poor financial control of women. They have no hold on their own savings. By handing over their moneys to their husbands, cashless economy for women become less cash economy.

**Persistence for hidden savings**

Although there has been a rise in the digitization of transactions in India, but there is no acceptability for cashless economy among women. They continue to be driven by the use of cash only. Even if they have bank accounts, they are less interested in savings in banks.

**Table 2** Women Bank Accounts

Particulars	No. of Respondents (%)
Yes	91
No	09

Table II shows majority of the women have bank accounts but in 80 percent of the cases the accounts are operated by their husbands. This creates the persistence for hidden savings among women. When they have no hold on their bank accounts, how could they claim the right on the money in their bank accounts?

**Table 3** Saving Avenues

Particulars	Present Forms (%)	Rank
Secret Bank Account	38	IInd
Cash	57	Ist
Gold	5	IIIrd

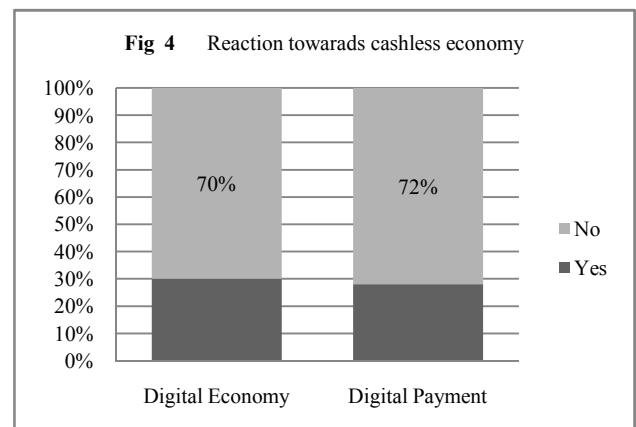
As the table 3 shows, 57 percent of the women have preference for liquid money. They feel safer having money in liquid form. This is the clear indication of lack of required digital literacy among the women. While 38 percent of them are although aware of the digitization and have preference for bank accounts but in secret/hidden way. It reveals their restricted mobility towards operating their bank accounts. With time, interest in savings in the form of gold is declining taking into account the fluctuations in gold market.

**Passive role in financial matters**

As the data shows out of 1000 respondents, 80 percent of the women are homemakers. Their role in financial matters is belittled since they do not earn directly. People who control the resources become the decision makers and controller of financial matters. Women are mostly excluded from the decision making at all levels regarding matters relating to saving/investment/spending. The main causes of passive role of women in financial matters are their indifferent attitude, lack of eternal vigilance, male dependency, gender oppression, and experience of violence or hatred within the family (Sinha 2012).

**Rigid approach towards cashless economy**

The study reveals that more than half of the women are not in favour of cashless economy. In the same line, more than half of them are not using the digital devices for making payment. The trend of digital payments is not yet prevalent among women. They feel the sense of insecurity in cashless economy.



As fig. 4 indicates that 70 percent of the respondents are bluntly against the cashless economy. Among them 68 percent are lack of knowledge to use digital devices and 47 percent complains of limited connectivity. Only 30 percent are in favour of cashless economy. Although 28 percent women favour digital payments but 72 percent prefer paying cash. This shows that priority to pay in cash is more even among those who are favouring cashless economy.

### **Findings**

1. The data indicates that the urban women of tricity are having low financial freedom and needs significant improvement.
2. In spite of being an active contributor to her family's income, their participation in financial matters is low.
3. Data collection tends to see women as supplementary breadwinners or only dependents.
4. On the positive side, however, almost all urban women (except 1%) follow some level of financial discipline but due to poor financial awareness, the sense of financial planning, sufficiency and adequacy is not well founded.
5. Most of the women are vulnerable to discrimination and exploitation financially.
6. Lesser participation in financial economy and low valuation placed on them. Rightly said that education may have made them economically independent but they still lack the needed self-confidence (Kiran, 2015).
7. Women feel the need for financial liberty but the commitment to defend and the alertness against any encroachment of their financial liberty is which most of the women are lacking.
8. While chalking out the motive behind savings, the topmost priority is to help out their parents/children followed by having own financial security, meeting out their additional needs & choices and to mark their financial presence in society.
9. The study experiences that today's women are not satisfied by the fulfillment of their financial needs only. They have financial desires also which can be fulfilled by having financial liberty.
10. Cash still plays an important role with regard to their financial security.
11. Prevalence of hidden savings is quite high due to lesser accessibility to banks and lesser awareness to digital tools.

### **Suggestions**

1. There is the need to enhance the women's self-esteem and getting active participation in financial matters. The knowledge about digital tools and infrastructure will further help them in taking constructive decision making regarding their savings.
2. There is the need to create a supportive infrastructure to enhance their confidence and security by providing them financial literacy.
3. Financial literacy will help them in breaking up the negativity of doing something wrong.
4. Usually women feel the need for financial safety only when they feel ill-treated from husbands and in-laws. It is necessary to inculcate in them the courage to fight against the financial oppression. It can be done by creating enough job opportunities for women.

5. Need is to inspire them to tap into the jobs opportunities. Economic independence is necessary to make women secure and confidence. One of the behavioural study found that employment not only makes the women economically independent but also facilitates to be a sound decision maker regarding savings and investment (Phillips 2014). So the need is to inspire them to tap into the jobs opportunities.
6. The need is to arrange special training programs to provide them digital knowledge. As Prime Minister Narendra Modi at National Conference of Women Legislators, 2016, pointed out that women are better in adopting technologies than men. They are specially gifted by God in this aspect.
7. Govt. should arrange special training programs to boost up the women for digital transformation. This would help them in transacting independently.
8. Women are economic agents who contribute to their households and the economy and therefore, should be considered target of economic as well as social policies. The best way of empowerment is perhaps through inducting women in mainstream of development (Shettar, 2015).
9. Women should themselves make efforts for her financial freedom by overcoming the impediments to bring about a change.
10. According to U N World's Women 2010 Trends and Statistics, two-third of the world's illiterate population is female. So, the policies or programs initiated by Govt. should be directed to educate the women so that they could become confident, self-sufficient and capable to participate in nation building activities.

### **CONCLUSION**

This paper has explored the status of financial liberty of Indian woman, starting off with answering the questions like what are the savings and investments patterns of women, participation in financial matters and how they take cashless economy, a curse or boon for them. The analysis in this paper has focused on identifying the key issues that represents gender context in financial decision making. The results presented in the paper suggest that disparity in financial participation is quite high which persists with reference to cashless economy. The data in the study disclosed the amount of Rs. 8,15,12,400 as total savings of 992 respondents. Had this amount been invested, it would have been utilized for overall productive purposes of the economy. So the need is not only to inculcate the investing habits among women but providing them some fair investment platforms also. A research on liberty confirms that the fight for struggle of financial liberty is possible only when there is toning up of social, legal, political and economic system (Reed 2015). Margaret Thatcher, the Prime minister of United Kingdom during late 80's led her country from a bad economic condition to success. She has shown to the world that women are capable of handling the country regarding economic matters also. Achievement of financial freedom should not lead them to confusion or indiscipline. Financial liberty should be utilized toward realization of her own intellectual, emotional and motivational potential.

### **References**

1. Aggarwal, Manav (2014), A Study on Challenge for Women Empowerment, Abhinav National Monthly

- Refereed *Journal of Research in Commerce & Management*, Vol. 3, Issue 5.
2. Bhasin, Kamla (Sep.2016), Women Empowerment in Indian Context, *Yojana*, Vol 60.
  3. Brennan, Kathleen (2014), Financial Literacy: Its importance in the Woman's Future, Council For Economic Education.  
<http://councilforeconed.org/2014/04/22>
  4. Documentation Centre for Women and children (2009), Research Abstracts on Women's Empowerment, National Institute of Public Cooperation and Child Development. Chapter 51, 57.
  5. Kiran (2015), Status of Women in Indian Society, ImportantIndia.com
  6. Life Freedom Index Urban Women, HDFC LIFE, HDFC Life Value Notes, March 2012.
  7. Majumdar, Veena (1985), Emergence of Women's Questions in India and the Role of Women, Ashish Publishing House, New Delhi.
  8. Malhotra, A., Schuler (2002), Impact of Investments in Female Education, World Bank Group.
  9. MP Crisis Centre, (2017), Note ban led to rise in domestic violence, Indian Express, Feb.7, 2017.
  10. Pandey, Seema (2015), Women in Contemporary Indian Society, Rawat Publications, Jaipur.
  11. Phillips, Katherine (2014), Saving Patterns and Habits of Women- A Behavioural Study, Scholedge International *Journal of Business Policy and Governance*, Vol. 1, issue 2.
  12. Reed, W. Lawrence (2015), Why is Liberty So Important, *Journal of Foundation for Economic Education*. Article Dec, 2015.<http://fee.org/articles>
  13. Sethuraman, Kavta (2008), The Role of Women's Empowerment and Domestic Violence in Child Growth and Under Nutrition in a Tribal and Rural Community in South India, World Institute for Development Economic Research., United Nations University, Research Paper no. 2008/15, UNV-WIDER.
  14. Shettar, M. Rajeshwari (April 2015), A Study on Issues and Challenges of women Empowerment in India, IOSR *Journal of Business and Management*, Vol.17, Issue4, Ver. I.[www.iosrjournals.org](http://www.iosrjournals.org)
  15. Sinha, Lata (2012), Empowerment of Women in Modern Society, Just another WordPress.com weblog.
  16. Soni, Jasprit kaur (2006), Women Empowerment: Exploring the facts, Authors Press, Delhi.
  17. Women Empowerment is necessary for Social Equality, Express News Service, Pune, Oct.13, 2010.
  18. <https://www.slideshare.net/mobile/hemanthcrpatna/a-study-on-investment-behavior-of-women-investors-at-asit-c-mehta-ltd-hassan>

**How to cite this article:**

Indu (2018) 'A Study of Financial Liberty Among Women', *International Journal of Current Advanced Research*, 07(3), pp. 10643-10647. DOI: <http://dx.doi.org/10.24327/ijcar.2018.10647.1813>

\*\*\*\*\*