

Exclusion of Transgenders and Microfinance as a Means to Achieve Universal Inclusiveness: with special reference to Kerala, India

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Abstract: Gender inequality and development is a serious concern all over the world. This topic is often discussed in the context of men and women. A third gender or the transgender is often neglected or given least importance. Transgenders are a group of people who face utmost exclusion from the society nowadays due to the very own identity that they choose to be. A transgender is a person who identifies himself or herself as a sex that is different from what he/she was identified to be at the time of his/her birth. The alienation that they face affects them in all ways, socially, mentally, physically, psychologically and economically. The paper analyses some of the major problems that are faced by this community in India, with special reference to the state of Kerala. It also discusses about the various policies that have been initiated at the Central and State levels(Kerala) to reduce the inequality that they face.

Microfinance has been identified as a major institutional set-up that can help in reducing the gender inequality that is faced by almost all countries all over the world and hence contributing to the development process. India has witnessed many success stories of microfinance being a platform that has been able to bring its women to the front-row. The present study tries to analyze the possibilities of using microfinance as a means to reduce the exclusion that the transgenders face in the country.

Key Word: transgender; microfinance; gender-inequality; exclusion; development.

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I. INTRODUCTION

Gender is a norm that the society assigns to a particular individual on the basis of his/her sex. It can be defined as ‘the socially constructed characteristics of women and men – such as norms, roles, and relationships of and between groups of women and men’(“Gender,” n.d.). Gender equality has been identified as a major goal under the SDGs of the United Nations(United Nations, 2017). As gender equality improves, it enhances the productivity, growth and development process of an economy(“Gender equality and development,” 2012). When we talk about gender equality it is always important to mention all kinds of genders that exist in our society- men, women, and also transgender.

The transgender or also known as the third gender has always been there in our society all over the world. A transgender is a person who identifies himself or herself as a sex that is different from what he/she was identified to be at the time of his/her birth. Their behavior, appearance, characteristics, and gender differs from societal stereotypes. This difference in behavior or appearance makes them discriminated from the so-called normal people in the society. The transgender community all over the world face social exclusion in terms of their identity. This alienation that they face does not only affect their social life, but also psychological, physical and economic life. Various policies and initiatives in different forms have come up to reduce the alienation that they face in the society.

Microfinance is a form of financial service that aims at providing credit to the low-income strata or the new small entrepreneurs who do not have proper access to the conventional banking services due to various reasons including lack of required collateral, income levels, etc. Its modern form has its origin from the contribution of the Nobel Laurette Muhammad Yunus. It has grown and proved to be a major catalyst that can enhance the development process of a growing economy like India, especially by empowering the weaker sections of the society (Aruna & Jyothirmayi, 2011). Microfinance has been identified as a major institutional set-up that can help in reducing the gender inequality that is faced by almost all countries in the world. Various studies have shown how microfinance opportunities have been able to bring women to the frontline in terms of the role that they perform in the economy. But fewer studies have been undertaken that can throw a light on to the development aspect of microfinance on the transgender community.

II. STATUS OF TRANSGENDERS IN INDIA

The Transgender (Protection of Rights) Bill, 2019 defines transgender as, “a person whose gender does not match with the gender assigned to that person at birth and includes trans-man or trans-woman (whether or not such person has undergone Sex Reassignment Surgery or hormone therapy or laser therapy or such other therapy), person with intersex variations, genderqueer and person having such socio-cultural identities as *kinner*, *hijra*, *aravani* and *jogta*”. The country started to include the third gender or the transgender in the Census data only since 2011. It shows that the total population of transgender (mentioned as ‘others’) in the country is around 4.88 lakhs (Census Organisation of India, 2012), which is not at all a negligible number. The Census data 2011 also identifies around 55,000 children as transgender as reported by their parents. Table 1 below shows the state-wise distribution of the transgender population and their literacy rates in the country.

Table no1: State-wise Population and Literacy rates of Transgenders in India

No:	States	Transgenders	Literacy
-	India	487803	56.07%
1	Uttar Pradesh	137465	55.80%
2	Andhra Pradesh	43769	53.33%
3	Maharashtra	40891	67.57%
4	Bihar	40827	44.35%
5	West Bengal	30349	58.83%
6	Madhya Pradesh	29597	53.01%
7	Tamil Nadu	22364	57.78%
20	Kerala	3902	84.61%

Source: Census of India, 2011

The highest transgender population is in Uttar Pradesh (1.37 lakhs) and Kerala amounts for a population of 3902 transgender. A transgender survey (2014-15) conducted by The Ministry of Social Justice, Kerala expects the presence of more than 25,000 transgenders in the state. The total literacy rate of the community in the country is about 56.07% with Kerala having a rate of 84.6%, which is second only to Mizoram with 87.14% literacy rate. The overall unemployment rate of transgender in India was found to 2.1% according to the Report on Fifth Annual Employment- Unemployment Survey 2015-16. In the case of Kerala, it is about 12.5% which is the fourth highest in the country after Tripura (19.7%), Sikkim (18.1%) and Andaman & Nicobar Islands (12.7%). The report puts forth an interesting fact that 44.9% of the employed transgender population are self-employed. The proportion of transgender people who are given jobs by private or public parties are found to be very marginal. The low proportion of wage earners in the community is majorly due to the discrimination/ exclusion or social stigma that they face in the employment market.

Problems faced by Transgenders in India

This marginalized section of the society faces a lot of problems only because of their identity that they choose to be. The society that they live in fails to accept the individual that they are. The transgender people are deprived of their basic rights in most cases. They are excluded from educational opportunities, employment, society, and even their own families. They are discriminated against on the basis of their identity. The society tends to act in favor of the majority and try to submerge these people. They are discriminated in the fields of education, employment, etc. Violence against these sections of people has shown an increasing rate. They are vulnerable to crimes like rape, human trafficking, verbal abuse, etc. (India, n.d.). There is a high occurrence of health related risks for these people. The transgender people most of the time lack support in needs related to their sexual health, mental health and physical health (Chakrapani, 2010). Studies reveal that there is a high chance for transgender women to be prone to HIV when compared to other adults at reproductive age (World Health Organization, 2016). They also face exclusion in terms of political participation and in decision-making processes.

Kerala

The Transgender survey (2014-15) of the state mentions various problems that are faced by the community in the state. The drop-out rates of transgender children from schools is found to be very high due to various reasons like harassment, discriminated treatments in school, home, hospitals, etc. 100% of the respondents have had at least one instance where they were rejected job opportunities because of their gender identity. Many have reported cases of sexual harassment by partners, police, and many other kinds of violence against them. At many instances, they do not reveal their identity due to the fear of discrimination. Mistreatment at the workplace due to their gender identity has also increased over the time.

All these problems have social exclusion as its prime root cause. There are a lot of policies that have been introduced by the Government of India in order to narrow down the divide between the transgender community and the rest of the society.

Policies to Uplift the Transgender Community in India

Under the Constitution of India, all its citizens are entitled to the fundamental right of equality (Article 14), and also prohibits any kind of discrimination on the grounds of religion, deprived of their basic rights that they are entitled to as citizens of the country. Recognizing this fault from the part of the society, various policies and bills have been enacted to ease their social and economic life.

- **Rights of Transgender Persons Bill, 2014**

The bill guarantees various rights and entitlements including employment reservation, education, healthcare, unemployment allowances, legal aids, etc. It also prohibits all kinds of violence, abuse or discrimination against transgender people. Apart from these provisions, the bill also suggested the setting up of welfare boards for the transgender community at both Central and State levels.

- **Transgender Persons (Protection of Rights) Bill, 2019**

This bill prohibits all kinds of exclusion/discrimination against transgender people in the fields of education, employment, health, and also entails the right to movement, right to rent/ own property, opportunity to hold public or private office, and access to public and private goods (PRS, 2018).

- **Repealing of Section 377**

Ruling out of Section 377 of the Indian Penal Code in the year 2018 was a great milestone in the lives of the LGBT (Lesbian, Gay, Bisexual, Transgender) community that decriminalized homosexuality.

Policies for Transgenders in Kerala

Kerala is the first state in the country to have initiated a welfare policy for the transgender community recognizing the need to bring them to the mainstream of the society.

- **State Policy for Transgenders in Kerala, 2015**

The policy aims to ensure the transgender community the Right to Equality, Right to Dignity and a Life without Violence, Right to Freedom of Expression and Equal Voice and Participation in Development. The policy tries to bridge the gap in almost all fields by ensuring education, health (fund for gender reassignment surgeries), employment including self-employment assistance, housing, participation in all kinds of economic activities, awareness about transgenders, etc.

Various schemes introduced by the Ministry of Social Justice in the state for transgenders include: Self-employment assistance including financial assistance for transgender persons, 'Samanvaya' continuing education programme for transgenders, Marriage assistance for legally married couples, Financial aid to transgenders for sex reassignment surgery and further treatment, 24x7 helpline for the transgender community, Skill development training, Scholarships for transgender students, etc.

III. MICROFINANCE IN INDIA

Microfinance in the country was dominated by the Self Help Groups. Later NABARD in 1992 initiated the Self Help Group- Bank Linking Program (SHG-BLP) due to the inefficiency of the formal and informal sectors in providing financial assistance to the marginalized. It was brought in as a tool to reduce poverty in the country and also to bring in financial inclusiveness. It has evolved into the largest microfinance programme in the world and also the main in the country ("Microfinance in India," n.d.). Many NGOs have been engaged in microfinancing in the country. RBI and NABARD have played a major role in giving the microfinance institutions the face that it has today. Microfinance has proved to be playing a significantly positive role in upgrading women- empowerment (Swain & Wallentin, 2009). There aren't any microfinance opportunities that are open to the transgender community per se in the country.

Kerala

Microfinance has been identified as a very important device to eradicate poverty in the state. *Kudumbashree* is a government-initiated microfinance institution in Kerala. Studies have shown the success of Kudumbashree in alleviating poverty (*Microfinance: An Introduction*, n.d.) and also in enhancing financial inclusion (Deepika & Sigi, 2014) in the state. Kerala also lies behind in providing microfinance opportunities for the transgenders.

Microfinance as a Measure for Achieving Universal Inclusiveness of Transgenders

Transgenders face extreme levels of exclusion and discrimination in the society. Various policies in the country, also Kerala aims to remove this societal stigma and stereotype towards this community. All these factors have contributed to the transgender people deprived of employment opportunities in the formal as well

as informal sectors. Economic power is being taken away from these people due to their gender identity. This restricts their opportunity to get loans or similar financial assistance from the formal banking sector. Moreover, most of the time they lack collateral requirements since they are denied property rights and other benefits from their own families. Evidence from the Transgender Survey 2015 conducted in Kerala also supports the same. Under these circumstances, microfinance can definitely be considered as an alternative in supporting them financially. A study conducted in Odisha (Barik & Sharma, 2018) talks about how microfinance can help in reducing the gender inequality and also how it can be beneficial for the transgender community. It says that transgenders are denied the microfinance facilities due to various reasons like lack of identity proof, financial literacy, awareness, etc.

IV. POLICY RECOMMENDATIONS AND CONCLUSION

Transgenders face exclusion in almost all forms- social, political, physical, economic, etc. All these are due to their identity that they choose to be in. Necessary policy measures should be undertaken to up bring these marginalized sections of our society. There should be increased self-employment opportunities for transgenders. The Kerala government has initiated various schemes to provide assistance to promote self-employment of transgenders. But the number of transgenders who actually benefit from these schemes is still unknown. Microfinance opportunities should be made accessible to the transgenders as well. When they are left to be working in groups for their own betterment, the programme can result in achieving the target of universal inclusiveness of the transgender community. Moreover, the microcredit facilities should be provided to them without asking for much of legal documents. There are many schemes and rules that have been enacted at the Central and State levels to protect the marginalized from various kinds of exclusion and violence. Necessary actions have to be taken to make sure that all these provisions are made use of in the right and just manner. Microfinance has been accepted to be a major institution that can act as a helping hand for the poor and marginalized all over the world. India, especially Kerala has also been experiencing the same through its microfinance operations. This paper attempts to throw light on some of the major problems that are faced by one of the most marginalized and vulnerable sections of the society- Transgenders, and to see if microfinance can be used as a means for their universal inclusion. The study shows that given the hazards that the transgenders have to deal with their day- to- day lives, microfinance is a great platform that can make their lives more productive and safer.

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