

## **Micro-entrepreneurship as a Tool for Economic Resilience: Rebuilding Safety and Autonomy for Domestic Violence Survivors**

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### **Introduction:**

Any form of physical, mental, and sexual violence can be termed as 'Domestic Violence'. An average of 24 people per minute are victims of rape, physical violence, or stalking by an intimate partner in the United States, more than 12 million women and men over the course of a single year (Exposure reduction or backlash, 2026). This is not something that we can overlook, or just another shocking statistic that can be used in a political speech; this is reality. The most prominent form of domestic abuse is economic abuse. It is a unique form of intimate partner violence (IPV) and includes behaviours that control a survivor's ability to acquire, use, and maintain resources (National Network to End Domestic Violence, 2014). Domestic violence leads to economic dependence by controlling the victim's financial access and restricting their right to work (Johnson et al., 2022). This leaves the victim financially dependent and unable to rebuild their independent life. Attention to economic abuse is critical, as economic stability is a social determinant of health that significantly influences the physical and mental health and safety of IPV survivors (Mellar et al., 2024). The lasting effects of financial abuse can be devastating. In the short term, access to assets is imperative for staying safe (INDIAdonates, n.d.). Without assets, survivors are often unable to obtain safe and affordable housing or the funds to provide for themselves or their families. With realistic fears of homelessness, it is little wonder that survivors sometimes return to an abusive partner (Dulhunty, 2025). For those who manage to escape the abuse and survive initially, they often face overwhelming odds in obtaining long-term security and safety. Ruined credit scores, sporadic employment histories, and legal issues caused by the abuse make it extremely difficult to gain independence, safety, and long-term security (Empow'Her, 2023). Clearly, it can have devastating long-term effects on quality of life, financial security, and independence (Santos et al., 2024).

### **From Financial Dependency to Resilience through Microentrepreneurship:**

According to the report “Economic Abuse by An Intimate Partner and Its Associations with Women’s Socioeconomic Status and Mental Health,” experience of any IPV (excluding economic) was not associated with significantly increased risk of receiving any benefit in the prior year; however, those who experienced any economic abuse were over three times as likely to have received a benefit (Mellar et al., 2024). Similarly, reporting any IPV (aside from economic) was not associated with significantly increased odds for not being able to raise enough money to support oneself in case of emergency; those who experienced any economic abuse were over three times as likely to report not having access to this money compared to those who did not report any IPV (Mellar et al., 2024). Further, of those who reported any IPV, women who experienced any economic abuse were 3.5 times more likely to report that their partner’s IPV disrupted their work (Johnson et al., 2022). Financial abuse occurs in 99% of domestic abuse relationships, and it is often cited by victims of abuse as the main reason that they stayed or returned to an abusive partner (National Network to End Domestic Violence, 2014). And yet the same question, “Why doesn’t she leave him?” or “Why does she stay?” continues to gnaw at the moorings of the domestic violence revolution. The durability of abusive relationships remains their central paradox (Dulhunty, 2025). What happens now? Is this the end of the life of a domestic abuse survivor, and now do they have to resort to an oppressed life forever with the tag of being abused? This is actually what happens in more than half the cases, but for those who have the strength to rebuild, don’t give up. For someone with the same story, there is a perfect opportunity known as “Microentrepreneurship,” which leads the survivors on a pathway to economic resilience (Jayachandran, 2020). Microentrepreneurship is a small business having a turnover of less than rupees 5 crore. When facing such harsh conditions in life, it becomes viable and sometimes necessary for the survivors to become financially independent, even if it is on a small scale (Jacob & Munuswamy, 2022).

### **The Socio-Economic Impact of Female Microentrepreneurship:**

Another gender-related question in the literature is whether business success improves women’s empowerment and, in turn, children’s outcomes (Smile Foundation, 2025). An additional motivation is that helping women, and specifically giving them earning power, might increase their decision-making power. This literature generally finds that most microentrepreneurs start businesses out of necessity (Jayachandran, 2020). Some of the evidence for this is that, when asked, people say they would prefer jobs with steady wages. Donovan et al. (2019) use data on employment transitions to investigate this issue and reveal that people more likely transition from being a microentrepreneur to a wage worker, suggesting that self-employment is not an “absorbing state” in developing countries, but what many people do until they find paid employment (Jayachandran, 2020). The prevalence of female-owned businesses and the gender

gaps in performance help explain why many interventions aimed at helping microenterprises, notably microcredit and business training, focus mostly on female entrepreneurs (Jacob & Munuswamy, 2022). The hypothesis that at least implicitly underlies this focus on women is that women are more constrained in their access to traditional financing and to education (Ministry of Skill Development and Entrepreneurship, 2025). Another reason many organizations focus on helping female-owned businesses is that their objective is not just to boost household income, but to also increase women's share of that household income. The rationale is that increasing women's economic position will increase their personal autonomy and give them more say in households, with perhaps better outcomes for children as a downstream benefit (Duvvury et al., 2024). As for broader benefits of helping female businesses, the current evidence on female-focused programs improving women's empowerment and children's outcomes is also scarce (*The effects of economic self-help group programs*, 2025). However, for survivors of violence, this economic engagement facilitates a critical identity shift from victimhood to empowerment (Marlow et al., 2018).

### **The Dual Nature of Survivor Entrepreneurship and Trauma-Informed Care:**

Still, this freedom may come at a cost. Entrepreneurship is not a violence-free ecosystem because it reproduces sexist norms and practices, and because it prompts aspirations for economic emancipation. In a study, 42.5% of respondents experienced violence as a result of their entrepreneurial activity (Empow'Her, 2023). In order to ensure well-being in adversities like these, an integrated support system must be provided. Trauma-informed care is a revolutionary approach that reshapes the traditional methods of supporting those affected by domestic violence, recognising the multifaceted impacts of trauma and the complex paths to healing and recovery (Graboyes, 2024). It works to integrate this awareness into every aspect of domestic violence services, shaping the interaction between service providers and survivors to foster a more supportive and effective healing environment. Its key features, such as empowerment, safety, and care, are fundamental components of the healing process (INDIAdonates, n.d.).

### **Feminist Economics: Redefining Success and Identity**

The Feminist Economics lens redefines success—instead of focusing merely on profit, it focuses on the safety, autonomy, and well-being of every citizen (Duvvury et al., 2024). It places emphasis on what is needed to produce a gender-equal society (Jha & Gauba, 2022). A gender-inclusive economy is essential for ensuring survival, the flourishing of life, better lifestyles, and a gender-balanced society (Smile Foundation, 2025). We can understand this topic further by placing survivor entrepreneurship within entrepreneurship theories, specifically necessity-driven models instead of opportunity-driven ones (Jayachandran, 2020). Trauma and negative life events, such as those faced by domestic violence survivors, act as catalysts for entrepreneurship

and identity building (Marlow et al., 2018). It becomes crucial to transform relationships of inequality and social oppression into ones of agency and resilience (Santos et al., 2024).

### **Overcoming Barriers to Autonomy through Integrated Support:**

This empowerment goes beyond simple access to income; it includes obtaining decent work, fair wages, access to social security, adequate conditions of production and marketing, and the right to leisure (Ministry of Skill Development and Entrepreneurship, 2025). Samuel (2014) states that empowering a woman is to rescue her self-esteem and personal satisfaction. Entrepreneurship allows women to participate in the family economy and have a voice (Jacob & Munuswamy, 2022). Psychologically, it contributes to self-confidence and well-being, in addition to achieving professional success and making dreams come true.

This empowerment may be very common in some situations, but it becomes a necessity for women in vulnerable situations, as they face greater difficulties in reversing their situation and seeking financial autonomy (Jayachandran, 2020). These difficulties are often related to low self-esteem, the role of family caregiver, level of education, lack of time, and difficulties in commuting (Chen & Sinha, 2016). A case report shows the experiences of the women who were able to successfully break the cycle: "Trying to find a way out, I looked for handicrafts, I wanted to undertake, I wanted to get out of that circle of violence. I was welcomed by the RAM network (Women's Service Network), I took courses, I improved myself... I was more in control of my life, and I was already able to have an income" (Santos et al., 2024).

Mainstream, traditional economic models, such as neoclassical economics, hide real inequalities. They often assume individuals are rational and independent, households are single, harmonious units, markets are gender-neutral, and work is only what is paid (Jha & Gauba, 2022). In the face of such fundamental concerns on the men-centric, market-driven economic paradigm that has hegemonized the world, there lies a need for the application of a feminist lens to understand the gender dynamics of work and government policies (Duvvury et al., 2024). Feminist Economics, aimed at creating a gender-inclusive economy, is needed for ensuring survival, the flourishing of life, better lifestyles, and a gender-balanced society (Smile Foundation, 2025). Women are innovative, socially conscious company leaders who support societal well-being and sustainable development because they have great creative and opportunity-sensing talents. A successful economy is an economy which focuses on well-being, safety, and autonomy instead of mere profit (Santos et al., 2024).

### **Self-Help Groups and Integrated Finance:**

In order to enable survivor enterprises, the role of community support structures is heavily required. A common example is SHGs, which are community financial models, showing both

benefits (social capital, inclusion) and risks (possible rise in violence without empowerment training) (Kumar et al., 2021). Effects of SHG membership, like Greater control over income, greater decision-making over credit, and greater and more active involvement in groups within the community, lead to improvements in women's scores and have a significant positive impact on aggregate measures of women's empowerment and reduce the gap between men's and women's empowerment scores (The effects of economic self-help group programs, 2025).

The IMAGE project in South Africa combined a microfinance program with participatory training on understanding HIV infection, gender norms, domestic violence, and sexuality (Kim et al., 2007). After 2 years, the risk of past-year physical or sexual violence by an intimate partner was reduced by more than half (adjusted risk ratio=0.45; 95% confidence interval=0.23, 0.91) (Kim et al., 2007). Reductions in violence resulted from a range of responses enabling women to challenge the acceptability of violence, expect and receive better treatment from partners, leave abusive relationships, and raise public awareness about intimate partner violence (Kim et al., 2007).

The findings of this IMAGE project, both qualitative and quantitative, indicate that economic and social empowerment of women can contribute to reductions in intimate partner violence (Kim et al., 2007). This is living proof of the fact that combining finance with gender training reduces violence (Smile Foundation, 2025). If such integrated projects are introduced in India, they could strengthen self-help groups for survivors and paint a better picture for them (Parthasarathy et al., 2018).

### **The SHG Paradox: Initial Gains vs. Long-Term Backlash**

It is crucial to reiterate that such financial interventions are not enough! A survivor's growing economic independence can threaten an abuser's control, often leading to an escalation of violence. This "backlash effect" is the most critical risk that must be managed (Dulhunty, 2025). A repetitive pattern is observed, which can be called a paradox: short-term gains in support and safety, but long-term risks of increased violence from financial conflicts (Empow'Her, 2023). We can understand this phenomenon by the example of Self-Help Groups (SHGs) in Andhra Pradesh. SHGs were promoted by international agencies and Indian government agencies beginning in the late 1970s to reduce poverty. While around 2.5 years of SHG participation reduced the frequency of domestic violence, longer-term SHG participation increased domestic violence (Kumar et al., 2021). The initial economic objective of these SHGs was to provide sources of income through the development of micro-enterprises for groups of women in rural areas. The Development of Women and Children in Rural Areas (DWCRA) program began promoting SHGs in Andhra Pradesh in 1982-83 with the assistance of UNICEF.

Data comparing the pattern of time trends in the frequency of domestic violence between program and control mandals shows a troubling shift. In the program mandals, the frequency of domestic violence decreased by 0.220 between 2001 and 2004, but then increased by 0.238 between 2004 and 2006. These estimates show that while initial presence (approximately 2.5 years) reduced violence, a total of five years of presence resulted in a net increase in the frequency of domestic violence (Kumar et al., 2021). In theory, SHG participation may decrease the frequency of domestic violence if it enhances new income-generating activities and improves household living standards (The effects of economic self-help group programs, 2025). This is expected to improve a woman's position and reduce marital tension. However, some aspects of women's empowerment, such as strengthened autonomy, increased mobility, and more negotiation power, may be perceived by husbands as a challenge to cultural norms based on men's authority (Duvvury et al., 2024).

### **Low-Barrier Pathways: Home-Based Business and Digital Markets**

Another way to walk on the path of empowerment is starting a small business. There are low entry barriers as no registration is required, and there is minimal capital (Jayachandran, 2020). Also, a small business can be run from the comfort of one's home. Home-based workers produce goods or services for the market from within or around their own homes (Chen & Sinha, 2016). In countries both rich and poor, they produce a wide range of low- and high-end goods and services for both domestic and global markets. The services or goods produced do not necessarily need to be fancy; they use daily domestic skills like tailoring and food processing (Alokya, n.d.).

For example, Jyoti Naik, who helped a women's cooperative centered on traditional food products (Lijjat papad), became a major success (Jha & Gauba, 2022). Another example is that of Kainaz Messman, who founded the popular bakery chain Theobroma based on her family's culinary background. Another plus point is that it is extremely accessible for a small business to get various policy support. Skill India Mission is one such policy, a national initiative by the Indian government to upskill millions of youth and adults with industry-relevant skills, bridging the demand-supply gap in the workforce, and fostering self-reliance (Skill Reporter, 2019). This initiative focuses on boosting economic growth by providing vocational training and certifications (Ministry of Skill Development and Entrepreneurship, 2025). In this new generation, there are many digital marketplaces as well, such as GoCoop and Craftsazaar (Women on Wings, n.d.). By bypassing middlemen, giving direct access to wider markets, and ensuring fair income, these platforms empower women and make them independent (Alokya, n.d.).

### **The "Microfinance-Plus" Model and Trauma-Informed Ecosystems:**

The integrated "microfinance-plus" model, which combines financial services (loans, savings, insurance) with non-financial services (training, health education, and social support), has achieved great success. A global example is that of the IMAGE project in South Africa. The IMAGE Project is a community-based HIV and GBV prevention programme which combines a group-based microcredit programme with gender and HIV training (Kim et al., 2007). The purpose of IMAGE is to improve the economic well-being and independence of communities, reduce participants' vulnerability to HIV and GBV, and foster robust community mobilisation to address common concerns within participants' villages. India is also developing in respect to such projects. For example, the Kudumbashree mission is Kerala's flagship poverty eradication and women empowerment program. It supports women in starting small businesses—such as tailoring or food services and focuses on health, education, and overall development (Parthasarathy et al., 2018). Its impact is that it empowers women economically and socially, transforming them from vulnerable groups to agents of development, covering millions of families across Kerala (Kumar et al., 2021).

However, a trauma-informed approach is important for safe and effective support of domestic violence survivors. Trauma-informed philosophy, which prioritises safety, choice, and empowerment, is essential for creating an environment where survivors can heal and succeed without being re-traumatised (Graboyes, 2024). Ultimately, we can interpret that micro-entrepreneurship is a viable pathway for survivors, but it must be embedded in trauma-informed ecosystems. This pathway offers opportunities such as home-based businesses, digital platforms, and Self-Help Groups (SHGs), which help in achieving independence (Chen & Sinha, 2016; Alokya, n.d.). Despite these benefits, there is an equal amount of risk, such as the "backlash effect," where increased economic agency may lead to increased tension or violence within the household (Dulhunty, 2025). Initiatives like the IMAGE project and Kudumbashree show that success is a high-probability outcome when economic empowerment is combined with gender training (Smile Foundation, 2025). Yet, the current number of initiatives and laws is not enough for the growing number of domestic violence cases globally. This calls for gender-affirmative policies and trauma-informed, survivor-centred laws and programs that embed safety, autonomy, and dignity (Duvvury et al., 2024).

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