

DOES MICROFINANCE REALLY EMPOWER?

A study on the contribution of microfinance in empowering the poor
women of northern Bangladesh

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“It is 2 pm. Cold but sunny winter day. I am at the Dhaka international airport, waiting for a flight to Kathmandu. After spending three months in remote Bangladeshi villages, my perception of poverty has changed, my understanding of power has shifted. I will always be indebted to the respondents of my study and, equally, to the hundreds of northern Bangladeshi farmers, petty-laborers, rickshaw pullers, who candidly shared their harsh stories of poverty, deprivation, vulnerability, powerlessness and helped me deepen my hitherto meager understanding of miserable, but a complex global south.”

Extracted from the fieldwork diary, December 2009

ABSTRACT

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The aim of the study was to describe the impact of microfinance in empowering the women of northern Bangladesh. The study also aimed at assessing the effectiveness and outreach of NGOs and Microfinance Institutions (MFIs) in addressing the financial needs of the poor. A comparative study of long-term and short-term beneficiaries was carried out in order to evaluate the degree of social participation and political awareness. Increment in choices and opportunities was taken as the major indicator of empowerment. The study was supported by the Ministry for Foreign Affairs of Finland, Finn Church Aid and Rangpur Dinajpur Rural Service (RDRS) Bangladesh.

The study followed qualitative research methodologies. A non-participant observation, semi-structured focus group interviews and four family case studies were carried out during the study. A non-participant observation was chosen as an important methodology and several RDRS branch offices and weekly microfinance group meetings were observed throughout the study period. Five short-term and five long-term beneficiaries of RDRS microfinance were selected and they were posed different questions on social economic and political domains, and a set of questionnaires was used for this purpose. Four family case studies were also carried out for an in-depth study of economic empowerment and changing gender relations. Data triangulation was used to ensure validity and reliability.

The findings suggest, though the long-term microfinance beneficiaries enjoyed slightly improved chances of social mobility and possessed an added value of self-worth, there was not any significant improvement in securing an enhanced economic base, and at the same time, the longstanding issues of gender disparity and powerlessness remained unchallenged. Thus, the link between minimalist microfinance and women empowerment is not as strong as it is normally perceived.

In addition, the minimalist microfinance seems to have many limitations and, thus, cannot contribute effectively to empowerment of the poor. If the focus of the MFI is on poverty eradication and empowerment, not merely on providing financial services to the poor, the report recommends, instead of a minimalist microfinance, a holistic microfinance with vigorous educational and skill-training opportunities should be devised and implemented. It would certainly be wise to look for new models of microfinance where the poor are not necessarily entrepreneurs, but active stakeholders. Such an example has also been included in the report.

Keywords: women empowerment, microfinance, Bangladesh, poverty, empowerment measurement, gender equity, qualitative study

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1 INTRODUCTION

In search of various alternatives to help the poor, especially of the developing world, come out of poverty; microfinance emerged as one of the most applauded and almost unanimously celebrated interventions for poverty reduction since the 70s. Apparently, there have not been sufficient studies to testify these anecdotal claims, but many donor agencies, non-governmental organizations, Microfinance institutions and governments across the globe continue to regard microfinance virtually a genuine innovation to help the poor and, more specifically, an impeccable tool for women's empowerment. (Mayoux 2005; Asim 2008.)

Though different microfinance schemes follow different patterns and aim at achieving different results, a majority of Microfinance institutions (MFIs) have always been underscoring women's empowerment and poverty reduction, two major targets of the Millennium Development Goals (MDGs), as their primary and most prioritized goals of microfinance intervention.

With the quest of finding out the nature, as well as, the extent of the alleged link between microfinance and women's empowerment, this study was conducted among short-term and long-term beneficiaries of microfinance in rural parts of northern Bangladesh, the land of microfinance pioneers with millions of active microfinance service users, informally known as the motherland or the Mecca of microfinance.

Microfinance is one of the rarest approaches to economic development and empowerment of the poor which has been hailed without much criticism though some schools of thoughts have consistently chosen to remain silent about its pros and cons. However, many development agencies across the globe continue to promote microfinance, occasionally as a panacea and often as a powerful catalyst to the attempts of economic development and empowerment of the poor. For instance, The United Nations declared the year 2005 as the Year of Microfinance, and its then General Secretary Kofi Annan famously said, "Microfinance recognizes that poor people are

remarkable reservoirs of energy and knowledge. And while the lack of financial services is a sign of poverty, today it is also understood as an untapped opportunity to create markets, bring people in from the margins and give them the tools with which to help themselves” (Annan, 2005).

The author, as a curious inquisitor of the intricate dynamics of development, has tried to analyze the fieldwork findings from two major standpoints. The first stand point is of economic development, which looks into the details of economic dimensions of microfinance; whereas, the second standpoint is of empowerment which focuses on the socio-political dimensions of microfinance and elaborately goes into the crux of this study: women empowerment.

TABLE 1: Bangladesh information

1.1 Bangladesh

Bangladesh, officially the People's Republic of Bangladesh, is a South Asian country bordered by India from three sides, sharing a small border with Myanmar to the far southeast and by the Bay of Bengal to the south. The present-day Bangladesh, once known as East Pakistan, was the eastern wing of Pakistan until the war for independence in 1971 led to the establishment of Bangladesh.

However, on contrary to people's anticipation, peace and stability couldn't prevail after the independence as well. Instead, the newly built state plunged into another dark period riddled with famines,

natural disasters and rampant poverty. In addition, subsequent military coups and political turmoil hampered people's aspiration for democracy and development. Nevertheless, restoration of democracy in 1991 has been followed by relative calm and signs of economic progress.

Capital: Dhaka
Government Type: Parliamentary Democracy
Area: 147,570 km ²
Population: 162,221,000
Currency: Taka (BDT)
GDP (per capita): \$520 (157 th)
HDI(2007): 0.543 (medium) 146 th
Life Expectancy: 60.25 years
Literacy Rate: 47.9%
Population below poverty line: 45%
Official Language: Bengali
Main Religions: Muslim 83%, Hindu 16%, other 1% (1998)
(Source CIA Fact Book 2010 & Banglapedia 2010)

‘In contrast to the strikes and violent street rallies that had marked Bangladeshi politics in previous years, the parliamentary elections finally held in late December 2008 were mostly peaceful and Sheikh Hasina Wajed was reappointed prime minister’ (CIA, 2010).

Bangladesh is the seventh most populous country in the world with the highest population density and a high poverty rate. However, ‘Bangladesh successfully maintained a steady economic growth rate of around five per cent throughout the 1990s. Coupled with an impressive decline in population growth and a fairly stable macroeconomic condition, the economic growth resulted into a doubling of the per capita Gross Domestic Product (GDP).’ (Human Development in South Asia, 2007, 135.) About a third of this extremely poor country floods annually during the monsoon rainy season, hampering economic development (CIA, 2010). Despite some significant improvements in some areas such as literacy and reduction of population growth, Bangladesh still remains one of the poorest countries in the world and continues to face numerous challenges, including political instability, widespread poverty and natural disasters.

Making Bangladesh an agrarian economy, two-thirds of Bangladeshis are farmers growing significant crops such as rice, mustard and tea. Jute was once the backbone of the economy before polypropylene products subdued the jute industries all over the world. Since the 1980s, the growth of garment industry set up a new export trend in Bangladesh employing more than three million workers and inflating its economy. Remittance is also a significant contributor to today’s Bangladeshi economy (Banglapedia, 2010).

1.2 Poverty and Gender Issues in Bangladesh

There is no unanimous definition of poverty available as researchers and academicians have proposed different standpoints on defining and measuring poverty. Some tend to opine that poverty should be linked more with material deprivation; with strong focus on subsistence, however, others argue that poverty occurs when people face multiple deprivation and denial of opportunities and freedom (Sen 1999, 26). It is generally agreed that, in one form or the other, poverty leads to social exclusion, powerlessness and marginalization.

According to Peter Townsend, people can be said to be in poverty when they lack ‘the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary’ (cited in Mack & Lansley 1997, 417.)

However, Mahbub ul Haq, the pioneer of Human development theory and founder of the Human Development Report argues that poverty implies a denial of opportunities, so the poverty alleviation strategies should focus ‘not only on the income of the poor but also, and more importantly, on building capacity of the poor’ (Human Development in South Asia, 2007). For him income is not the sole indicator of wellbeing as poverty should be taken as a multidimensional phenomenon and tackling poverty always requires espousing more measures than simply increasing the incomes of the poor (Human Development in South Asia 2007, 10,14). Mr Haq also believed that the poor, the weak and the vulnerable are not favored by markets as they are not able to compete adequately due to lack of education, health and nutrition (Human Development in South Asia 2007, 12).

Amartya Sen, similarly, sees poverty not just as a deprivation of basic needs, but of elementary capabilities. According to him, ‘deprivations can result when people are denied the economic opportunities and favorable consequences that markets offer and support’ (Sen 1999, 26).

From these definitions we can see that understanding of poverty is not limited to unavailability or scarcity of means to fulfill basic physical needs, but also the absence of equal opportunities, social justice and participation.

Poverty, development and empowerment are believed to be linked as change in one of them bound to affect the other ones as well. For instance, increased development can reduce poverty and improve the level of empowerment.

Women empowerment has been one of the top priorities of development agencies and governments around the world and it has been recognized that even in the developed countries women continue to experience various forms of discrimination in one way or

the other. In developing countries, gender disparity or low status of women has been recognized as a sheer obstacle to equality and development.

Mayoux (2005, 13) defines women's empowerment as a participatory process 'through which women, who are currently most discriminated against, achieve gender equality and equity' (Mayoux 2006, 13). According to her women are disadvantaged when they are not able to 'fully promote their own interests'. Furthermore, she believes that enabling women to promote their interests needs support from 'development agencies at household, community and macro levels' (Mayoux 2006, 13). Whereas, Kabeer (1999) explains that women's empowerment refers to the process by which those who have been denied the ability to make strategic life choices acquire such ability. (cited in Bali & Yang 2007, 5.) However, according to her, 'women, in particular, are often locked into a cultural framework in which they perceive their disempowerment to be right and proper' (cited in Alsop & Heinsohn 2005, 11.)

Bangladesh has achieved some remarkable progress in terms of economic development and the use of information communication technology in recent years, but still remains one of the poorest countries in the world. Statistics indicate that compared to the 90s, fewer people live in extreme poverty, but inequality within and across regions persists and has been increasing rather than decreasing.

According to 2000 data published by the World Bank, some 63 million people (roughly half the population) lived in severe deprivation and 55% of people over the age of seven were completely illiterate not being able to either read or write.

'The most recent survey in 2005 found 40% of the population to be below the poverty line, measured by the cost of essential food and basic needs, compared with 59% in 1991, the MDG baseline year. Progress has been uneven, with the most severe poverty located in urban slums and in the Chittagong Hill Tracts. Just under 20% of the population falls into the category of extreme poverty, lacking resources to acquire a minimum dietary intake' (Oneworld 2010).

Bangladesh has been hit hard by the effects of climate change as well. People report that monsoons have been shorter, but more severe. Tropical storms are frequent and violent and drought periods are exceptionally long. Rising sea levels has already caused many

displacements and in 2007 Cyclone Sidr left 3,500 people dead and destroyed more than half a million homes.

Perpetuation of poverty in Bangladesh has many causes; however, 'a multivariate model of poverty determination for Bangladesh indicates that poverty is strongly correlated with land ownership and the schooling of adult males and females in a household. In addition, a study has established that infrastructure variables, such as the extent of paved roads, electricity coverage and availability of bus transport, also have significant inverse associations with poverty' (Human Development in South Asia 2007, 137).

Bangladesh has been ranked 100th out of 128 countries in the 2007 Gender Gap Index of the World Economic Forum (Global Gender Gap Report 2007). The index illustrates that labour force participation among women is 55% whereas that of male is 88%, whereas, women earn less than half their male counterparts. Literacy rate among women is 31%, however, only 4% women join a tertiary education. Furthermore, the index shows that Bangladesh is one of worst performers in paternal versus maternal authority and polygamy is still practiced (Global Gender Gap Report 2007).

1.3 Organizations in Concern

1.3.1 Finn Church Aid (FCA)

Finn Church Aid (FCA) is one of the largest NGOs in Finland working extensively in more than 30 countries especially on development issues and also as a disaster relief provider. FCA is a partner organisation of the Ministry of Foreign Affairs in Finland and part of the international aid network. 'FCA works to help the world's poorest people in tens of countries across four different continents. The assistance includes long-term development cooperation, disaster relief and aid for refugees, reconstruction, human rights and peace work, and inter-church cooperation' (FCA, 2010).

FCA works for promotion of justice, peace and human rights, as well as, for reduction of poverty from its working areas. In 2008, FCA provided aid with a total budget of about 24 million euro (FCA, 2010).

1.3.2 Rangpur Dinajpur Rural Service (RDRS Bangladesh)

RDRS Bangladesh was initially established as Cooch Behar Refugee Service (CBRS) in 1972 in the wake of the Bangladesh liberation war. Initially, the organization was providing rehabilitation services to the war trodden areas of north-west Bangladesh, however, later in 1985, the organization was renamed as Rangpur Dinajpur Rural Service and its focus was also shifted from rehabilitation/reconstruction to development work.

In 1997, RDRS became an independent national NGO and Associate Program of LWF/Department for World Service. RDRS ‘reaches some one million villagers through its integrated development programme, through a group approach, working directly with primary groups and, through federations, with more developed Secondary Groups’ (RDRS, 2010). RDRS’s vision is to ‘see the rural poor achieve meaningful political, social and economic empowerment, peace and justice and, through their individual and collective efforts, the creation of a positive and sustainable environment’ (RDRS 2008, 3).

As of December 2008, RDRS was working in 17 districts, 540 Unions, with over 25,747 organized groups, with members representing 485,127 households. More than 300,000 and 465,000 benefitted from RDRS health and education programmes respectively (RDRS 2008, 7). In 2009, RDRS was working in the area of social empowerment, women’s rights, children’s rights, ethnic communities, community health, livelihoods, Char development, environment, disaster response and microfinance.

1.4 Key concepts

Microfinance: Microfinance and microcredit have sometimes been used interchangeably; however, they are not the same. Microcredit can be a part of microfinance, but not necessarily a synonym for it. Microfinance covers a broader range of financial services such as credits, savings, insurance, housing loans, whereas,

microcredit refers specifically to loans and the credit needs of clients. The amount of such loan is expected to be less than a thousand dollars in many countries; however, it was observed during this study that the amount of microcredit loan exceeded almost three thousand and five hundred dollars in some cases.

Microfinance is said to cover broader concepts such as entrepreneurial and life skills trainings, health and nutrition, sanitation, improving living conditions, and the importance of educating children, but, more recently a lot of minimalist microfinance approaches have been witnessed, which not necessarily go beyond providing the core financial services to the poor. However, even when auxiliary facilities are provided, microcredit has always remained a fundamental and most important component of microfinance. Rather than focusing on the other facets of microfinance such as savings, insurance and trainings; this study has put credit on the centre of its treatment as it was clearly observed during the study that the other services were, almost without exception, existed only as supplementary services and in the absence of credit, they didn't make any significant meaning.

Microcredit: Microcredit is the main component of microfinance services. It is a system of credit delivery and mobilizing savings specially designed to meet the requirement and financial need of the poor. It is argued that microcredit improves their living standards by providing credit support without collateral through augmenting their household income and saving facilities.

Minimalist microfinance: As opposed to integrated or holistic microfinance where several subsidiary programs are integrated; such as life skills, extensive educational and awareness programs, minimalist microfinance emphasizes merely on providing financial services such as credit and saving facilities. In addition, as Mayoux (2005) points out minimalist microfinance involves 'separation of microfinance from other interventions to enable separate accounting and programme expansion to increase outreach and economies of scale, reduction of transaction costs and ways of using groups to decrease costs of delivery' (Mayoux 2005,7).

Borrowers: The members of the groups who have borrowed loan from and still have loan outstanding with the institutes are referred to as borrowers.

Personal guarantees: While micro-borrowers themselves do not often have the ability to guarantee their loans, they are sometimes able to enlist friends or family members to provide personal guarantees (often referred to as cosigners). This means that in the event of the inability of the borrowers to repay, the person who has provided a personal guarantee is responsible for repaying the loan. This can be taken as an alternative form of collateral.

The federations: First established in 1988, the union federations are community based organizations, established in assistance of RDRS, but enjoying an independent legal status. In the year 2009, 310 such CBOs were active in north-west Bangladesh, whereas, 182 of them had been registered as NGOs. It is believed that such CBOs make development work sustainable and maintain the ownership of projects initiated by national NGOs. A majority of the federation members are microfinance beneficiaries. The federations also have different sub-committees such as women forum, youth forum, disaster management forum, information unit and a mediation team.

Gender disparity: Gender disparity implies discrimination between individuals due to gender or sex.

2 LITERATURE REVIEW AND RESEARCH CONTEXT

2.1 An overview of previous research

Even after decades of its practice, microfinance remains a widely reported, but rather narrowly researched subject. There have been some significant studies too, but often entrepreneurship take precedence over empowerment or, in other words, economic aspects are studied and highlighted, but subtle socio-political issues remain wrapped and unnoticed.

In addition, there are few studies conducted from the microfinance service users' or beneficiaries' perspective. Most studies were done from MFIs' angle and ended up focusing on outreach and repayment rate as the sole indicators of a successful microfinance scheme, thereby, bluntly neglecting the actual and subtle changes happening in the lives of the beneficiaries.

It is often argued that conducting a microfinance impact study is a costly affair and many MFIs themselves are not interested in or capable of carrying out an independent research work on such an issue. However, almost all MFIs have well documented individual case studies which are widely portrayed in their promotional materials and reports.

Showing concern over media reports and research studies on the impact of microfinance, six internationally notable microfinance practitioners Grameen Foundation, ACCION International, FINCA, Women's World Banking Opportunity International and Unitus recently came up with a common statement where they claim that many research studies and media reports have failed to portray the real impact of microfinance in reducing poverty, providing financial services to the poor and empowering them.

In a joint statement published by ACCICON, they claim, ‘as microfinance practitioners, we have witnessed the positive impact of microfinance first-hand. For the last four decades, our work has regularly brought us face-to-face with clients—the majority of them women—in more than 40 countries across five continents’ and ‘for these clients, business loans from microfinance institutions open a world of opportunity previously closed to them by the formal financial sector. Loans enable them to buy tools and materials to start an income generating business and/or to increase the productivity of an existing business. Increased income generated from these businesses allows them to pay school fees to educate their children, stabilize food sources, and pay for other expenses that lead to the improvement of the health and well-being of their families.’ (ACCICON 2010, 1.)

They also dismiss the negative claims made on the ability of microfinance to empower women and stress that they have witnessed the opposite. The report says,

We have also seen through our work that microfinance is particularly able to empower women, giving them access to the material, human and social resources necessary to make strategic choices in their lives: establishing or strengthening financial independence; transforming power relationships; improving stability and family prospects by directing more income toward families; and, particularly, engendering dignity and pride. This economic independence often translates into more productive communities. (ACCICON 2010, 1.)

Similarly, Pitt et al. (2006), use Item Response Theory (IRT) and found that the use of microcredit increased women’s role in household decision making with ‘greater access to financial and economic resources, having greater social networks, more bargaining power vis-à-vis their husbands and having greater freedom of mobility’ (cited in Bali & Yang 2007,6).

A renowned microfinance researcher Linda Mayoux claims that microfinance does have the potentiality to significantly impact the lives of women by empowering them but that ‘is not an automatic consequence of women’s access to savings and credit or group formation per se. In many cases benefits may be marginal and women may even be disempowered.’ (Mayoux 2005, 2.)

In her discussion paper, she recounts that the link between microcredit and women empowerment has generally been accepted and ‘microfinance for women has recently been seen as a key strategy in meeting not only Millennium Goal 3 on gender equality, but also poverty reduction, health, HIV/AIDS and other goals’ (Mayoux 2005, 3).

Giving a historical account of microcredit, she says,

women’s organizations world-wide set up credit and savings components both as a way of increasing women’s incomes and bringing women together to address wider gender issues. From the mid-1980s there was a mushrooming of donor, government and NGO-sponsored credit programmes in the wake of the 1985 Nairobi women’s conference. (Mayoux, 1995a cited Mayoux 2005, 3.)

Using the Robust Maximum Likelihood (RML) method Bali & Yang (2007) studied self-help microfinance groups in India and found that the level of empowerment among self-help group members and credit users was higher than that of the control group. However, they found a variation in empowerment degrees and were unable to point out as to which factors were mainly responsible for increased level of empowerment. They conclude:

It is difficult to say which factors are more important for empowering women. The differences in pace of empowerment might be a result of various factors. Household and village characteristics, cultural and religious norms within the society, behavioural differences between the respondents and their family members, the kind of training and awareness programs that the women have been exposed to. All these factors together are responsible for the empowerment process. Bali & Yang (2007, 22.)

Among ultra-poor microfinance beneficiaries of different MFIs in Bangladesh, Alamgir (2006) found that though credit was the main attraction for joining MFIs, there had been significant improvement in asset building and positive impact of microcredit was also ‘manifested in better sanitary and health conditions and increased empowerment of women’ (Alamgir 2006, 102-106.)

Salman Asim, having been based on his empirical research work in the urban slums of Lahore- Pakistan, claims that ‘participation in microcredit program has no effect on women’s ‘say’ in all but *one* domain of household decisions, i.e. decisions regarding

major household purchases.’ He also claims that the link between microcredit and women's empowerment was found to be rather weak. (Asim 2008, 2.)

To the best of the author’s knowledge, however, there have not been any similar studies on the topic of microfinance and empowerment in the area where this study was conducted. In that sense, it’s the first independent academic study which tries to measure women's empowerment and qualitatively evaluate the link between credit use and women's empowerment by comparing the choices and opportunity structure of the long-term and short-term microfinance beneficiaries.

2.2 The Study Area

This study was carried out in the Jatrapur village of Kurigram Sadar Upazila Kurigram district, northwest Bangladesh. On the east, the village was surrounded by the Indian state of Assam. The Brahmaputra river flows through the village causing constant river erosion and major floods during the rainy season. The place has historical importance as the war of liberation occurred in and around the region, but has always been one of the poorest regions in the entire country.

PICTURE1: The study area



(Source: Banglapedia, 2010)

According to government statistics, average literacy rate of the region is 31.1% whereas that of women is 30.9% (Banglapedia 2010). Agriculture is practiced as the main source of subsistence and a significant number of people work as agricultural and wage labourers. In the Upazila region, statistics show that more than 62% of cultivable land is double crop land. Cultivable land under irrigation is 31.72% and nearly 30% peasants are landless with cultivable land per head being 0.08 hectare (Banglapedia 2010). Main crops cultivated in the region are paddy, wheat, potato, corn, bamboo and jute. The village has a road connection to the nearby city where people transport goods to and from the market. Every week hundreds of people attend a nearby marketplace where goods are sold and exchanged. Electricity is available in some parts of the village, but many people choose not to use electricity because even the minimum monthly tariff is unaffordable for them. Some reputed NGOs, such as RDRS Bangladesh, BRAC Bangladesh, CARE Bangladesh and Save the Children are implementing different social and economic development projects in the region.

Though different initiatives have been taken by governmental and non-governmental sectors to uplift the socio-economic conditions; the region, still remains marred by abject poverty, deprivation and unequal power relations. People are constantly haunted by frequent natural disasters, famine and diseases. Every year poor hygiene conditions give rise to communicable diseases and lack of proper nutrition causes overall poor health conditions ultimately affecting performance and productivity of the general workforce.

Women suffer more than their male counterparts as traditional patriarchal norms still play significant role in determining everyday gender relations. Early marriages and dowry are practiced widely though increased awareness campaigns have believed to be alleviated such occurrences in recent years.

Women face various forms of discrimination at home and out in the society. Still some women are required to wear hijab and burqa, customary veils, and not allowed to go outside their homes without a male family member's guaranteed accompany. Every year numerous women become victims of acid attacks mostly perpetrated by men attempting to rape or forcefully marry them. Girls are given second priority when it comes to

providing educational opportunities, clothing, nutrition and proprietary rights. Women members in families continue to eat last and scantily.

Excluding very few exceptions, the women have not been able to break the traditional barriers and work in the service and formal employment sector. They do spend substantial amount of time doing very demanding household and care work, but their labor is not recognized as 'work' in their families especially from their male counterparts. Work in traditional sense still means going outside home and working in the field as labourer and earning a wage.

Nowadays many girls are sent to attend primary school, but completing a high school education is still a challenge for them as they are married off mostly before the age of sixteen or are dropped out of school due to poverty. Boys are comparatively privileged compared to girls, but they, too, are forced to leave their education early due to severe poverty and continue wandering around big cities in search of menial employment.

2.3 Microfinance in Bangladesh

Bangladesh is considered as the birthplace of modern microfinance which started nearly four decades ago with the inception of the Grameen Bank. The Grameen Bank model and microfinance in general got unprecedented international coverage and sheer admiration when its founder Mohammad Yunus was awarded the Nobel Peace Prize in 2006.

Microcredit Regulatory Authority (MRA), a government body established to regulate MFIs in Bangladesh, reports that when MFIs were required to obtain a license from the MRA, 4,236 MFIs/NGOs applied within the stipulated period (MRA, 2010). This clearly shows the vast number of MFIs providing different microfinance services in Bangladesh. Many of the service providers, unquestionably, are NGOs, government-owned banks, commercial banks and the Grameen Bank.

The industry reportedly serves more than 30 million poor people across the country, employs nearly two hundred thousand workers and it is believed to have contributed for socio-economic progress of Bangladesh.

‘Despite the fact that more than a thousand institutions are operating microcredit programs, only 10 large Microcredit Institutions (MFIs) and Grameen Bank represent 87% of total savings of the sector (around BD taka 93 billion) and 81% of total outstanding loan of the sector (around BD taka 157.82 billion)’ (MRA, 2010). In order to ‘bring microcredit sector under regulatory framework’ the Bangladeshi government ratified "Microcredit Regulatory Authority Act, 2006" which envisaged the establishment of a regulatory authority now known as Microcredit Regulatory Authority (MRA). The authority provides operating license to MFIs, sets limits and investigates their performance.

2.4 Focus on women

MFIs in Bangladesh and elsewhere have always been focusing on the women as their primary targets. Many NGOs and MFIs have started providing financial services to the poor regardless of their gender, but still the traditional women preference pattern continues in practice which led professor Kabeer to term microfinance as ‘a whole industry that is dedicated to women’ (Kabeer, 2004). In fact, statistics show that female microfinance service users heavily outnumber their male counterparts. For instance, more than 80% of the group members in RDRS microfinance are women (RDRS, 2009). Though, the male participation in bigger amount of loans is significant, still microfinance remains a female dominated industry.

There are a number of opinions as to why MFIs prefer to or keep providing financial services for the poor women. Some critics say that MFIs have been targeting women just because it is easier to exact loan installments from women, whereas others see the women-microfinance nexus as a deliberate attempt of socially responsible MFIs to empower the women and ultimately bring about positive social changes.

Women in most of the developing countries, like in Bangladesh, are not equal to men and, in turn, are poorer and more vulnerable. Human Development in South Asia 2006, an annual development overview published by the Mahbub ul Haq Development Centre, states, ‘the challenge of poverty in South Asia is not only huge it is also highly discriminatory against women. Poverty has been feminized in most parts of the world, but in South Asia it truly has a woman’s face.’ (Human Development in South Asia, 2007, 3.)

Elaborating the gender intricacies of poverty, the report further states, in South Asia “being a woman increases the likelihood of being poor since women have lower access to education, health and productive resources. Also being poor in a patriarchal society generally leads to gender differentiated outcomes in education, health, social, political and economic participation. This in turn increases the likelihood of more women falling into poverty. Poverty and gender inequality form a vicious cycle that pushes millions of women and girls into a trap of constant denial of rights, deprivation and extreme discrimination.” (Human Development in South Asia, 2007, 3.)

Similar realizations have resulted into a conclusion that unless women are economically, socially and politically empowered, the dream of an equal and just society remains a distance dream. Against that backdrop, microfinance emerged as an attractive tool with the mighty claim to empowering the poor women at all levels.

Apart from the structural observation of social inequality, gender disparity and the fact that women empowerment is one of the Millennium Development Goals, MFIs, in addition, do have other reasons to prefer women as microfinance service users. For instance:

It is believed that male members in a family are generally earning members, whereas, females are taken as nurturing members. Microfinance is supposed to break this traditional pattern and support the female members emerge as earning members.

Since women are mostly bound to their household chores, MFIs find it easier to mobilize women during the day time. They don’t need to leave their home in order to pursue an income generating activity, IGA, supported by an MFI.

It is believed that when a woman is earning money, it is very likely that the major portion of her income is spent on the benefit of the family, such as, for the children's school or nutritional purposes, whereas, it is less likely when the earner is a male.

Women are less likely to be offered credit from commercial banking institutions as such institutions ask for collateral, and women being historically denied of parental property rights, have the least chance of owing any fungible property.

2.5 RDRS Microfinance

TABLE 2: RDRS Microfinance

RDRS Microfinance (As of 31 st Sept.2009)
Microfinance Members: 406,174
Number of groups: 19,681 (82% F, 18%M)
Number of MF staff: 1,556
Number of districts covered: 11
Number of village covered: 10,565
Loan Size(normal): Tk. 1,000-20,000 (€10- 200)
(Micro-enterprise): upto Tk.3,00,000 (€3,000)
Interest Rate: 12.5% 9% for ultra poor
Loan period: 12 months
Loan types: rural microcredit, urban microcredit, seasonal loan, microenterprise loan, ultra-poor loan, project loans such as Tribal land redemption loan, North-west crop diversification project (NCDP) loan etc.
<i>(Source: MF at a glance 2009, RDRS)</i>

RDRS started providing microfinance services since the early 1990s. Earlier the service was integrated with the other development programs of RDRS, though, by the year 2000 it was realized that microfinance cannot go hand in hand with other development programs if its sustainability was to be ensured. Reportedly, the field-workers faced utter contradiction playing the role of humanitarian relief/development workers and, at the same time, credit distributors and saving collectors.

In 2001, the microfinance programme was separated from RDRS's other development programmes giving it relative independency and stressing on absolute self-sustainability. The 'restructuring' successfully led to 100% self-sufficiency and an expansion of the working area by early 2005. However,

such a separation is not a unique phenomenon as there are plenty of other examples in Bangladesh and elsewhere where MFIs choose to disintegrate their microfinance programmes from the 'core NGO activities' ultimately redesigning a microfinance mechanism which must ensure 100% repayment rate and guarantee self-sustainability. It is argued that such type of minimalist approach leads to institutional success of MFIs, but miserably fails to address the holistic and integrated needs of the poor.

RDRS microfinance is available for its microfinance group members who are either small farmers, daily laborers or the extreme poor of northern Bangladesh. In order to use microfinance services from RDRS, one should own not more than 0.6 hectares of land or should have been selling manual labor at least 90 days a year and should not be receiving post-secondary education. RDRS microfinance does not give services to more than one member from one family, but, at the same time, no loan can be sanctioned unless the service user has a guarantee person besides her or him.

RDRS administration is primarily divided into two categories: RDRS Microfinance and RDRS Development Programme. Though there is only one Board of Trustees and Executive director for the organization, there are additional directors for different programmes. For instance, RDRS Microfinance has its own director, programme coordinators as well as a separate unit for human resource management. Similarly there are different directors for RDRS community health programme, educational programme and the Char Development programme. However, by the year 2011, RDRS aims that RDRS microfinance will be completely separated from RDRS and will be run solely as a Microfinance Institute (MFI) by a separate board of trustees and executive director. So apparently RDRS as an MFI will be different from RDRS as an NGO of today and the primary focus will be, undoubtedly, on financial services rather than on social intermediation and life skill trainings.

Reportedly RDRS microfinance was completely restructured in 2005 on the basis of recommendations made by an external microfinance consultant and management specialist. A document called 'Final Report on Participatory Review and Development of the Microfinance Programme of RDRS Bangladesh' recommends a participatory

training workshop for microfinance staff to change their ‘mindset from development service provider to microfinance business with borrower/clients’ relationship (Bhuiyan 2005,7). The report further states, ‘The microfinance programme operation is an action of intensive teamwork by close supervision and monitoring to guarantee 100% recovery and success. Therefore, the staff needs a strong Microfinance mindset and team spirit for quality operation and financial self-sufficiency.’ And before ‘microfinance programme was designed and implemented as a component on integrated development programme, it was a mistake.’ (Bhuiyan 2005, 7.)

At present, in principle, cooperation and synchrony between RDRS development programmes and RDRS microfinance program is eulogized, but in practice, the two programs run completely separate, the field workers often being indifferent to each other and at times even being hostile and severely critical to each other’s work and working methodologies.

Some workers leading and operating the RDRS development programmes were found to be severely critical to microfinance per se as a tool of social empowerment and economic development. A senior officer of the organization went on to label microfinance as a ‘*contaminating agent*’ and ‘*like a Paracetamol offered to a cancer patient.*’ Some microfinance field workers were also found to be severely critical towards their colleagues from RDRS development programs who were accused of *doing too little and digesting a lot*. The study does not intend to discuss or question the validity or authenticity of such accusations as that is completely out of scope, but these examples show that there is a lack of trust, confidence and cooperation between two parallel programs run by the same organization and the same executive director.

3 OBJECTIVES AND RESEARCH METHODOLOGY

3.1 The aim of the study

As I have mentioned before, the main objective of this study was to find out the contribution of microfinance schemes in economic and socio-political empowerment of women in northern Bangladesh.

However, the motivation behind this study was also to critically assess the effectiveness of microfinance as a widely recommended tool for poverty eradication and economic prosperity in the developing world. One of the fundamental questions hovering around in development economics is: why do some nations achieve ample economic progress while others cannot even feed their population? Renowned development expert Jeffery Sachs (2005, 224) believes that this discrepancy is due to the fact that those nations who have lagged behind in economic progress simply do not get enough support to put their feet on the first rung of the development ladder. He believes that the key to ending extreme poverty is to enable the poorest of the poor to get their foot on the ladder of development. The ladder of development hovers overhead, and the poorest of the poor are stuck beneath it. They lack the minimum amount of capital necessary to get a foothold, and therefore need a boost up to the first rung (Sachs 2005, 224). It is apparent that microfinance has been tried to use as that 'boost up' factor, though many underlying questions remain unanswered. One of the objectives of this study was to find the answer to this moot point question- whether microfinance can contribute significantly to make poverty history.

The following objectives were set before the field work, and the study obviously remained focused on them. The objectives of this study are:

- 1 To find out the contribution of microfinance schemes in social, political and economic empowerment of the poor women in rural parts of northern Bangladesh.
- 2 To identify the patterns of gender roles in relation to changing economic levels and the structure of power and control.
- 3 To assess the effectiveness and outreach of NGOs and Microfinance Institutions (MFIs) in addressing the needs of the poor and providing services to them.
- 4 To compare the degree of social participation and political awareness between long-term beneficiaries and short-term beneficiaries of MFIs.
- 5 To find out the local proxy indicators of empowerment in the rural parts of northern Bangladesh.
- 6 To analyze the motivating factors for credit pursuit, the questions of credit ownership and control, roles and approaches of different funding systems and group as an empowering factor in relation to credit.

3.2 Data collection

Three carefully designed methodologies: a non-participant observation, semi-structured focus group interviews and family case studies were used during the study. Data triangulation, a process of collecting data by using more than two methods, was used as it was presumed that only one method would have been sparsely adequate to thoroughly comprehend the subtly intricate and latent manifestations of empowerment or powerlessness in people's lives and everyday experiences.

3.2.1 Observation

The researcher had to travel extensively in different parts of northern Bangladesh as part of practical placement also, so some sort of observation was inevitable had it not been

used as a research methodology as well. However, observation was chosen as an important source of data collection.

In research, observation is generally used as 'a fundamental method of gathering data for qualitative studies. The aim is to gather first hand information in a naturally occurring situation. The researcher functions in the learning mode with the question, What is going on here?' (Burns and Grove, 2003, p375.)

One of the drawbacks of non-participant observations is that the researcher's presence 'might alter the behavior of those being observed', though, such occurrences can be diminished by a prolonged stay of the researcher. 'The longer the researcher observes, the more likely those being studied are to forget about his or her presence, and the more likely they are to act naturally.' (Haralambos & Holborn 2004, 909.) A three-month stay in the research area and repeated visits to the same areas were regarded as sufficient for getting genuine results from the observed areas and units.

The study used non-participant unstructured observation as an important methodology and ethnographic field notes were used. Several microfinance branch offices and weekly group meetings were observed throughout the study period. In total, eleven microfinance branch offices from four RDRS working area districts (Kurigram, Thakurgaon, Panchagarh, Lalmonirhat) and 13 microfinance group meetings were observed.

Seven community based organizations named the Union Federations were visited and their activities were also observed. The federations, currently referred as the shelter for the poor, were created to implement RDRS activities at the local level, as well as, to empower the rural poor by helping them to be organized and take collective actions. They were observed in the light of the research questions because initially the federations were created specially for microfinance 'graduates' where they could be independent from MFIs, but could still have an organizational practice and could even control and distribute credit needed for their own group members. However, reportedly, the strategy didn't work well and the traditionally established intimate link between microfinance schemes and the federations was broken. Nevertheless, more than 90% of federation members still are beneficiaries of RDRS microfinance and allegedly many

skill trainings and other services are delivered to the credit receivers through the federations.

Not only institutions and groups but also people's homes, their activities, living conditions, amenities and assets available to them were also observed and people were posed different questions in relation to them. On the other hand, instead of making it a sole basis for drawing conclusions, an unstructured non-participant observation was used as a tool for selecting the sample population for a detailed study on microfinance and its contribution on women empowerment.

3.2.2 Semi-structured focus group interviews

Semi-structured focus group interviews helped to understand and reach the depth of the issue. A set of questions were designed in advance, but the study was not restricted to that only as follow up and additional questions were also asked from the respondents. Emphasis was given not only to the words, but also to how the respondents were responding to the questions, i.e. how was their facial expression, eye contact, body language and the level of confidence.

Though the researcher participated in many group meetings and posed several questions to the beneficiaries, it was not enough to come to a conclusion without a properly conducted comparative study between long-term and short term microfinance beneficiaries. In order to address this issue, a sample consisting of ten women was chosen in the Jatrapur village of Kurigram district. Thus selected respondents were interviewed in focus groups by using a semi-structured interview method.

Cohen and Manin (2004) define semi-structured interviews as 'a conversation initiated by the interviewer for the specific purpose of obtaining research relevant information, and focused by him on content specified by research objectives of systemic description, prediction or explanation' (Cohen and Manin, 1994, 271).

In semi-structured interviews, the researcher's main focus is primarily not on testing hypotheses, but on 'understanding the experience of other people and the meaning they make of that experience' (Seidman, 1991, 3). The main focus is on other people's thoughts and stories (Seidman 1991). James Holstein and Jaber Gubrium (1995) stress that group interviews are important because they 'allow diverse categorizations and sentiments to emerge, showing how participants flesh out, alter or reconstruct viewpoints in response to challenges' (Holstein and Gubrium 1995 cited in Haralambos & Holborn 2004, 905.) Haralambos and Holborn argue that group interviews are 'more likely to produce valid data than a one-to-one interview' (Haralambos & Holborn 2004, 905).

Haralambos and Holborn (2004) argue that interviews are 'more flexible than any other research method. They can be used to extract simple factual information from people. They can be used to ask people about their attitudes, their past, present or future behavior, their motives, feelings and other emotions that cannot be observed directly.' (Haralambos & Holborn 2004, 906).

Semi-structured interviews were found to be practically feasible and proved very useful in generating qualitative data. Instead of saying only 'yes' or 'no' or pointing out some available options, the respondents were able to express their sentiments, insights and full-fledged account of their experiences.

According to Alan Bryman (2001) a focus group is 'a form of group interview in which: there are several participants; there is an emphasis in the questioning on a particular fairly defined topic; and the accent is on interaction within the group and joint construction of meaning.' (Bryman 2001, cited in Haralambos & Holborn 2004, 906.)

Two focus groups, each consisting of 5 long-term and short-term microfinance beneficiaries, were selected for the study and were interviewed in groups and individually as well.

3.3 Basis for Sampling

It is widely believed that microfinance impact study is challenging also because of the fact that finding out long-term and short-term beneficiaries in the same geographical area with almost similar socio-economic conditions and cultural set-up is a very difficult task. However, almost coincidentally, the author found a village where one group of women had been microfinance beneficiaries for several years, a majority of them being active microfinance beneficiaries for more than a decade, but in the same village another group of women had joined an RDRS initiated microcredit programme only six months prior to the study.

Both groups of women have a lot of commonalities, but a major difference that exists between them is the length of their affiliation with a microfinance institution. Interestingly, the long term beneficiaries used to be classified by the government as hard-core poor until few years back they were declared as ‘graduated hard-cores’ and regarded as ‘poor’ only. It was considered that the declared shift might offer an interesting insight into the economic progress that took place in the families and also exhibit the possible contributions of microcredit accrued by a female member in the family.

The categorization of the poor is done by government officials and there was not any official statement available as to how and why the selected sample had been regarded as ‘graduated hard-core poor’. The inhabitants were also unaware of their government-defined poverty status. According to some NGO workers working in the area, a range of criteria are used while classifying people’s poverty status which range from asset counts to vulnerability to natural disasters. The region inhabited by the long-term beneficiaries has been no longer recognized as a disaster prone region as the river Brahmaputra has sidetracked from the area. This could be one of the reasons why the population is no longer regarded as hard core poor. When they are not hit by natural disasters such as flooding, comparatively they are better off as the chances of sowing and successfully harvesting the crops are higher.

Both women groups were RDRS microfinance groups from a village called Jatrapur which is almost 18 kilometers away from the district headquarters of Kurigram. In separate group meetings, the members were informed about the objectives as well as the nature of this study and asked whether any of them were ready to participate as voluntary respondents. Five members interested to take part were asked to stand up and show their interest. In both groups, it didn't take long to get five respondents who wanted to participate in the study as respondents.

TABLE 3: Similarities and differences of the selected beneficiaries:

Group A (Long-term beneficiaries)	Group B (Short term beneficiaries)
<ul style="list-style-type: none"> • Five respondents • Four of them have been microfinance beneficiaries for more than 16 years and one joined six years ago. • Median age: 38 <i>(Highest: 45 Lowest: 35)</i> • Used to be hard-core poor until recently • Have not received any formal education and are illiterate. • Have been married for at least twenty years. • At least two or more than two children. 	<ul style="list-style-type: none"> • Five respondents • Started to be microfinance beneficiaries six months before. • Median age: 33 <i>(Highest: 40 Lowest: 25)</i> • Government declared hard-core poor • Have not received any formal education and are illiterate. • Have been married for at least ten years. • At least three or more than three children

<ul style="list-style-type: none"> • Husbands are either small farmers or day laborers and are main wage earners in the household. (exception: two widows) • Live in a flood affected area and have moved at least once due to flooding or river erosion. Now feel comparatively safe. • The amount of previous loan was 19000 Tk (Approx: 190 Euros) on average. • Call themselves housewives (<i>Though involved in some income generating activities, don't regard themselves as entrepreneurs.</i>) • Religion: Islam 	<ul style="list-style-type: none"> • Husbands are either small farmers or day laborers and are main wage earners in the household. • Live in a flood affected area and have moved at least more than once due to flooding or river erosion. Still feel threatened by continuous river erosion (<i>One respondent lost her home and land due to river erosion and moved to a neighborhood shelter during the study period.</i>) • The amount of previous loan was 5200Tk (Approx: 52 Euros) on average. • Call themselves housewives (<i>Though involved in some income generating activities, don't regard themselves as entrepreneurs.</i>) • Religion: Islam
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Instead of choosing a non-beneficiary sample, short-term beneficiaries were chosen primarily because it is assumed that being able to join a microfinance group is already regarded as an important step toward empowerment and social mobility. So this careful selection was made in order to understand the actual contribution of microfinance in empowering the women.

The members of thus divided groups were interviewed in groups, as well as, individually. The semi-structured interview was used in order to develop a broad and deep understanding of the impact. The focus was given to insights, intuitive responses and opinions. Though the conclusions drawn and recommendations made are not entirely based on these visits and interviews only, they remain the core and most important contributors to the study and are the sole bases for making generalizations about the issues of women's empowerment.

The respondents were interviewed individually as well as in a group and posed different questions about their financial situation, their involvement in decision making process at different levels (i.e. from family to state level), their level of confidence, their opinions and the stories of microfinance schemes in relation to their daily lives. Questions listed under Appendix II were used as the primary guidelines for such interviews/discussions.

3.4 Family Case Studies

Contrary to the original idea proposed in the research proposal, four family case studies were selected from outside the group chosen for individual interviews and focus group discussions. Information-oriented sampling was used instead of random sampling.

Life history based case studies were used in order to explore unique and individual cases of microfinance success and failure. Howard Becker (1970) describes that one aim of case studies is the attempt 'to arrive at a comprehensive understanding of the group under study' (Becker 1970, cited in Haralambos & Holborn 2004, 897). This was applicable to this study. Case study was, in fact, used as supplementary research method to come to a broad understanding of the topic and find out the underlying conditions of success and failure of microfinance beneficiaries.

Four families, all of them long term beneficiaries of MFIs; three of them having affiliated with more than one MFI, from three different districts were studied. Families

for the case studies were not selected randomly, instead, during group discussions and meetings in different regions, some ‘stories’ were found to be peculiar and they were picked up as a case and studied in detail. Primarily, the notion of success and failure was applied while doing such a selection. For instance, two families had self proclaimed ‘success’ stories and the other two had ‘failure’ stories or had not received satisfactory outputs from microfinance services.

Instead of posing readymade questions from the questionnaire sheet, observation and open discussions were prioritized and a special emphasis was given to the fact that how some beneficiaries are able to get significant benefits from microfinance services and others are trapped in a loan cycle leading to further desperation and powerlessness. They were also asked about their experiences as long term microfinance beneficiaries and how the affiliation had brought changes, if any, in their individual and family lives, as well as how their roles were changing in different spheres and so on. On the other hand, other members in the family, for instance the husband, were also interviewed and asked about their economic history and how microfinance has contributed in (re)shaping that.

3.5 Empowerment measurement

Measuring empowerment is not only a difficult task; it is also a recent phenomenon in the field of social sciences. It has a very relative meaning too. The meaning, outcomes and goals of empowerment differ according to cultural, regional, social and political context. What might be regarded as an outcome of empowerment in the case of a rural Bangladeshi woman is not necessarily the same in other contexts- where those things simply could be taken for granted.

Empowerment has been defined in terms of choices that people have and whether they can exercise the use of those choices or not. Claiming as a base assumption of empowerment, Davies (2000, 2) states, “For a person to be able to say or do something differently involves some degree of choice. Having more choice, compared to the past, implies empowerment.” In line with his statement, Alsop & Heinsohn (2005) further elaborate, “If a person or group is empowered, they possess the capacity to make

effective choices; that is, to translate their choices into desired actions and outcomes” (Alsop & Heinsohn 2005, 6).

In their study on Policy Research Working developed for the World Bank, Alsop & Heinsohn (2005) have included the methods which can be used to measure the degree of empowerment. According to them, the direct measurement of empowerment can be done by assessing:

1. Whether an opportunity to make a choice exists (existence of choice).
2. Whether a person actually uses the opportunity to choose (use of choice).
3. Whether the choice resulted in the desired result (achievement of choice).

(Alsop & Heinsohn 2005, 10)

So if a woman in Bangladesh wants to send her daughter to school, is there a school for the daughter to go to? If yes, does the woman actually make the decision to send her daughter to school? If yes, does the daughter actually attend school? This can be a practical example of empowerment measurement techniques that we can use here.

However, as has been mentioned already, indicators of empowerment are not the same everywhere. So finding out the local or regional indicators of empowerment is crucial for this research. Hence, in an attempt to find out the proxy indicators of empowerment in the context of the research area, the respondents were asked about their understanding of empowerment in the Bangladeshi context and they were asked to make a list of factors that are crucial for empowering women in a country like Bangladesh.

“Empowerment implies changing power relations among people or groups. ...While domains, levels, and the three degrees of empowerment may be generic, within those, any measurement has to be based on locally defined variables and values.” (Alsop & Heinsohn 2005, 30.)

On the other hand, there are many commonly accepted indicators of empowerment that have been used quite often to measure social, political and economic empowerment of the societies in developing countries. Alsop & Heinsohn (2005) argue that such indicators might be represented by different forms of assets such as social assets,

political assets, psychological assets and human assets. They include the following examples which can be used to measure such assets.

1. The ratio of women versus men represented in village and district councils (socio-political assets)
 2. Previous participation in associations (social assets)
 3. Participation in political parties (political assets)
 3. Their level of education (human asset)
 4. Self-confidence (psychological asset)
 5. The extent of their awareness of their rights (human asset)
- (Alsop & Heinsohn 2005, 18)

An empowerment measurement framework used by the World Bank in five different countries has been used as the basis of empowerment measurement in this study. Five empowerment measurement case studies conducted by the World Bank in Indonesia, Nepal, Ethiopia, Honduras and Brazil were studied to design a tool for empowerment measurement of this study. A special emphasis was given to the Ethiopian case where women empowerment was measured by using semi-structured focus group interviews and questionnaire based household surveys. The case studies are available in the book titled 'Empowerment in Practice- from Analysis to Implementation' and are authored by Ruth Alsop, Mette Frost Bertelsen, Jeremy Holland and published by the World Bank in 2005.

Summing up the empowerment measurement experience of the five countries, the book concludes that as empowerment is a multidimensional concept, each dimension requires different metrics which makes 'the task of high-quality statistical analysis difficult'. That is why; instead of complicated statistical analysis, 'simple descriptive statistics and narrative reporting' is more appropriate. (Alsop, Bertelsen & Holland 2005, 31.) In line with that statement, this study has used qualitative methods; interviews, group discussions, case studies and emphasized on narrative reporting to come to a conclusion about empowerment

Furthermore, Alsop, Bertelsen & Holland (2005) remark, 'empowerment cannot be measured in a way that does justice to its inherent complexity and that satisfactorily meets these three criteria of meaning, causality, and comparability. What can be done,

however, is to identify measurements that capture, albeit imperfectly, important dimensions of changes in power, and that can be complemented by more interpretive and explanatory forms of qualitative research (Alsop, Bertelsen & Holland 2005, 32).

Being based on the qualitative data obtained, the study has measured three degrees of empowerment at three different levels. Variation between the choices available to the long-term as well as short term beneficiaries has been taken as the crucial determinant of empowerment. Existence of choices, their use and outcomes have been analyzed at three different levels: Micro (household), Meso (societal) and Macro (state).

Choices available to the respondents at different levels have been analyzed separately because ‘the empowerment of individuals and groups varies according to context.’ The framework used in the five countries also suggests that ‘analysts and designers of interventions need to assess the level at which a person or group is empowered, from the local up to the macro. They must recognize that people may be empowered in one or more domains of life—as civic actors in the state domain, as economic actors in the market domain, or as social actors in the societal domain. (Alsop, Bertelsen & Holland 2005,32.) That is why; information on social, political and economic domains of the respondents was collected and has been analyzed accordingly.

For instance, if a long term beneficiary from the same locality is enjoying more choices than a short term beneficiary, then the study recognizes the long term beneficiary as empowered. The choices taken into consideration are social, economic and political and have been evaluated at different levels, namely micro (household), meso (social) and macro (state).

In family case studies, however, no comparison has been made between the long-term or short term beneficiaries, but each case has been dealt separately. The availability of choices, their practice and the outcomes have been discussed in relation to their past situations.

3.6 Reliability and validity of the study

I spent three months in northern Bangladesh solely studying microfinance and its link with women empowerment. The study was supported by RDRS Microfinance unit in the field. RDRS is a national NGO in Bangladesh reaching millions of people with its different social programs. RDRS Microfinance unit did not interfere at any stage of sample selection and data collection. Instead, the researcher was encouraged to choose diverse sample groups from as many as ten districts of its working area.

Having got my own personal experience, I was aware of everyday hardships in a developing country and the complex cultural contexts of a country like Bangladesh. This understanding helped me to get to know several underlying issues and the study context. On the other hand, I was not taken as a complete outsider because of my origin in Nepal as the research area was only a few kilometers away from eastern Nepal. In addition, my ability to understand and speak the basics of the Bengali language helped to build trust with the respondents much quicker. It was found that the respondents gradually opened up and shared their stories in detail when trust was built with time.

Data triangulation was used as a validity method. Cohen and Manion (1986) define data triangulation as an ‘attempt to map out, or explain more fully, the richness and complexity of human behavior by studying it from more than one standpoint (Cohen & Manion, 1986, 254). Similarly, Altrichter et al. (2008) contend that triangulation ‘gives a more detailed and balanced picture of the situation (Altrichter, Feldman, Posch, & Somekh, 2008, 147).

Three research methodologies were used to study the same phenomenon which greatly enhanced the level of validity. The research topic was strongly influenced by my interest not only in Bangladesh, but in the developmental issues of the developing world in general. This interest was triggered by my own personal experience of growing up in rural and poor Nepal.

3.7 Research ethics and the role of the researcher

Throughout the study period, I was aware of ethical boundaries and existing norms of academic research were duly followed. The respondents were treated with respect and dignity and respecting cultural values, norms and beliefs was also a top priority.

A special emphasis was given to the informed consent of the respondents. All the respondents were informed about the aim, as well as, the topic of research and questions, its use and implications, their participation, protection of their identity and assurance of confidentiality and their voluntary participation. As almost all the respondents were illiterate it was very important that they understood the meaning and crux of the research in a simple language. For that purpose, the interpreter made a simplified statement in Bengali that encompassed all the above mentioned issues. Hence the respondents were not able to read and write, an oral consent was taken before starting each interview.

Their identities were protected and confidentiality was given a top priority ensuring that their names and other data which could reveal their identity would not be released anywhere. The respondents were asked questions using simplified Bengali language either avoiding or simplifying technical words and jargons.

3.8 Professional development during the research process

The research process was an interesting, challenging and rewarding one. I got a plenty of new insights into the practicalities of conducting a research work. It opened up new future prospects and new areas of research interests.

I developed a better understanding of qualitative research in general and focus group interviews and case studies in particular. On the other hand, it was also learned that developing particular skills such as listening skills, empathy, the use of proper language, is important for conducting a successful research work.

Building trust not only with the respondents, but also with the local organizations and agencies was important in order to get access to the research area and ‘read’ and ‘depict’ their lives. It was also learned that extracting information is not the sole purpose of research, how one does it is equally important. The ability to get information from people’s body language, expression style or other ways of non-verbal communication was also found to be very important. In addition, while doing observation and using ethnography notes, I had to be quick and precise in jotting down important piece of information.

Overall, I was able to hone my research skills, interpersonal skills and equipped myself with a great deal of information about Bangladesh and the research area. I also developed basic communication skills in the Bengali language.

4 DETAILED FINDINGS

4.1 Section one: Economic domain

4.1.1 Loan ownership and entrepreneurship

Four long term beneficiaries had been using microfinance services for more than sixteen years and only one member had joined six years ago. She knew that such services were available in the locality, but before she didn't feel a need to join a group and accrue a credit. However, the short-term beneficiaries had joined an RDRS initiated microcredit scheme for ultra poor groups only six months before the interview and before that they weren't involved in any savings or credit groups.

The short term beneficiaries had received their first loan in their lifetime and the amount was also relatively small. Whereas, the long term beneficiaries had ample experience of receiving loans as they had already received for more than ten or twelve times. One respondent replied that she didn't even remember how many times she received a credit.

The purpose of applying for a credit differed from person to person. The long term beneficiaries were able to get a relatively big amount of loan because of their 'credit-worthiness' and sound repayment history, but even then they weren't able to get the amount they hoped for. However, in comparison to the short-term beneficiaries, the long term beneficiaries tended to use at least a major part of the credit for productive purposes such as cow rearing, land lease, pond lease, cultivation etc.

Whereas, the short term beneficiaries had received smaller amounts and the money was spent either for consumption purposes or for small income generating activities, such as, vegetable cultivation or goat rearing. One respondent said that the money she got had to be used as a dowry in her daughter's wedding, while another respondent who received

loan for cultivation purposes bought staple food for the family after their cultivable land was swept away in river erosion.

Both categories of respondents didn't assume themselves as entrepreneurs or their activities weren't associated with any enterprise or business as such. One long term beneficiary had started a small cosmetic shop at her home, but she also didn't regard the approach as a business oriented, but just as a 'slightly different income generating activity.'

All the respondents replied that usually they don't make a proper plan of credit use beforehand, but in order to fulfill the criteria of getting a loan they do mention an income generating activity which might not be strictly followed after a credit is received. On the other hand, it is not only in this particular geographical area, but in other areas also, MFIs themselves reach the people with different microfinance 'products' and groups are formed in order to distribute a credit or collect savings.

Almost all respondents replied that male members in the family had been supportive towards the idea of receiving a credit when needed, but one long-term beneficiary recollected several family disputes which occurred in the family many years ago because of the use of credit money and its presumed burden for the family. Whereas, according to RDRS's current guidelines, a woman is not eligible to receive a credit until and unless she has a personal guarantor, and almost in all cases husbands were the ones who signed a legally binding guarantee paper assuring that if due to some reasons their wives are not able to payback the loan, they will be held responsible for that.

Except one widow respondent, none of the respondents replied that the decision of joining a group and receiving a loan was their own independent affair. However, at the same time, they also acknowledged that they didn't receive any family pressure to receive a credit, but such decisions would be taken 'together' with their husbands. In one instance, the husband had travelled himself a few kilometers in order to know about a going-to-be-start credit facility in their locality and get a loan through his wife to invest into his ongoing bamboo business. The long term beneficiaries seemed to have more 'say' on how to use credit in comparison to the short-term beneficiaries where

credit was heavily used for consumption purposes. However, receiving a credit for the husband's work was also common amongst long-term beneficiaries.

RDRS advocates that, because of longstanding patriarchal norms and male dominated values existing in the society, a woman immediately cannot decide to join an MFI on her own which might cause turbulences in the family and lead to a family breakdown. That's why credit is not given to a sole individual idea of a woman, but instead to a common family idea which might ultimately help the whole family and, arguably, reduces unnecessary pressure from the woman.

None of the short-term beneficiaries owned any immovable assets such as a piece of land or a house. Four out of five families lived in their own homes, which were owned by the husbands, but only two families had some land of their own and others (three) were landless. They reported that they used to have ample amount of land till few years back, but everything was gone due to flooding and continuous river erosion. None of the families bought any land in the last five years, instead, many of them lost important pieces of land. They didn't intend to buy any land in the near future because economic conditions were not favorable, they were deteriorating.

The land ownership situation was similar among the long-term beneficiaries too. Only two families owned 8 and 28 decimal land respectively, but others were landless. However, two families had leased some land for cultivation purposes and in one case microcredit was used for such a purpose. None of the families had any commercial bank accounts, but all beneficiaries were able to deposit regular compulsory savings to the MFI.

Both types of beneficiaries were able to estimate their monthly income which ranged from 1500- 3000 BD (approx: 15-30 euros) per month depending on the size of the family, however, there was not any significant increment in respect to the period of time of credit use. For instance, one short-term beneficiary's family was earning 5000BD per month, whereas, another long-term beneficiary reported that sometimes it was difficult to make even 1000 BD (10 euros) a month, specially when the region is hit by seasonal famine and there is no work to do. Only one family from the short-term beneficiary group was getting income from a microcredit initiated income generating activity-

poultry rearing, whereas, two long term beneficiaries were receiving cash from their microcredit initiated IGA which were cosmetic shop and paddy husking, the rest would work sometimes as day laborers or they were busy in their own domestic work.

All respondents replied that it had been very difficult to meet their daily expenses with their meager earnings, however, at the same time they acknowledged that they were somehow able to 'manage' and eat thrice a day. Specially, the short-term beneficiaries emphasized that lately they were facing difficulties due to river erosion, and food scarcity, as well as, work uncertainty were growing.

4.1.2 Control and decision making

Excluding the two widows, other beneficiaries weren't the main earners in their families, so the male members, obviously, had greater control over the family's income and its distribution. The long-term beneficiaries reported that they didn't require to give their earnings, though meager, to their husbands, but they spent the earnings on family's common benefit, whereas, the short-term beneficiaries didn't have almost any meaningful income except for one case where one respondent reported that the income was used in order to meet the basic needs of the family, such as, food and clothing.

Both types of beneficiaries sent their children to school, but none of their children finished high school education. Children who were below 15 were found to be attending primary school, but in both situations it was very common that children would drop out of school after primary or lower secondary level, the dropped out boys were likely to start working as menial laborers and girls would be married off. One short term beneficiary said that her 13-year-old daughter had recently been pulled out of school after neighbors started talking that their daughter was too old to be sent to school. The family was searching a boy to be married before it is 'too late'. Also, the situation with the long term beneficiaries was not significantly different. One long-term beneficiary reported that her daughter, a diligent student, was preparing for high school exams and wanted to study more, but the family was thinking about her marriage just because of the fact that the amount of dowry is higher for an educated girl. However, there were

families, in both categories, who said that they would try their best to educate at least some of their children and were aware of the importance of education, but everything would depend on their future economic conditions. In addition, mothers were more likely to visit their children at school and buy stationery for them, when needed. Similarly, they reported that they had been always interested in educating their children rather than their husbands.

All the respondents were asked, for instance, if they were going to buy a piece of land for their family who would give the final approval for that? A majority of them replied that such decisions were taken by their husbands, but some husbands listened to their wives' advice too.

The perception of the credit system was slightly different among the two categories. The long-term beneficiaries did have some worries, but were comparatively comfortable with the system, whereas, the short-term beneficiaries were surrounded by more qualms and uncertainties. It was also found that Microfinance Organizers (MOs) had stricter repayment approach for the short-term beneficiaries, but the long-term beneficiaries enjoyed a slight flexibility. However, almost none of the respondents had adversely negative opinion about the microfinance services they were getting or even microfinance in general; however, almost all of them recognized microfinance purely as a financial service and weekly repayment system was often termed as *stressful* and *unrealistic*.

A majority of the respondents didn't have any clear aims before receiving a credit. Only one respondent, the cosmetic shop owner, said that she had received the loan with a definite aim of establishing a shop and she had managed to do that, whereas, receiving credit for one thing and using for another was very common among other respondents, and as long as their weekly repayment was sound and regular there was not any significant interest shown from the MFI as to what their beneficiaries were actually doing with the credit money.

Imagine you got a job offer from a factory; will you leave your business or IGA and accept that offer? All respondents replied that they would definitely accept the job offer and that would surely help them. Given their very small income from microfinance

initiated activities, willingness to get a job is not a surprise though. Another question was asked about their future plans and what they would be doing in the coming years. All the long term beneficiaries replied that they wanted to take more initiatives and increase their income, but they hadn't been able to get enough credit or other sources of capital input for that. Almost all the respondents hoped for a larger amount of loan, but weren't given because the credit consumption capability of each client was individually assessed by the MFI. However, the short-term beneficiaries reported that though they needed money, they were against procuring a big amount of loan and increasing more financial burden.

I like the loan system. It is somehow difficult to payback weekly, but it helped me feed my children when we had nothing to eat. If you can use wisely, credit is a good thing. It helps run the household too. For example, if you buy a hen with that money today, it will give eggs tomorrow, you can sell them in the market and you'll have 25 Tk and you can buy food from that money. - A short-term beneficiary

Microcredit isn't bad, but what is bad is weekly repayment system. You eat or not, you have to payback. It is stressful for us to arrange money every week. Once I sold unripe papayas and a small goat at no price just to arrange money for repayment. Monthly or at least fortnightly repayment system would help us a lot. – A long-term beneficiary

4.2 Section two: social/psychological domain

The questions included under this section were primarily aimed at finding out the social and psychological strength that women supposedly gain after being microfinance beneficiaries for a certain period of time. There is not any definite time frame speculated for such an improvement, but it has been accepted and recommended by many MFIs and donor agencies that three years is the minimum time it takes to have some impact on the social/psychological domain of the beneficiaries. In that sense, the selected sample fulfilled this requirement as the long term beneficiaries had been microfinance users for more than a decade and the time period of the short-term beneficiaries was less than a year.

4.2.1 Domestic affairs

None of the respondents regarded themselves as equal to their husbands though they were aware of the fact that in the eyes of law they were equal. The long-term beneficiaries had been able to take part in some rallies, public meetings and campaigns, but again that depended on the nature of their husbands. For instance, a widow and a long-term beneficiary who had a comparatively ‘liberal’ husband had enjoyed greater social mobility and participation in comparison to another long term beneficiary who had been a microfinance beneficiary for almost 19 years, but her husband wouldn’t allow her to go out and participate in trainings and social meetings. In the course of nineteen years she had received only one training on cow rearing and that was her only experience of having participated in social occasion in the absence of her husband. This fact gives strength, if not justifies, to the expressions expressed by many women during the study period that in order to empower women there must be ‘special education for men.’

I don’t think that women can be equal to men. Husbands are naturally more superior because they are strong and our religion also teaches the same thing. Husbands have more ideas and knowledge as well. I think my husband is superior to me because he is senior than me, and I respect him a lot and he protects me as a guardian.- A short term beneficiary

We are women and they are men. It’s been always like that. They are superior and have more power... My husband doesn’t beat me, but doesn’t allow me to go outside either. I go to the field with him, we work and come home together. I’m supposed to be either with him or at home, that’s my routine. – A long term beneficiary

None of the respondents needed any special permission from their husbands to attend a group meeting primarily because they were held in their locality and the husbands could also be present if they wanted. However, almost all of them required a permission from their husbands if they wanted to go somewhere further, for instance, to the market, to visit their parents and so on.

Another question was posed concerning different types of decisions made in the family and to what extent women had their ‘say’ on them. A majority of long-term

beneficiaries reported that though their husbands had an active role in taking decisions, their opinions and advice would be taken into consideration to a larger extent. In addition, they could make small decisions, such as, buy vegetables and groceries themselves. Many of them believed that the small contribution they had made in the household economy had increased their worth in the family and sometimes without consulting their husbands they could use their own money for small purchases.

However, the short-term beneficiaries did not enjoy the same degree of appreciation and participation. Though there was a slight differentiation in every individual case, a majority of them reported that the husbands would ask for their opinion on some issues, such as schooling and marriage of their children, but not on others, such as house repairing and purchase of household assets, and even small purchases were mostly done by their husbands and they were discouraged from going out to the market. In one case, nonetheless, a short-term beneficiary replied that she would 'brainstorm and think a lot' about different important issues and her husband would follow what she had recommended as prudent.

Irritation is part of our life. We are poor and everyday there are so many things to do, to manage and arrange. My husband and even grown up sons sometimes get aggressive even for simple reasons...he does beat me sometimes, but things get normal with time...I know that police and outsiders won't be able to help me forever. – A short-term beneficiary

I think it's quite normal to have some conflict in every family. Even rich people fight. But our fight doesn't last long. We are so poor that if we don't work together we won't be able to eat in the evening and survive. Poverty and disaster unite us faster. – A short-term beneficiary

A question was asked about their use of time and whether it had significantly changed after they were affiliated with the MFI. Except for the cosmetic shop owner, other respondents replied that there had not been great deal of shift in terms of time management and how they made use of it. Whatever income generating activities they were associated with were taken just as an extension of their everyday work. Furthermore, some respondents replied that sometimes it had been difficult to attend weekly meetings when they had important events happening at home, but somehow they had managed to adapt to the system. However, the cosmetic shop owner, a long-

term beneficiary, replied that her use of time has significantly changed because of the new initiative she had taken.

The eight respondents who were living with their husbands reported that it was quite normal to have family disputes and sometimes their husbands would beat them as well, but they wouldn't take the matter outside the family. Minor beatings and domestic violence were regarded as 'family issues' and family members were supposed not to spill the beans outside their homes. Thus occasional beatings and whippings of women appeared to have been informally sanctioned in the society.

It was mentioned that weekly held microfinance group meetings also did not discuss the issue of family violence specially if it was inflicted by the husband and if it was not 'severe'. One respondent said, 'group meeting is for talking about vegetables, gardening, diarrhea and sanitation. We don't discuss the husband and wife affairs in the group, but mother-in-law and daughter-in-law gossiping happens a lot.'

When faced with domestic violence, both categories of beneficiaries were likely to seek help from their relatives instead of approaching the authorities. The chances of speaking up against and leaving their husbands were also minimal. Filing for a divorce or even uttering the word 'divorce' was completely out of question. However, four long-term beneficiaries had been associated with a local federation and were familiar with its women forum. They knew that there is some sort of institutional help available, but they would try not to seek such help. The notion of domestic violence seemed to be deeply cultural and inextricably embedded into the traditional family values, as well as, cultural and religious stereotypes.

All respondents replied that family size, child spacing and the use of birth control would be decided jointly by the husband and the wife, but these phenomena completely depended on whether they had a son or not. It was not only men, but also women who preferred not to use permanent birth control measures unless they had a son. One short-term beneficiary with five daughters said that they had not decided about a permanent birth control because without a son life was going to be miserable. Sons were seen as future income-generators and protectors while the notion was completely opposite with the daughters as they would be taken as heavy burden for the family.

4.2.2 Social relationships and rights

The respondents wouldn't need any permission from any of their family members to attend a microfinance group meeting, but stepping outside the local area would need their husbands' permission or approval. However, this was not taken as a difficult thing as they thought that it was a basic obligation of a wife.

Two long term beneficiaries had addressed public meetings a couple of times and had been in different training groups and were aware of different NGO campaigns, but none of the short-term beneficiaries had similar experiences. It was observed during the interviews that the long-term beneficiaries were comparatively confident and more candid than the short-term beneficiaries who often appeared shy and avoided some questions wishing their husbands would answer them.

4.3 Section three: political domain

The questions of the political domain focused on the respondents' participation in different political activities and their affiliation with political parties and groups. The main objective was to investigate such participation or affiliation in the light of their involvement in microfinance groups and to examine whether that had made any impact on their political awareness and participation.

4.3.1 Political involvement/affiliation

None of the respondents were members of any political parties or other groups except for the RDRS microfinance group though the long-term beneficiaries were members of a local federation. All of them had been voting in both national and local elections, but they were virtually indifferent towards national politics and political parties. They reported that they didn't know which party or which candidate is good, so the local

leaders and other influential people would 'guide' them as to who would be the best candidate for them and their locality.

A question was asked about their own willingness and ability to work as a local representative if they were given a chance. Two long-term beneficiaries who had received trainings and participated in different women activities outside their locality said that they would be able to work as elected representatives, but the rest were likely to decline the offer. A respondent went on to say, '*we are women, how can we be leaders?*' However, all the respondents knew that the country they were living in was led by a woman premier.

All the respondents knew about the two main political parties in their country, but didn't know their main policies and how they differed from each other. They didn't know anything about the constitution of their country, but knew that there were certain laws and law enforcement agencies to control criminal behavior in the society. Responding to a question that what would they do if they were harmed by somebody outside the family, they said that they knew local representatives who would help them if anything unpleasant happened in the locality. Moreover, the long-term beneficiaries were also aware that there was a mediation committee in the local Federation and that would also help them in such matters.

None of the beneficiaries owned modern means of mass communications themselves. However, either their husbands or their relatives had mobile phones and they were able to use them when needed. But none of them had a radio or a television set at home and those things were taken as luxury items rather than a necessity. There was not any crave for information either. Most of them were occupied with the thought of making the ends meet and finishing their household chores.

There is no enough food to eat, what do you get by listening to the radio and watching TV? ...TV, radio, camera, glasses, watch, they are not for the poor like us. - A long-term beneficiary

4.3.2 Group participation and activities

All respondents valued the existence of microfinance group and viewed it as an important part of their life. They said that they would try their best in participating the group meetings, but hence the meetings were weekly some of them found the meetings *monotonous* and *repetitive*. Many times such meetings would end just collecting savings and distributing credit without holding a discussion on any particular issue. In comparison, the long-term beneficiaries had learned and benefitted more from the group as they had been in the group for many years. The short-term beneficiaries, too, were positive towards their group and had some expectations from it.

I like my group and I think it is very important; even if I don't need any credit in the future, I won't leave the group."

Group gives strong sense to us. When 15 people take decisions together it's going to have some strong impact. When you are alone nobody listens to you.

Group is important. I haven't been getting any loan at the moment, but the support that I used to get from my (late) husband is now getting from my group, and I want to continue with this group...we often talk about child marriages, cultivation, mother and daughter-in-law relationship, delivery and diarrhea issues in the group.

(The long-term beneficiaries' response to the importance of the group)

Though the primary function of the group was to collect savings, repayment amount and distribute credit among the members, for many women, the group had been the first social platform where they could meet other women from their neighborhood and discuss some issues in an organized manner. Many women also reported that when they had some problems related to their children, they had received ideas and advice from their fellow group members and that had helped a lot.

Group is important, of course, but a group is formed because we need money.

Money might disappear, but group integrity is important and might be helpful for the future.

Nowadays we do some ‘vegetable talks’ in the group...I think group is important and it might not help immediately, but in the long run it will.

(The short-term beneficiaries’ response to the importance of the group)

The long-term beneficiaries believed that they had achieved confidence and many ideas from the group and were comparatively active in group meetings, but, according to them, their motivation had been shadowed by the lack of basic education or inability to read or write in their own language. When asked whether she had visited any government offices herself, one respondent replied that she didn’t have enough courage to do so not because she lacked confidence, but because she was illiterate and couldn’t follow written instructions in the offices.

Nine out of ten respondents wanted to attend an educational programme, such as an adult literacy programme, which would make them literate. However, there was no such opportunity available in the entire region. Whereas, a respondent who had just been displaced from her home because of river erosion replied that she couldn’t concentrate on any education or training at a time when the whole family was fighting for survival and everyone was in distress.

4.4 Opinions on microfinance schemes

The respondents were asked about their opinion on the RDRS microfinance scheme they had been using and how they felt about the microfinance system in general in Bangladesh. They were asked also about the interest rate and additional services such as skill trainings that they were supposed to receive with a credit.

All respondents said that it hadn’t been difficult to get a credit, but they hadn’t been able to get the amount they wanted. The amount they would receive had always been smaller than they actually wanted or needed. The short-term beneficiaries had faced stricter measures than the long-term service users. A short-term beneficiary said that it was easy to get loan, but repayment regulations were strict. On the other hand, all of them termed the 10% service charge as ‘reasonable’ or better than in other NGOs,

though it was quite obvious that they hoped to have an interest free loan. The short term beneficiaries weren't sure whether they would continue with RDRS microfinance in the coming years, but the long-term beneficiaries were determined not to leave the group even if they wouldn't need any credit.

Only one respondent from the short-term beneficiary group had received training on cow rearing and other members hadn't received any training or technical assistance from RDRS. Reportedly RDRS does a Training Need Assessment (TNA) of each of its microfinance beneficiaries and relevant training or technical assistance is provided if deemed necessary. All of them wanted to have at least some training which would help them accelerate their income generating activities (IGAs).

The long term beneficiaries had received at least one or more than one training, but the selection of trainees seemed highly asymmetrical as one respondent, a widow who didn't have any family barriers to go out and take part in social activities, had received more than a dozen training, but another respondent whose husband was strict in sending his wife outside home had received only one training in almost 19 years of her microfinance affiliation. Enabling their beneficiaries to come out of similar family situations and grab the opportunities offered still seems to be a sheer challenge for MFIs in Bangladesh.

All the respondents believed that skill trainings and sufficient capital input is necessary to generate income from their activities and, according to them, what they were getting, a loan and rudimentary skill trainings, were not sufficient. There has not been any support from the government in improving their living conditions and household income. Instead, one long-term beneficiary reported that a group of government relief distributors who once came with some relief package excluded her saying that since she had been an NGO client, she wouldn't get any support from the government.

In comparison, the long-term beneficiaries were comparatively confident and were more hopeful for the future, but uncertainties also hovered around them. Though they were not categorized as hard-core poor from the government, some of them labeled themselves either as extreme poor or little bit better than that. Asked what plans they had for the future, most of them wanted to expand their income generating activities and

wished to get more loan and skill trainings. However, all of them wished to have a job where they could work and earn monthly salary and needn't worry about the burden of loan.

In contrast, the short-term beneficiaries didn't show that much enthusiasm for more loans, but were expecting relief assistance as they were suffering from flooding and river erosion everyday. They would also prefer taking a job opportunity instead of procuring loan and establishing their own business or an enterprise.

4.5 Other questions

Some additional questions were posed to the respondents in order to get a glimpse of their self-awareness and structural understanding. Questions such as why they had been in poverty while some other people enjoyed prosperity in the same country and what would empower the women like those in Bangladesh got an appealing response.

Irrespective of the length of their affiliation with the MFI, a majority of them replied that they had been poor because they didn't have enough land like others or they had lost their land which resulted in deterioration of their economic conditions. Similarly, some of them believed that the rich had skills, power, good jobs and extensive social network which they apparently lacked. Some of them had fatalistic notions and believed that everything had been planned beforehand by Allah and they couldn't do anything to it.

Similarly, they were aware of the all pervasive microfinance schemes in Bangladesh and also reported that many NGOs would visit them frequently to 'motivate' them to use their microfinance services, but they had declined other offers hence they believed that ultimately a credit is a burden and one organization was enough to be affiliated with.

They didn't seem to have negative thoughts about microfinance, but at the same time, weren't convinced that microfinance would significantly change their economic

conditions and ensure a stable economic future. Microfinance was taken as a useful service, but not as a tool designed for the fundamental transformation of their reality.

In a group discussion with the long-term beneficiaries, they were asked to make a list of five important things that were important for women's empowerment in a country like Bangladesh. The adjacent box illustrates the list produced by them which gives an utmost priority to educational opportunities for women and also includes measures like arranging special (gender equity) education for men.

Similarly, another question was asked about the indicators of women empowerment in Bangladesh. Both types of respondents replied that women are empowered when they are educated, have a job, can make decisions concerning their personal matters, are able to talk confidently with their husbands and outsiders and so on. However, interestingly, none of the respondents talked about land ownership rights.

TABLE 4: A list of empowerment indicators prepared by microfinance beneficiaries

What will empower women?
- Education
- Skill trainings
- Capital (property or enough loan)
- Awareness
- Special education for men

4.6 Family Case Studies

Four families, all of them long term beneficiaries of MFIs and three of them affiliated with more than one MFI, from three different districts were selected and studied. The case studies were not selected randomly, instead, during group discussions and meetings

in different regions, some ‘stories’ were found to be peculiar and they were picked up as a case and studied in detail. Primarily, the notion of success and failure was applied while doing such a selection. For instance, two families had self proclaimed ‘success’ stories and the rest two had ‘failure’ stories or hadn’t received satisfactory outputs from microfinance services.

Instead of posing readymade questions from the questionnaire sheet, observation and open discussions were prioritized and a special emphasis was given to the fact that how some beneficiaries are able to get significant benefits from microfinance services and others are trapped in a loan cycle leading to further desperation and powerlessness. They were also asked about their experiences as a long term microfinance beneficiary and how this fact had brought change in their individual and family life and how their roles were changing in different spheres.

Findings from the case studies suggest that families who already have some economic base or the women who come from comparatively better off families are more likely to get beneficial results than the women from very poor families who are likely to face several risks, and often the fear of risks causes ‘start and stay smaller’ mentality thereby hindering the way of economic possibilities.

On the other hand, it was also observed that in the absence of safety net programmes, small changes brought about were likely to be swept away or were easily undone if the family was hit by a natural disaster or other family crisis such as an illness or the death of a family member.

4.6.1 Case study one

Mina, 38, is a mother of three children and a long term microfinance beneficiary of RDRS microfinance. She does not remember the exact year when she started receiving loans, but she believes that was more than fifteen years ago. In total, she has received credit fifteen times for several purposes and believes that she will continue doing so also in the future. Her first loan was 1000BDT which she accrued to buy a goat, whereas, her recent amount of credit was 20000BDT. The amount was meant to buy a cow and some of the money was used for that purpose. The family’s main profession is

farming. She and her husband spend a substantial amount of time working in the field everyday. They grow paddy, chili, jute and wheat. They have three children and all of them go to school.

Her husband is the main earner in the family, but she also makes a significant amount of money, up to 30BDT per day, selling cow milk. The family has two cows which were bought using microcredit received from RDRS microfinance.

However, she is not happy about the fact that there is not an opportunity to get more credit in order to expand her IGAs. She wants to have more loan, lease a piece of land, and cultivate some cash crop in the area. Not being able to get the amount she wants can be seen as an obstacle to opportunities and possibilities. This has limited her choices also and affected the positive contribution to the empowerment process. She applied for credit from another MFI, but as that was again another bureaucratic work, more papers, additional meetings, new repayment dates, she felt that the option of another MFI was an unnecessary burden.

She takes part in the weekly group meetings and believes that they have been helpful in many ways. She says that microcredit has given more economic possibilities and ‘something different to do’, but has not changed the traditional ways of doing things and making decisions. For instance, it is still her husband who is responsible for making important decisions about the family. The Bangladeshi culture which stems from the Islamic roots, gives many privileges to men and the husband is regarded as a guardian who needs to be respected and obeyed. Women’s meager economic contribution to the household does not seem to be shifting this reality.

Her husband is happy about his wife’s involvement in microfinance schemes and financial contribution she makes. However, when it comes to practicing equality in makings decisions, and representing family, he believes that he naturally has that role as the head of the family. And even when she has to get credit, there is always her husband who signs as a guarantee and only after that the credit is issued. In that sense, even if women do progress, it remains men controlled and men have virtually *persuaded* women to be subjugated in the name of guardianship and culture. Marriages are not based on equality, but on domination and superiority of the husband.

She, as a microfinance beneficiary, has participated in microfinance group meetings, but going outside home, in gatherings, meetings, to the market is still extremely limited. Though controlled by the husband as a ‘guardian’, her interaction and mobility at the micro (household) level seems to be quite active. However, her access and interaction to societal level is extremely limited and that of macro (national) level is almost non-existent. There has been some increment in the choices available to her, for instance, she can choose to spend some money on her own to buy some clothes and simple jewelries, she can attend weekly meetings and interact with other women like her, but still her role in decision making is minimal and she is not equal to her husband.

4.6.2 Case study two

For the first time, when we went to meet Ruksana, 35, a microfinance beneficiary of RDRS, she was not at home. Her seven year old daughter was feeding the poultry outside. We peeped inside the home, nobody was there. It was a single room home with kitchen and sleeping place for the family of five in the same room. They had a few utensils, some clothes, and a few pots filled with corn grains which would tangibly show the financial hardships of the family. After a few minutes Ruksana came home. We knew that she had been to a nearby shop in order to buy some salt and sugar.

Ruksana is a visually disabled person her one eye being completely dysfunctional and the other partially. Visual disability has made her life always difficult since her childhood. She feels that she has always been discriminated as a woman in general and as a disabled person in particular. She has never been able to attend a school or any educational programmes and being illiterate has made things worse.

She is married and has three daughters who go to school almost regularly. However, sending them to school has been often a difficult choice because of financial hardships. Her husband works as a wage laborer and sometimes as a rickshaw puller as the family does not have any land to farm. The government has categorized them as ‘landless marginalized’ and gives some food support every month which is not enough even for a week.

About three years ago, when microcredit schemes were spreading like whims in the locality, she also got an invitation from a microfinance group and quickly decided to join. She received 5000BDT as her first loan and decided to invest into poultry. Unfortunately, when her poultry business was still at fledgling stage, bird flu spread and all the chickens died. It was a period of big shock, frustration, desperation and uncertainty.

Though illiterate, she knew that there are always risks in entrepreneurial efforts. Though she couldn't repay the first loan, she applied for another loan demonstrating valid reasons. Her second loan was invested into two IGAs, poultry and goat rearing. By now, she had been able to recognize the risks and find the possible ways to avoid them. Due to the presence of RDRS staff, she was hesitant in the beginning, but later disclosed that she had been receiving loans from another MFI as well.

At the moment she has 4 goats, 250 chickens and a fishpond with hundreds of fish. Recently there was a 'pond robbery' where a gang of thieves came at night and took a large amount of fish from the pond. These are really challenging and frustrating situations, but her willingness to thrive is unwavering.

She has already started earning some money, but most of that goes to loan installment repayment. However, in the near future, when all the repayment will be finished, she will start earning money regularly. In the future, she hopes to make a better house for the family and have electricity connected to her house. Though there is electricity available in the locality, they have not been able to connect it so far because they do not have sufficient money to pay the bills.

Ruksana's case is peculiarly different from other microfinance beneficiaries met during the study. Unlike others, she is imbued with a sense of entrepreneurship and knows that risk taking is a part of it. She is dedicated and hardworking. Her case would be a good example to prove that, if entrepreneurial skills and genuine motivation are missing, capital input which is given in the form of microcredit is not enough for a microenterprise or other income generating activities to flourish.

She does not have that many choices at the moment and apart from little financial strength, others domains of empowerment are still seem to be weak. Her social

interaction is extremely limited and is unaware of her political and legal rights as a citizen. However, the only thing she wants to be focused on is her IGA and if things go as she has planned, at least her economic future will be promising and fulfilling.

4.6.3 Case study three

Shahanaz, a 35 years old mother of two teenagers, regards herself as a housewife, but her activities surpass her self-definition. Born in a remote Bengali district named Kurigram, she was married off when she was studying at the eighth grade. She couldn't complete her high school education, but the opportunity to study up to the eighth grade itself was a privilege that many girls rarely enjoyed during those days.

Her husband was a high-school graduate and later started working as a farmer as the family had ample ancestral land and resources. Shahanaz was entirely a housewife till her two children were small and needed more care and close attention. However, when her children started going to school, the thought of doing something productive overpowered her. In 2001, she joined RDRS microfinance programme and started cow rearing.

Since 2001 she has been receiving loan every year, a recent loan being 20000Tk for the same purpose- cow rearing. She has four cows and has sold up to 14 liters milk per day exceeding her earning 500Tk a day. She has opened a bank account to deposit money for the future of her kids where she puts 500Tk per month and she wants to spend that money for her children's university education in the years to come. The family also sells paddy and jute making substantial amount of money for their daily expenses.

Shahanaz thinks that microfinance has made things easier for her and, in her own words, has worked as a 'good friend'. She believes that her schooling, the supportive husband and the stable family background, too, have played an important role in her success.

Her level of awareness and involvement in different activities were significantly better than other microfinance beneficiaries met during the study. She was familiar with the concept of gender equality and like her son; her daughter was also attending a private school.

Microcredit has certainly helped her economically as she is earning money by selling milk, but she believes that being literate has been more important than being able to receive a loan and participate in group meetings. Her husband has also been supportive in her endeavors because, being an educated person; he believes that he and his wife are equals.

It is apparent that she has more choices and higher risk bearing capacity compared to the other beneficiaries met during the study.

4.6.4 Case study four

Till two years ago, Phuljan, 35, had a happy family. They had always been poor, but things were getting better as her husband, Abdul, was a laborious man who worked in a stone crossing industry. She, too, was generating little income as she would rear cattle and cultivate vegetables in a little land they had, and she had been in microfinance groups for more than 15 years.

Their little happy world started crumbling down when Abdul was diagnosed of brain cancer two years ago. They did everything possible to save him. They sold all of their lands, the house, cattle everything. They got help from a few (poor) relatives they had, the neighbors raised funds and she got some more loan from microfinance institutions. From all those activities they collected almost 150000 Tk (1500 euros) and all the money was spent on Abdul's unsuccessful treatment.

After her husband's death, Phuljan herself started working as a laborer, but the children continued to go to school. However, after a few months, she herself became sick. When she went to the doctor, she got a reply that she had a cancerous tumor inside her stomach and that should be removed as soon as possible. This was, obviously, another big shock to the family.

Phuljan tried her best to get some money for her treatment, but it was not possible. All the assets of the family had been sold for her husband's treatment and nobody gave her a loan because she was not regarded as credit-worthy anymore. Phuljan has been the

client of four microfinance institutions (MFIs) for more than a decade, but what she was getting from them were constant reminders and messages to 'repay her loan as soon as possible'. Many MFIs, including RDRS, do have the provision of 'acquittal' and assurance of another soft-loan to come out of crisis situations, but it was not practiced in her case. Government has categorized her as a 'vulnerable poor' and all that she gets from the government is a few kilos of wheat grains every month. There is no any free medical help available. Her fourteen year old son, Sodiful, left his school and started working as a laborer hoping that he would be able to save little by little from his earning and one day he would be able to treat her mother. His earnings are as low as 50-60 cents/day and his dream is almost impossible to achieve.

Many of Phuljan's dreams have already been shattered, but still she has one dream left. She wants to survive not for herself, but for her children's future. She wants to get cured, start working as a laborer and wants Sodiful back to school again.

Phuljan's case is an example of 'disempowerment' but not of empowerment. When she faced a series of family crises, her choices gradually became narrow and the opportunity structure also shrank. MFIs do promise that their clients are given support to bounce back to normalcy when they face a crisis situation, but none of the MFIs she was affiliated with offered her support or help.

She has been using microcredit for more than fifteen years, but the choices available to her are rather non existent. She used to participate in group meetings and her social interaction at the societal level used to be remarkable, but at present her inability to pay her loans back has secluded her from the meetings and her interaction at the neighborhood and societal level is extremely limited. Nowadays, she does not attend weekly group meetings, instead, she sends her teenage daughter to represent her.

5 EMPOWERMENT DISCOURSE

5.1 Economic Empowerment

It can be seen from the table below that there is very little difference between the economic choices available to both types of beneficiaries. Credit exists as an opportunity for both, they have been using it, but when it comes to getting desirable outcomes, both have not been able to get many. Both types of beneficiaries suffer from frequent food shortages, though the situation is worse among the short term beneficiaries. Three long term beneficiaries who have used microfinance services even up to twenty years don't have even a little piece of land and are still landless.

TABLE 5: Comparison of economic status

Domains	Long term beneficiaries	Short term beneficiaries
Economic Domain		
Loan ownership & Entrepreneurship	<ul style="list-style-type: none"> -length of credit use: 6-20 years -Comparatively, credit used for productive purposes cow rearing, land lease, pond lease, cultivation -Don't identify themselves as entrepreneurs -don't make a proper plan of credit use beforehand -have not received family pressure to receive a credit, but receiving credit for husband's work is common -needs a guarantee person to receive credit - three are landless, two families own some land, microcredit has been used to lease land. 	<ul style="list-style-type: none"> -length of credit use: 6 months -Primarily, credit used for consumption or very small IGAs (e.g. homestead gardening) -Don't identify themselves as entrepreneurs -don't make a proper plan of credit use beforehand - have not received family pressure to receive a credit, have relatively lesser 'say' on credit use -needs a guarantee person to receive credit - don't own any immovable assets, three are landless, didn't buy any

<p>Control & Decision Making</p>	<p>-don't have a bank account, but do make weekly savings to RDRS microcredit</p> <p>-monthly income ranges from 1500- 3000 BD (Approx: 15-30 Euros)</p> <p>-two beneficiaries receiving monthly income from microcredit initiated IGA (cosmetic shop& paddy husking)</p> <p>-manage to eat thrice a day, but food scarcity exists</p> <p>-Aren't main earners in the family (except two widows)</p> <p>-Don't give their earnings to husbands, can use independently for family benefits</p> <p>-sent their children to school, but none of them completed high school (many already dropped out)</p> <p>-aware of the importance of education</p> <p>-don't have major worries regarding credit, repayment and interest rate</p> <p>-would happily join a job offer from a factory</p> <p>-want more credit, but are not able to get; want to expand their IGAs</p>	<p>land in last five years and don't intend to do so in the near future</p> <p>-don't have a bank account, but do make weekly savings to RDRS microcredit</p> <p>-monthly income ranges from 1500-3000 BD (Approx: 15-30 Euros)</p> <p>-only one beneficiary receiving monthly income from microcredit initiated IGA (poultry rearing)</p> <p>- difficult to eat thrice a day and food scarcity, sometimes, is severe</p> <p>- Aren't main earners in the family</p> <p>-Don't make even meager earning that can be used for family wellbeing</p> <p>-send their children to school and want to educate them till high school</p> <p>-aware of the importance of education</p> <p>-have worries about credit and repayment</p> <p>-would happily join a job offer from a factory</p> <p>-want financial input for IGAs, but take more credit as burden</p>
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The long term beneficiaries were seen to be slightly better off than the short term beneficiaries, but in respect to the time period, it can be argued that twenty years is a very long time period and it is a moot point question whether a slight difference should

also be termed as empowerment or a perpetuation of status quo with minor changes. It can also be questioned that the outcomes would have been significantly different had another model of financial services been offered to the poor.

Both types of beneficiaries have very limited choices and the opportunity structure was also weak. Apart from credit and scant technical assistance, they didn't have many other alternatives. They couldn't get the sufficient amount of loan they wanted to have, they couldn't get their loan sanctioned alone and they were not offered systematic education and training opportunities. These factors could have been responsible for making their empowerment structure weak and vulnerable.

When asked about what economic benefits microcredit had brought for them, the long term beneficiaries reported that by using credit they had been able to build some assets such as cows, fishponds, goats, chickens and had at least something to do. However, the short-term beneficiaries took credit more as a temporary financial relief. Compared to the short term beneficiaries, the long-term beneficiaries were entitled to a bigger amount of loan and more training opportunities, but these differences could not make a significant impact on the outcomes they were enjoying. Some of them have been able to make contribution to the household economy, but their economic participation at a market level is very weak.

5.2 Social Empowerment

TABLE 6: Comparison of social elements

Domains	Long term beneficiaries	Short term beneficiaries
Social/Psychological Domain		
Domestic Affairs	<ul style="list-style-type: none"> -Don't regard themselves as equal to their husbands -Have participated in some rallies, public meetings and campaigns 	<ul style="list-style-type: none"> -Don't regard themselves as equal to their husbands -Participation in public meetings and campaigns is extremely limited

<p>Social Relationships and Rights</p>	<ul style="list-style-type: none"> -don't need permission from their husbands to attend a group meeting -Need permission from husband to go out, for instance, to the market - believe small contribution made in the household economy has increased their worth in the family -Husbands make important decisions, but their opinion or advice are taken into consideration -husbands do beat them sometimes, but it is regarded as an intimate family issue, domestic violence is tolerated -Four of them are associated with a local Federation women forum and aware that institutional help is available on domestic violence issues - decisions on family size, child spacing and the use of birth control are taken together with husband -two respondents have addressed public meetings and have participated in some NGO trainings -exhibit comparatively confident and candid nature -going outside home requires husband's permission, but it's taken as a part of culture 	<ul style="list-style-type: none"> -don't need permission from their husbands to attend a group meeting -Need permission from husband to go out, for instance, to the market -don't enjoy the same degree of appreciation/ participation as long term beneficiaries do -husbands do beat them sometimes, but it is regarded as an intimate family issue, domestic violence is tolerated -No such affiliation or awareness was noticed -decisions on family size, child spacing and the use of birth control are taken together with husband -no such experience was found -comparatively shy and wish some questions to be answered by their husbands -going outside home requires husband's permission, but it's taken as a part of culture
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Compared to the other two domains of empowerment included in this study, economic and political, some significant differences were noticed in the social/psychological domain of the beneficiaries. The long-term beneficiaries were comparatively confident

and candid and some of them even had participated in local political rallies and were associated with a local federation committee. They also believed that their worth in the family had increased because of their involvement in microfinance and the ability to make contribution to the household economy.

However, like the short-term beneficiaries, they continued to face domestic violence, their husbands occasionally beating and chiding them. Domestic violence by men seemed to be sanctioned by the society and even the long-term beneficiaries didn't have enough strength to oppose it. In addition, important family decisions would be made by men and they were free to choose whether to consult with women or not.

Considering their level of confidence and organizational participation, it can be said that the social/psychological domain of the long term beneficiaries was slightly stronger than that of the short-term beneficiaries, but that also remained restricted to the local level and the presence at regional and state level didn't exist.

5.3 Political Empowerment (Participation & Awareness)

Comparatively, the long-term beneficiaries were found to be socially active as many of them were associated with a local Federation group and some of them had attended and even addressed public meetings; however, their level of political awareness was not significantly different from that of the short-term beneficiaries. Their participation in different programs would be based on the selection made by local NGO workers and sometimes they wouldn't even fully grasp the reason behind and the meaning of their participation. However, one significant achievement made by two long term beneficiaries was that they had experience and had received technical training on disaster management and had worked as disaster management trainers in different neighbourhoods.

Both types of beneficiaries took part in elections by casting votes, but while doing so they wouldn't use their own conscience, instead, they would be asked by some local influential persons to vote for a certain candidate and they would do so without seeking proper details of the candidate and knowing the consequences. They were virtually

unaware of different legal provisions that exist in the country and were unable to understand the political setup at the macro level.

TABLE 7: Comparison of political domains

Domains	Long term beneficiaries	Short term beneficiaries
Political Domain		
<p>Political Involvement/Affiliation</p> <p>Group Participation and Activities</p>	<p>-no membership to any political parties</p> <p>-are local Federation members</p> <p>-have been voting in national and local elections, not aware of political parties and policies</p> <p>-two would be interested in working as local representatives if got a chance</p> <p>-would contact local representatives in case of any wrong doings in the locality, are aware of local federation mediation committee too.</p> <p>-don't own or use any modern means of mass communication such as a radio or telephone</p> <p>-group meetings are valued and participated, other discussions such as, gardening, poultry, health& sanitation also take place</p> <p>-believe that illiteracy is a major obstacle for their progress and want to have educational opportunities</p>	<p>-no membership to any political parties</p> <p>-no membership to local federation</p> <p>-have been voting in national and local elections, not aware of political parties and policies</p> <p>-none would be interested in working as local representatives</p> <p>-would contact local representatives in case of any wrong doings in the locality, are not aware of local federation mediation committee.</p> <p>-don't own or use any modern means of mass communication such as a radio or telephone</p> <p>-group meetings are valued and participated, but are more focused on savings and credits than other discussions</p> <p>-believe that illiteracy is a major obstacle for their progress and want to have educational opportunities</p>

<p>Opinions on Microfinance Schemes</p>	<p>-recognize the importance of group and don't want to leave group even if they don't need credit in the future</p> <p>-getting credit is not difficult, but the credit amount is less than they want</p> <p>-have received some skilled trainings, but for some attending such trainings is still a challenge</p> <p>-want to have more credit and expand their IGAs</p>	<p>-hope that group will prove to be beneficial in the long run</p> <p>-getting credit is not difficult, the credit amount is less than they want, but are also afraid of seeking big amount of loan</p> <p>-only one respondent received one training</p> <p>-expect some capital input in the form of relief</p>
<p>Other Issues</p>	<p>-believe that their poverty is linked with landlessness</p> <p>-are mainly positive about microfinance schemes, but think that it will not drastically change their situation</p> <p>-believe that education, skill trainings, capital (property or enough loan), awareness ,special education for men will lead to women empowerment in Bangladesh</p>	<p>-believe that their poverty is linked with landlessness and natural disasters</p> <p>-are positive and a bit skeptic about microfinance schemes,</p> <p>-were unable to categorically tell what will empower women, but were aware that education skill trainings are important</p>

Two long-term beneficiaries reported that they would be interested in serving as local representatives if given the opportunity, but they were unable to describe what they would be doing if elected for such a post. Being ready for a change and taking responsibility can be seen as an important step toward empowerment, but not being able to recognize their possible roles and unfamiliarity to the outcomes can be viewed as a severe setback.

5.4 Economic levels and gender role patterns

One of the objectives of the study was to identify the gender role patterns in relation to changing economic levels and the structure of power and control. This objective was formed primarily on the perceived notion that microfinance has brought about ample economic benefits and has possibly changed the traditional gender dynamics.

In line with that it would have been rational to study changing gender roles with changing economic levels. However, contrary to the expectations, no significant economic changes interfering or challenging the traditional gender roles were found. There have not been any significant changes otherwise in gender roles due to other approaches, either. A plenty of gender awareness campaigns have been launched, but change in gender roles seems to be occurring only in selected families where at least one or more women are literate.

The respondents' experience shows that they are still playing the roles their mothers used to play in their families. They are still dominated by their male members in the family and don't get any educational opportunity. This has to do a lot with the poverty they are entangled into, a complex power structure which has historically left them powerless, an apathetic government and illiberal and anti-women traditional mores. Field experience shows that even when women start making contribution to household economy, that does not automatically cause transversal of gender roles, as such roles mainly emanate from the deeply rooted tradition and the belief system, challenging them unquestionably requires a substantial shift in self-consciousness.

5.5 Motivation

Most of the microfinance beneficiaries met and interviewed during the study reported that they had been receiving credit because they needed money for several purposes and MFIs were the most transparent and easily available money lenders in the villages. Beneficiaries also liked the idea of being in a group, but microfinance has grown more

as a trend and virtually no one is unfamiliar with the concept and has at least some real life experiences.

It was apparently seen that the main motivation behind seeking credit were different types of financial needs rather than entrepreneurial pursuits. There were some examples where the women were motivated for certain income generating activities, but most of the time credit was accrued without any systematic planning.

Those who are more inclined to entrepreneurial pursuits tend to be affiliated with MFIs not only for the capital input, but also for a technical assistance and group solidarity which can help with local marketing too.

5.6 Ownership

In principle, the borrowers are responsible for repaying the credit and whatever benefits they get, they should have the ownership rights, but in practice, it was found that, it is normally divided between the female borrower and her husband.

Though there is no need of any physical collateral for small loans, a husband or other male members of the family are required to sign a legally binding loan guarantee paper which, in practice, automatically divides the ownership rights both of the loan as well as of the loan-generated benefits. Similarly, there are other several examples where women do receive credit not for themselves, but for their husbands or for other members of the family. However, when it comes to paying weekly repayments, the responsibility primarily lies with them and they are accountable for any delays. Often, this creates undue pressure on them especially when the loan is accrued for other members of the family, but not for themselves.

5.7 Impact of getting organised

Both the long term and as short-term beneficiaries valued the existence of the group and seem to be enjoying participating in group meetings. Group processes and dynamics,

though, differ in different groups and areas. Some group meetings were found to be holding various discussions on different topics, while some were just used for credit distribution and saving collection.

Long term beneficiaries were found to be confident and outspoken, and most of them reported that group discussions and meetings had enabled them to express their feelings openly and eloquently. However, their confidence and eloquence was mainly restricted to their own group meetings and barely crossed the household and societal level. A significant number of beneficiaries, both long-term and short-term, met during the study period reported that though they had been more confident than before, they would not still be able to confidently talk and discuss with the local representatives as well as with the regional authorities.

Some group members also reported that the microfinance field-workers have extremely limited knowledge about the issues they want to know, so group meetings were no longer interesting. For the MFI also, groups are not merely the means of social intermediation, but the conduits of minimizing microfinance delivery and transaction costs.

5.8 Roles and approaches of different funding systems

There are numerous MFIs providing different microfinance schemes in the region. Some of them, like the Grameen Bank, BRAC, ASA, are big MFIs with more than a million active borrowers, however, there are a plenty of local and regional MFIs who provide microfinance services for a particular region or particular type of clients. On the other hand, the microfinance models followed by different MFIs do differ though some similarities can be seen in all of them. Interest rates, maximum amount of loan, types of loan, repayment system, group formation system and many other aspects differ among different MFIs. Nowadays, it is quite common among MFIs to design different microfinance schemes as 'products' and launch them for marketing.

Within RDRS also there is a wide range of variation in terms of credit types, interest rates and the maximum loan amount sanctioned at a time. RDRS has different credit

schemes, such as rural microcredit, urban microcredit, seasonal loan, microenterprise loan, ultra-poor loan and different project loans such as tribal land redemption loan, North-west crop diversification project (NCDP) loan. Project loans, with lesser interest rates than other loans, are granted for some specified activities only. For instance, some members of a tribal group in Thakurgaon district were receiving credit in order to redeem their mortgaged land from the landlords. Interest rates of project loans are lesser because they are normally subsidized by national and international donor agencies.

Not only different schemes, but also microfinance models completely differ in some places. For instance, under the Char Livelihood Programme, RDRS has formed independent village savings and credit groups which are significantly different from the main banking model of microfinance followed by RDRS. Such village saving and credit groups are based on the concept of cooperatives where group members collect savings and distribute credit on their own. It was noticed that compared to the banking model of microfinance, which follows top-to-bottom approach, the cooperative model gave more choices, freedom, decision-making and financial management opportunities to the service users.

6 CONCLUSIONS

6.1 Women's Empowerment

The study suggests that though the long-term beneficiaries have participated in RDRS microfinance for several years, there has not been any significant increment to the choices they have and the level of control and power they possess. The long-term beneficiaries exercised a slightly improved opportunity of social mobility and an added value of self-worth, but miserably failed to secure an enhanced economic future and challenge the longstanding issues of gender disparity and powerlessness. Hence, at least among the very poor women of Kurigram- northern Bangladesh, the link between microfinance and women's empowerment is not as strong as generally perceived.

It has been clearly seen that only one intervention such as microfinance or adult education cannot dramatically change the lives of the women who have historically been oppressed in the traditional patriarchal society. Moreover, empowering an individual apparently seemed to be a complex phenomenon, which was affected by many factors such as, educational opportunities, upbringing, family support, marital status, age, ethnicity and so on.

Microfinance was taken as a pure and transparent financial service by both, long-term as well short-term, beneficiaries and irrespective of its impact on economic betterment or empowerment, microfinance was valued by the poor. The fact that many women have continued to participate in the group meetings, borrow credit, deposit savings for more than a decade also illustrates that they have found microfinance as a valuable and worthy service.

6.2 Outreach and financial needs of the poor

RDRS microfinance has provided financial services to the most disadvantaged and neglected populations in northern Bangladesh, especially in very remote areas where other big NGOs are either absent or have chosen to neglect the poor.

Though some MFIs chose not to work in some particular areas, such as the flood affected Char areas, their presence in other parts of northern Bangladesh was very visible. Most importantly, MFIs have virtually replaced the traditional and often oppressive money lending system practiced for ages and have provided financial services to the poor neglected by so called market oriented formal financial institutions.

Field experience shows that the money that is distributed as credit is far less from the actual need or demand of the poor. It was mentioned that MFIs do have worries of their own sustainability compelling them to implement relatively strict measurement criteria for the credit consumption capacity of the poor, but in many cases, for instance Phuljan's case included in this study, inadequacy of the loan size compelled the beneficiary to seek larger loans from other MFIs ultimately resulting into overlapping and a serious debt trap.

Excluding some exceptions, women were likely to get lesser loans in comparison to their male counterparts who were regarded as more credit-worthy and were provided larger amounts.

It's been apparently seen that microfinance does not have equal or similar impact on all beneficiaries. Better-off families, such as Shahanaz's family included in this study, are able to bear even larger risks, make more productive investments and get higher returns, whereas, extremely poor families, incapable of managing even a smaller risk or family crisis, are bound to face severe problems to thrive, if not head to a total failure.

Consumption credit or the credit provided not necessarily for an IGA was found to be helpful for many beneficiaries and was valued a lot. Such a credit was provided during seasonal famine and unemployment season locally known as the Monga period.

6.3 Control and Participation

Microfinance services were found to be developed as ‘products’ and marketed in the working area, however, the beneficiaries were not explicitly consulted in designing such products. There was not any attempt to ensure their participation in decision making of service delivery either.

6.4 Motivation & Micro-entrepreneurship

A majority of the beneficiaries did not have any plan, motivation or idea to develop themselves as women entrepreneurs. For a considerable number of women, microfinance seemed to be mere one of the survivalist activities they had adopted in their harsh everyday reality. Against this backdrop, it wouldn’t be imprudent to conclude that tapping the motivation of the poor will be challenging for many NGOs and MFIs in the days to come.

It appears that microfinance or credit programs don’t give productive results when applied in disaster affected areas where people are, in fact, expecting relief instead of credit. The experience with the short-term beneficiaries shows that people facing natural disaster or serious family crisis generally tend to have low level of motivation and lack entrepreneurial spirit and the credit offered on such occasions is very likely to be used for consumption purposes instead of producing something. Though credit for consumption itself is a valuable ‘product’ for many poor people, for instance for those who are facing temporary or seasonal unemployment, but it’s not preferred by all types of beneficiaries, such as disaster hit people who are fighting for survival and rehabilitation.

A tendency to start smaller and stay smaller is common among both types of beneficiaries. On the other hand, instead of approaching many different ways, most of them tended to engage themselves in traditional and comparatively low-productive income generating activities, such as vegetable cultivation and goat rearing. For instance, the woman who had a cosmetic shop, though very small, was found earning more than the women who were engaged in vegetable cultivation or cow rearing.

6.5 Access and interest rate

The 10% interest rate or service charge was often termed as 'reasonable' and the beneficiaries didn't have any dissatisfaction over the administrative work of credit distribution and savings collection. However, it's apparent that there has not been enough work on building capacity of the beneficiaries. Skill trainings and other additional services such as home-to-home technical assistance were found to be inadequate and inconsistent. Some of the beneficiaries had received more than a dozen trainings, sometimes with no apparent needs, while others have participated scarcely once.

Total dependency on microcredit seems to be counterproductive. Families with other earning members and fairly good amount of land are more likely to succeed than the landless or hard-core poor.

Procuring a loan for consumption or for other members of the family, such as the husband or a son, was also practiced widely. Though women are in the forefront, credit procurement, in fact, was taken as a family affair and men were also active players of credit use and repayment.

Irrespective of financial activities, the existence of microfinance groups was valued a lot. A majority of the beneficiaries candidly expressed that the group was a form of support for them and had opened many doors to them.

7 RECOMMENDATIONS

7.1 Recommendations to RDRS Bangladesh

In many cases it was found that credit was sought for one purpose and used for something else. For instance, the money obtained for vegetable cultivation was used for the daughter's wedding. Instead of distributing only credit and collecting savings, microfinance field organizers (MFOs) should be aware of what beneficiaries are doing and how they are progressing.

Many NGOs and MFIs have microfinance programme in northern Bangladesh, but there is a complete lack of cooperation between them. MFIs don't take each others as stakeholders, but virtually as business competitors. Almost no information is shared between them which results into serious overlappings and those who actually need credit might remain unnoticed. RDRS as a big and reputed organization in northern Bangladesh should start building alliance with other MFIs, be ready to share relevant information and work in an integrated manner as almost all NGOs want to achieve primarily the same dual goals- poverty reduction and women empowerment.

A majority of RDRS microfinance beneficiaries interviewed during this study reported that weekly repayment system had proved to be difficult for them. It is important that RDRS once reviews its repayment system and tries to make it more flexible and user-friendly. RDRS does follow monthly repayment system in few areas, for instance in the Char area, where repayment rate is very good and the beneficiaries also found it very helpful.

Weekly group meetings have been minimized into haste credit and saving transactions. Many participants found the weekly meetings 'repetitive' and 'monotonous'. Even if RDRS cannot make the repayment a monthly affair, it would certainly be wise to hold extensive and informative group meetings once a month and continue distributing credit and collecting savings weekly as usual.

Skill trainings and additional services which are supposed to be combined with the loan are either missing or not enough. Excluding some exceptions, such trainings normally last from one to four days without having a significant impact on the knowledge of the poor. It would certainly be productive and farsighted to design and implement a relatively long training period and educational programme with specific objectives.

Not only RDRS, but also numerous other NGOs in Bangladesh seem to assess the success of their microfinance programmes basically in the light of repayment rate and self-sustainability, whereas, the real impact on the beneficiaries is not adequately prioritized. It is important that MFIs should promote independent academic studies and research in order to testify the anecdotal claims promulgated and happily cherished by them.

Microfinance field organizers (MOs) who are constantly in contact with the beneficiaries seem to have possessed sufficient financial management skills, but aren't trained enough to effectively help beneficiaries in their income generating activities. By training the MOs effectively, RDRS can effectively address the technical assistance and guidance needed for its beneficiaries.

Almost all the beneficiaries interviewed during the study reported that they hadn't been able to receive any educational opportunities, such as adult learning programs, though they hoped for one. It was mentioned that RDRS's effort to run an adult literacy programme had not been successful because of the gradual drop-outs of the participants. However, this does not mean that there is no need for education, but, it appears that there is a need to change the traditional methods of teaching and learning. It is apparent that the poor will not be meaningfully empowered unless they are given relevant educational opportunities and the horizon of their consciousness is widened.

Poverty in Bangladesh seems to be directly linked with the issue of land ownership and patriarchy and traditional norms seem to be fuelling the oppression of women and their subjugation. It's necessary that NGOs as agents of change should be working more towards addressing structural problems by building pressure and raising public awareness.

7.2 Recommendations to Finn Church Aid and other donor agencies

Like microfinance beneficiaries, it is important that donor agencies also recognize the minimalist microfinance solely as a financial service to the poor and be exempt from harboring unrealistic expectations. Minimalist microfinance is not a panacea.

There seems to be a growing tendency amongst donor agencies that MFIs should be self-sustainable and at the same time to be able to cater a quality service, and to be able to provide training and educational activities for the service users. That, however, seems to be practically untenable. If microfinance is to succeed and bear more productive results, there should be a plenty of skill trainings and educational opportunities organized for the poor, and MFIs should get enough support for such endeavors.

If donor agencies help RDRS to set up a separate comprehensive training/educational unit intended for microfinance service users, there is no doubt that more productive results will be achieved and a meaningful process of empowering the poor will begin. The focus should be on building capacity of the poor, not merely on the raising income of the poor.

Northern Bangladesh is hit hard by natural calamities every year and thousands of families, a majority of microfinance beneficiaries and hard core poor, precariously suffer losing their homes and valuable assets. Though NGOs and government agencies had some ‘relief programs’, there was no specific support to microfinance beneficiaries as to how their income generating activities (IGAs) could be resumed after a disaster. In some areas, there was absolutely no support for their rehabilitation either. This shows that there should be a separate ‘Disaster Reserve Fund’ intended for microfinance beneficiaries, their rehabilitation and the resumption of their IGAs.

There should be more support to ‘pro-poor’ research activities and initiatives. For instance, recently, a scientifically developed high-yielding variety of paddy was found to be immensely beneficial in alleviating the harsh effects of the Monga, a seasonal famine in northern Bangladesh. Similar attempts should be encouraged, funded and facilitated by the donor agencies.

As has already been realized by some microfinance practitioners, development workers, donor agencies and academicians, there needs to be alternative models of microfinance in the coming days. Though there should not be an alternative for providing basic financial services to the poor, when it comes to entrepreneurship and involves different stages of production, pricing, promotion and distribution, mostly the illiterate and unskilled poor seem to have found it difficult to compete in the vibrant market economy, bear and deal with different types of risks and fare in a successful way. An alternative or complementary model of microfinance could provide subsidized credit and financial support to university graduates, who are also often collateral-less, but might possess different skills, knowledge and entrepreneurial spirit; and in turn, they could train and employ the poor. Hundreds of poor people interviewed during this study period wished to have a job instead of the opportunity to become entrepreneurs.

7.3 Challenges and limitations of the study

Bangladesh has millions of active microfinance borrowers and a substantial number of Microfinance Institutions (MFIs) are delivering financial services to the poor. Microfinance models followed in the country are not homogenous in nature and within even one microfinance institution, different models are practiced. Sometimes credit has been used as a part of an integrated development package, combined with other interventions such as intensive skill trainings and educational programs, whereas, providing credit as a financial service is more common.

This study was carried out in a small village of northern Bangladesh among selected beneficiaries of a minimalist microfinance programme of RDRS Bangladesh. Only ten women and four families were selected for the study. Given the vast number of microfinance borrowers, its diverse modalities, and other numerous factors contributing to perpetuate deprivation and powerlessness in the region, the selected sample is rather narrow to draw generalized conclusions about microfinance as a tool of women empowerment and economic development.

In addition, the study was not specifically focused on the beneficiaries, who use the microenterprise loans. The outcomes would have been different had the sample population consisted of 'micro-entrepreneurs'. However, it should be noted that the number of such micro-entrepreneurs is very low in comparison to other microfinance beneficiaries who use small credit schemes from RDRS microfinance. Similarly, the study tried to 'measure' different levels of women empowerment being based on the data which emanated primarily from qualitative interviews and observation, but as Swain & Wallentin state, 'like cognitive skills and quality of life, women empowerment is a concept that cannot be measured directly' (Swain & Wallentin, 2007, 14).

The respondents talked openly and were often eager in sharing their stories, but many a times it was difficult to interview them in privacy because of their husbands and surrounding family members.

Though the researcher's elementary understanding of the Bengali language proved to be beneficial, it was not easy to get everything translated what the respondents had said. There was good cooperation with the translators arranged by RDRS, however, because of their presence during the interviews, sometimes the respondents would hesitate to articulate some issues related to microfinance administration, training opportunities and behavior of the field workers.

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11 ABBREVIATIONS

MFI: Microfinance Institution

RDRS: Rangpur Dinajpur Rural Service

NGO: Non Governmental Organization

MRA: Microcredit Regulatory Authority

IGA: Income Generating Activities

MO: Microfinance Organizers

Appendix I List of people interviewed during the study

26.09.2009	Mr Tapan Kumar Karmakar	Director- Microfinance, RDRS Bangladesh
26.09.2009	Mr Robin Chandra Mandal	Programme Coordinator- Microfinance,RDRS
26.09.2009	Mr Humayun Khalid	Programme Coordinator- Microfinance, RDRS
27.09.2009	Mr Azizul Karim	Director- Programme Coordination,RDRS
27.09.2009	Mr Matin Sharder	Project Coordination, RDRS Bangladesh
29.09.2009	Working Staff	RDRS Salondor Microfinance Branch office, Thakurgaon
30.09.2009	Kejrupada Women's group	Thakurgaon
30.09.2009	Mr Gautam Halder	Program Manager- Microfinance, RDRS
30.09.2009	Mrs Ruksana	RDRS microcredit borrower, household visit
30.09.2009	Kajapada 29 female group	Thakurgaon
01.10.2009	Working staff	Villi Microfinance Branch office, RDRS, Thakurgaon
01.10.2009	Bandola Pada Women's group	Thakurgaon
01.10.2009	Md Aminul Islam	Program Manager- Microfinance, RDRS Bangladesh, Thakurgaon
04.10.2009	Arajikadamtola women's group	Kurigram district
04.10.2009	Jalopara Female group	Kurigram district
07.10.2009	Green Leaves women's group	Manusmara Char, Kurigram district
11.10.2009	Mr Hasinur Rahman	Program Manager- Microfinance, RDRS Bangladesh, Panchagarh
11.10.2009	Mrs Moksada	RDRS microcredit borrower, household visit, Panchagarh
11.10.2009	Mrs Mina	RDRS microcredit borrower, household visit, Dordonpada, Panchagarh
12.10.2009	Jatanpukuri women's group	Panchagarh
12.10.2009	Jatanpukuri Morispara female group	Panchagarh
13.10.2009	Mrs Phuljan	RDRS microcredit borrower, household visit, Panchagarh
13.10.2009	Harivasha Union federation	Hari Vasha- Panchagarh

13.10.2009	Mrs Kajal Rekha	Vice-president, Sub-district Council Panchagarh
18.10.2009	First beneficiary	
20.10.2009	Second & third Beneficiary	
21.10.2009	Fourth & fifth Beneficiary (Focus group discussions too)	
24.10.2009	Sixth beneficiary	
25.10.2009	Seventh & eighth beneficiary	
26.10.2009	Ninth and Tenth beneficiary (Focus group discussions too)	
01.11.2009	Participants of Job Orientation training Girls holding a Master's degree	Thakurgaon district
01.11.2009	Dhakkamara Federation members	Panchagarh Bangladesh
07.11.2009	Office staff	Ulipur area office, Ulipur-Kurigram, RDRS Bangladesh
07.11.2009	Thatrai Federation members	Ulipur-Kurigram district
07.11.2009	Participants of sweater weaving and embroidery training	Thatrai- Kurigram district
8-9.11.2009	Final visit to Jatrapur, focus group	
10.11.2009	women development officer	CARITAS entrepreneurship, CARITAS- Dinajpur district
12.11.2009	Rajibpur union federation members	Rajibpur- Kurigram
12.11.2009	Jaduchar union federation members	Rowmari- Kurigram
12.11.2009	Participants of beef-fattening training	Rowmari-Kurigram
12.11.2009	Dr Nazmul Haque	Vetenary Surgeon/ training Rowmari- Kurigram
13.11.2009	Ms Shanaz	Household visit
13.11.2009	Maloy Kumar Goswami	Area manager- Microfinance, Rowmari, RDRS Bangladesh
14.11.2009	Mohangunj union federation members	Rajibpur- Kurigram
17.11.2009	Mrs Manjushree Shah	Programme coordinator, Women's rights, RDRS Bangladesh
17.11.2009	Ms Sarmin Sultana	Senior Monitoring officer, Women's rights, RDRS Bangladesh
18.11.2009	Faruque Ahammed	Senior Manager, Reporting & Documentation, RDRS Bangladesh
18.11.2009	KM Akhtarl Alam	Senior Trainer, Disaster Management, RDRS

21.11.2009	Ms Monikujur	Credit borrower, land redemption project- Thakurgaon
23.11.2009	Ms Bishni	Credit borrower, land redemption project- Thakurgaon
01.12.2009	Ghogadaha Union Federation	Kurigram district
03.12.2009	Ms Jahida Mustari	Manager, Women's rights, RDRS Kurigram
06.12.2009	office staff	Dohikhaba microfinance branch office- RDRS
07.12.2009	Agroni Mohishkocha Federation members	Lalmonirhat district
13.12.2009	Mr Kamaluddin Akbar	Executive Director, RDRS Bangladesh

(The list is based on first time interaction made with the above mentioned persons/groups and does not include follow-up and repeated meetings and interactions. Except one (Phuljan), other names used in the family case studies are imaginary.)

Appendix II

Questions asked/discussed in individual interviews and focus groups

Background Information

Name:

Age:

Education:

Occupation/Profession:

Marital status and length:

Number of children:

Section one: Economic Domain

A: Loan, Ownership and Entrepreneurship

- 1- When did you take micro-credit (loan) for the first time?
- 2- How many times you have accrued a loan in your lifetime and what were the reasons?
- 3- Are you associated with an enterprise? Do you run it? If not who runs it? What is your role/status then?
- 4- When the enterprise was set up, what were its main source of funds?
- 5- Who initiated the discussion for starting this business?
- 6- After how many years of marriage did you start this business? Why didn't you start earlier?
- 7- What is the attitude of your in-laws towards your business now?
- 8- What is the attitude of your husband towards your business now?
- 9- Did you make the decision of joining the MFI independently?
- 10- Did anyone in your family resist your decision of joining the MFI? Why and why not?
- 11- Do you own any land or other valuable property?

- 12- Can you estimate your monthly income? What do you need to do with that?
- 13- Do you have a bank account? Did you have one before you started taking loans?
- 14- Do other members in the family have a bank account?
- 15- Do you consider yourself as an entrepreneur? why and why not?
- 16- Is household monthly income sufficient to meet expenditures?
If not, where did you get the funds for financing that expenditure?

B: Control and Decision Making

- 1- Who is responsible for keeping and distributing family income and why?
- 2- Do you children go to school? Who goes to pay their bills? Who gives snacks-money to them?
- 3- Did your family buy any property in last five years? Who owns it and why?
- 4- For instance, if you are going to buy a land for your family, who gives the final approval and why?
- 5- Imagine one of your daughters wants to set up a beauty parlor in the neighborhood: Will you approve of her decision? Will her father approve her decision?
- 6- After taking the loan, did you feel you became secure and strong?
- 7- What was the main aim of establishing this business? Did you achieve that?
- 8- Imagine you got a job offer from a factory; will you leave your business and accept that offer? Why and why not?
- 9- What do you want to do in the future concerning this business? Can you take decisions independently?

Section Two: Social/Psychological Domain

A: Domestic Affairs

- 1- Do you regard yourself as equal to your husband? Why and why not?
- 2- Do you need to take permission from somebody in your family when you want to visit your parents? What about attending a group meeting?
- 3- How much education are you planning to give to your each child?

4- Who is responsible in the family to take the following decisions?

- A. Decision regarding your children's schooling
- B. Decision regarding children marriage
- C. Decision regarding purchase of household assets
- D. Decision regarding your health and medical costs
- E. Decision about house repair
- F. Decision regarding sale/purchase of property
- G. Purchasing chocolates for children
- H. Purchasing grocery and fruits
- I. Purchasing clothes and cosmetics for you
- J. taking your child to a doctor

5- Has there been any change in the amount of time you spend doing household chores since you joined MFI? If yes, why?

6- Have you ever experienced verbal and physical harassment from any member in the family?

7- What do you do when you are physically or mentally abused by your husband?

Take action to stop domestic violence by

- (1) speaking up against the husband,
- (2) leaving the husband,
- (3) seeking help from friends or family,
- (4) seeking help from authorities,

8- Can you ever imagine filing for a divorce if your husband is abusive towards you?

9- If not, what could be the reasons that inhibit from doing so?

10- How many times you went to visit your children's school last year? And who goes often to know about children's progress in education?

11- Who in your household decides

- (1) family size,
- (2) child spacing,
- (3) use of birth control?

12- Do you have a say over how the household income is spent?

B: Social Relationships and Rights

- 1- Do you need permission from any family member when you go for a group meeting?
- 2- Have you ever addressed a public meeting? A women's group meeting?
- 3- Do you talk confidently with other people than your friends?
- 4- Can you invite your friends to your home without your husband's permission?
- 5- Who decides about whom to invite when you have ceremonies at home?

Section Three: Political Domain

A: Involvement/ Affiliation

- 1- Are you a member of any organization or group (s)? Why was the reason to take a membership?
- 2- Are you a member of any political party? Why did you decide to join that party?
- 3- Did you vote in last local elections?
- 4- Did you vote in last national elections?
- 5- Would you be able to work as an elected local representative if you got a chance?
- 6- Are you familiar with the main political parties in Bangladesh? Do you know about their main policies? Do you like any of them and why?
- 7- Do you listen to radio news? Who controls the radio/TV at home?
- 8- Do you know anything about the Constitution of your country?
- 9- Do you know that every person has a set of rights and responsibilities assigned by law?

10- Where do you go when your rights are violated?

B: Participation/ Activity

- 1- Do you attend public meetings such as of the Federations, school meetings etc?
- 2- What are the most important things that you have learned being a part of a group?
- 3- Have you ever raised an issue of public concern in a meeting?
- 4- Have you attended any trainings and workshops on women's rights?
- 5- How do you feel to be a part of a group? Has it benefitted you? If yes, how?
- 6- Have you ever visited a district level government office alone? If yes, when and how?

Questions about Microfinance Schemes

- 1- What is more important for you? - Being part of a group or being able to get a loan. And why?
- 2- Was it easy for you to secure a credit scheme?
- 3- What is more important to you: skills or capital (access to loan)? and why?
- 4- What do you think about the interest rate?
- 5- Have you got an access to market where you can sell your products easily?
- 6- Have you received any assistance from government to promote your business?
- 7- What do you think about your economic situation? Do you consider yourself a rich person, a middle-income, or a poor?
- 8- Can you tell three positive things and three negative things that microfinance has brought into your life or household?
- 9- Do you have any plan to expand your business?
- 10- If things go as you expected, what do you want to achieve within five years?
- 11- Can you list/tell five most important things in your life? (What is important to you?)

Other questions

- 1- Do you have some opinion about why some people are rich and others are desperately poor? In your opinion who is responsible for that? How that can be changed?

- 2- What do you think about microfinance schemes in Bangladesh? Do you think they help the poor? Based on your experiences, what are the pros and cons of such schemes?

- 3- Have you ever heard the word empowerment? What does it mean to you? / What are the situations when you can say that you have been an empowered or an independent women?