EVALUATING THE IMPACT OF MICROENTERPRISE CREDIT PROGRAMS ON WOMEN IN BANGLADESH

by

Rumana Huque

B.A. Economics, Bryn Mawr College (1990)

Submitted to the Department of Urban Studies and Planning
in partial fulfillment of the requirements of the degree of

MASTER IN CITY PLANNING

at the

MASSACHUSETTS INSTITUTE OF TECHNOLOGY
June 1996

Signature of Author ______________________________
Department of Urban Studies and Planning
May 23, 1996

Certified by ______________________________
Lisa R. Peattie
Professor of Urban Anthropology, Emeritus
Thesis Supervisor

Accepted by ______________________________
J. Mark Schuster
Associate Professor of Urban Studies and Planning
Chair, MCP Committee

EVALUATING THE IMPACT OF MICROENTERPRISE CREDIT PROGRAMS ON WOMEN IN BANGLADESH

by
Rumana Huque

Submitted to the Department of Urban Studies and Planning
on May 23, 1996 in partial fulfillment of the requirements of the degree of
Master in City Planning

ABSTRACT

Recent evidence showing that men often take over women's loans challenges the assumption that providing credit to women strengthens their economic roles in the household and therefore empowers them. This thesis examines the mechanisms by which participation in credit programs may change women's lives and provides recommendations on how to maximize the impact of these programs.

The analysis shows that when credit enters the household, a number of different scenarios are possible, some of which bring about positive changes in women's lives and others which place them in situations of greater dependency and subordination. Where women do control their loans and are able to become income earners, credit can have an empowering effect. The paper describes the different strategies that organizations have employed to try and ensure that women are involved in the loan financed activity, but highlights the difficulties with these approaches. The discussion shows that until the institutional and cultural barriers that prevent women from investing in productive activities and accessing the market are broken, it will continue to be difficult for organizations to control loan use.

Even if organizations cannot directly control loan use, they can take steps to ensure that the empowering effects of credit programs are maximized. This can be done by encouraging women to gain knowledge of the market, of accounting practices, and of the profitability of economic ventures, even if they are not in charge of them. It can also be done through the building up of assets like savings, land and capital, as well as through the consciousness raising and awareness building efforts that some organizations have developed. The only way these can be achieved, however, is if they are made into explicit program goals, and consequently, if indicators for their measurement are developed and utilized in standard impact evaluations of the programs.

Thesis supervisor:
Lisa R. Peattie
Professor of Urban Anthropology, Emeritus

Acknowledgments

My sincerest appreciation goes to the staff of the Grameen Bank and the Bangladesh Rural Advancement Committee (BRAC) for taking the time to share their views and experiences with me. I would like to thank specifically Dipti Das from BRAC, who introduced me to rural life in Bangladesh and led me through my first critical interviews. My thanks of course to the women and men of Jamalpur and Bhormi Sripur who gave me a glimpse of their personal lives, their concerns and their achievements.

To my advisors, Lisa Peattie, Kristina Hill and Mick Moore, I would like to say simply that I really appreciate your guidance and admire your patience for putting up with the inconsistent communication and the consistent delays. I would like to thank Professors Karen Polenske and Mel King for their endless encouragement. To my bosses, Ms. Wellford and Ms. DeLeon, who provided me the financial means to live while at MIT, a big big thank you for being so incredibly accommodating to my unpredictability, and for always forgiving me.

I don't know how to express to my friends, who have stuck with me through this l-o-ng endeavour, how much they have meant to me. Roy, I would not have been able to complete this degree without your support, your friendship, your company, your humour, and your insights, not to mention your house, your cooking, your clothes, Simba and Mozart...My friends at DUSP--Lynn, Laurina, Fernando, Alejandro (the honorary DUSP member), Jorge, Rosa--thank you for helping me keep my sanity and for believing (as well as for all the salsa and merengue lessons and the fabulous parties!). A special tribute to Laura and Fernando for sharing the many days and nights in the Commons Room--from now on, Savannah Tea, Madredeus, chicklets, Manual Feed, and baby carrots will always remind me of those last days! I would also like to thank Colleen, Despo, Laura, Marcelle and Shiro, who I have relied on and turned to so many times even though it had to be over the phone. To Tim, a special note of gratitude for graciously putting up with my "stuff" all over your basement for an entire year. Abba, Amma, Zia, Shilai, Bhabi, Lopi and Moyeen Bhai--thank you for trying so hard to understand, I know it hasn't been easy.

Table of Contents

CHAPTER ONE
Introduction

I. The Growth of Credit Programs for Women

Governments, NGOs, and international donor organizations alike currently see credit programs for the poor as the key to the alleviation of poverty. Where before the poor were regarded as high credit risks because they lack education, skills and collateral, the success of organizations like the Grameen Bank at organizing the rural poor into solidarity groups to get loans and repay them has prompted development organizations all over the world to provide credit to the poor. Countries as diverse as Colombia, Malaysia, Kenya, the Philippines, and even some states in the United States (Arkansas, Illinois) now have instituted credit programs based on the Grameen Bank model. In June 1995, the World Bank and other donors formed the Consultative Group to Assist the Poorest which consists of a $200 million grant fund for organizations that give loans to the poor. At the United Nations Conference on Women in Beijing in September 1995, credit programs were heralded as one of the primary ways of reaching the poor, many of whom are women.

The key to this rapid proliferation of credit programs has been their remarkably high repayment rates. Organizations that have followed the Grameen Bank model have generally shown repayment rates of over 90%. Not only have the poor proved themselves to be good credit risks, women have shown that they are better at repayment than men. The trend for the last decade or so has thus been towards organizing women for the provision of credit. Other than being good credit risks, two reasons are generally given to justify this escalation of credit for women:

- Women's participation in credit programs has a beneficial impact on households through improved incomes, nutrition and education of children (Pitt and Khandker 1994, Hussain 1988, and others)
- In cultures that are often extremely restrictive towards women, giving control of financial resources to women is seen as a way of addressing women's needs and interests, and improving their status in the household and in society--i.e. credit is seen as a means of empowering women (Rahman 1986, Mizan 1994, Schuler and Hashemi 1994, and others)

Most studies of credit programs concentrate on the first issue of their impact on household incomes, nutrition and children's education. Fewer people have tried to measure their impact on women for obvious reasons: empowerment is an ideological, value laden concept that is difficult to measure empirically. Regardless of which aspect of credit programs is examined, an assumption that underlies most impact evaluation studies is that giving loans to women strengthens their economic roles. This enhanced economic role is expected to give women more autonomy and control over important decisions in the household, and to contribute to their self-confidence and their ability to plan for their future.

II. The Controversy

This last assumption has recently been brought into question in a study by Anne Marie Goetz and Rina Sen Gupta (1994) which shows that, for a sample of 253 Bangladeshi households, women actually do not always retain control over the money once they have taken out the loan. In their study they find that:

(a) 22% of the women have no idea how their money is being used because the male members of the households have taken control of the loan;

(b) 17% have minimal involvement (usually labour) in the use to which the money is put, leaving male members of the household to deal with all of the major decisions and managerial aspects of the investment;

(c) 24% have only partial involvement in the managerial aspects of the investment but feel that they have very little say in any major decisions regarding the investment; and

(d) 37% were able to retain full or significant control over the loan.

To some, these percentages might be shocking. If a majority of women are not using the loans themselves and merely passing the money on to their husbands or sons, what does that say about the ability of credit programs to change women's economic positions within the household and empower them? Others might argue that the percentages are high given the cultural context of Bangladesh, and the extremely restrictive attitudes towards women there--the very fact that even 37% of the women in Goetz and Sen Gupta's study have full or significant control over loans might be quite impressive in a society where women are traditionally bound by the "purdah" system and expected to stay at home and out of sight of society.[1] Whatever one's response to the statistics is, the assumption that credit for women enhances their economic roles in the household, and therefore empowers them, is threatened by the findings.

[1] The meaning and connotations of "purdah" are defined in greater detail in Chapter Two

Goetz and Sen Gupta's study created a major controversy both in Bangladesh and among the donor community which has espoused the Grameen Bank style of credit delivery for rural women as one of the best ways of alleviating poverty and empowering women. Besides questioning the methodology Goetz and Sen Gupta used to measure "control of resources", the main criticism of the study was that there are enough studies around that show the significant positive impact that women's credit has had on raising incomes in the family and improving health and nutrition, both of children and of women. Given the cultural context of Bangladesh, male appropriation of women's loans is a non-issue. Development is a process, they say, and social change takes time. The first step should be to get the poor out of the cycle of poverty. Credit programs are not only achieving this, in addition, they are changing women's lives significantly. As a first step, they claim, that is enough.[2]

III. The Importance of Loan Use and Control

a. Understanding the mechanisms by which credit works

Development organizations assume that by giving credit to women, *women* will invest the money in a successful enterprise, *women* will become income earners, and women's *economic* roles will be strengthened. As a result of this strengthened economic position, they will gain autonomy in the household and have greater control over decisions affecting them. The evidence of male appropriation knocks a hole into this chain of events. If women are not using the loans themselves (i.e. not becoming income earners), are they becoming empowered at all? How do they gain in status and have greater decision making power? The evidence of male appropriation makes us question how we infer the cause-and-effect relationship between improving access of credit to women and women's empowerment. If this relationship is different than what has been presumed, it could in turn have a bearing on how evaluators actually measure the impact of credit on women.

b. Other possible effects of targeting women for credit

If we, as academics and development practitioners, have not understood the mechanisms by which targeted credit brings about changes within the household, this raises the possibility that we have also not recognized that credit to women could have adverse consequences.

---

[2] Personal communication with people who attended a November 1994 presentation by Anne Marie Goetz of her paper (Goetz and Sen Gupta 1994) at the World Bank.

Goetz and Sen Gupta have elaborated on some situations they observed during their research in Bangladesh.

In cases where women are not earning their own income from loans, male appropriation could introduce greater tensions in the household because women still have the responsibility of repaying the loan. Where the husband obliges with weekly payments on his own, if what he provides is insufficient, women have to supplement the payment with funds from their "expenditure saving" homestead activities like sales of eggs, fruit, homegrown vegetables, or from their regular savings habit of reserving a handful of rice before meals ("mushti chal").[3] This could have a negative outcome on daily consumption in the household, as well as result in long-term depletion of resources otherwise kept for savings. Sometimes husbands are unwilling, as opposed to unable, to pay the weekly installments. In these cases, women are forced into pressuring the men for the money, and risk violent reactions from them. Having access to credit might also lead to the increased commodification of women--especially in areas where there are no organizations offering credit to men, the value of a woman might be judged by her ability to retain membership of a credit program. The authors cite anecdotal evidence of women who experienced increased domestic violence when they were unable to gain membership of a credit program or had to wait too long for their turn to get a loan (Goetz and Sen Gupta 1994).

IV. Methodology

I state earlier that credit for women has been justified on two grounds: (1) it has been shown that giving loans to women as opposed to men has a more beneficial impact on households; and (2) strengthening women's economic positions in the household empowers women. In this study, I have not examined in detail the impact of credit on household welfare in general. Since all the studies I examined point towards the generally positive role that targeted credit plays in households, I have taken that as given. I thus do not wish to critique every aspect of credit programs through my analysis, nor imply that credit programs are a bad intervention. Since these programs have a dual objective, household welfare *and* women's empowerment, I focus my study specifically on women.

---

[3] These savings activities are habitual for rural women in Bangladesh. Since most women in the past did not have other forms of income generation, the only way they could accumulate money for emergencies was by selling produce to their neighbors or putting aside a little bit of rice at every meal--all of which could be done easily without their husbands finding out.

This thesis examines the impact of credit on women in light of the fact that women might be transferring their loans to male members of the household. Studies of this nature are best done through carefully designed ethnographic studies, large-scale surveys and in-depth interviews carried out on the same households at different points in time. This methodology was beyond the scope of this study. However, credit programs in Bangladesh have been widely studied and a large number of impact evaluations already exist. The controversy over the Goetz and Sen Gupta study shows that contradictory evidence exists on the subject of credit's impact on women. Some studies apparently show a strong positive impact, while others like Goetz and Sen Gupta claim otherwise.

I chose to examine the existing evaluations of credit programs in detail with a view to answering the following question:
Given that credit might not work in the way organizations have assumed it does, i.e. through strengthening the economic positions of women, what can we conclude about whether credit programs have been successful in having a positive impact on women's lives? How does this inform our understanding of how credit works to change women's lives?

To answer this question, I carried out a careful review of the existing literature on credit programs in Bangladesh, including an in-depth analysis of the main impact evaluations that have been published about them. For my analysis, I examined material on two of the largest credit programs in Bangladesh, the Grameen Bank and the Bangladesh Rural Advancement Committee. The Grameen Bank, established in 1976, is a private development bank, established for the purpose of serving the poor. During the course of its operations, it has focused its operations more and more on women, and in 1993, 94% of its 1.8 million members were women (Grameen Bank Annual Report 1993). The model of credit delivery that the Grameen Bank has pioneered has been a huge success in Bangladesh, and is currently being replicated all over the world. The Bangladesh Rural Advancement Committee (BRAC) is one of the oldest and largest development organizations in Bangladesh and started its credit program (the Rural Development Program---RDP) in 1986. BRAC has followed the Grameen model for its credit programs with some modifications that are described later in the paper. In 1992, 74% of BRAC-RDP's three quarters of a million members consisted of women (BRAC Annual Report 1993).

Although this analysis relies primarily on secondary data and existing studies, it also incorporates the findings from five weeks of field work that I carried out with the two organizations in January-February 1995. My field work consisted of interviews with staff members of both organizations and in-depth interviews of 24 women borrowers, 12 each from the Grameen Bank and from BRAC. I also attended two weekly center meetings of each organization. The interviews and observations I made in the field stimulated many of the questions and issues that are addressed in this paper.

The results of my analysis are organized into five parts. In Chapter Two, I give a general idea of the status of women in Bangladesh followed by a description of the two organizations. This section also lays out the mechanism by which credit is *expected* to work to improve the lives of women. Chapter Three examines the issue of male appropriation of women's loans. I first demonstrate that this is a phenomenon that has been observed in the past by other evaluators, but that it was considered of little importance. I then inquire into the possible reasons why men are taking over women's loans and show how the two organizations have dealt with the issue. Chapter Four examines the economic impact of credit specifically on women and shows that the indicators generally used to measure economic impact do not give a clear picture of the impact on women's lives. For example, assuming that providing a loan to the woman makes her an income earner and therefore empowers her, evaluators have measured incomes and employment. However, these indicators tell us only that women are working more hours, and tells us nothing about whether they have gained any more control over financial resources. This chapter also highlights the fact that evaluations have had a tendency to provide biased results in favor of credit programs. Chapter Five grapples with the difficult issue of empowerment and the problems with defining it, and provides the results of studies that have attempted to measure it. These studies emphasize the aspects of credit programs, other than the actual money itself, that contribute to empowerment. Chapter Six lays out the different possible impacts that credit could have on women, and identifies some key variables that evaluators and program designers need to keep in mind if credit programs are to make lasting changes to women's lives. Chapter Seven provides a summary and conclusion.

CHAPTER TWO
Background

I. The Situation of Women in Bangladesh

According to almost any indices of quality of life or of economic development, women in Bangladesh are disadvantaged in comparison to men. The differential treatment of females begins at birth. In this predominantly Muslim nation (87% of a total population of 113 million follow Islam), a son is welcomed into the world with a loud joyous prayer of "God is Great", while a daughter receives only a "whisper of a Quranic prayer" (Mizan 1994). Mortality and malnutrition rates are higher among female than male children: mortality rates for female children aged 1-4 are among the highest in the world, and female children have almost three times the rate of malnutrition as males (World Bank 1990). Female children receive less medical treatment and their school enrollment rates are lower. Table 1 shows some of these figures. Although these are numbers only for female children, the situation does not improve as they grow older. Literacy rates for all women, for example, are 19% compared to 40% for men. Female wage labourers earn 40% of what male wage labourers earn (Pitt and Khandker 1994). In fact, according to a 1988 study by the Population Crisis Committee, on the basis of twenty indicators relating to health, marriage, children, education, employment and social equality, the status of women in Bangladesh was ranked the lowest world wide (World Bank 1990).

The lives of women in Bangladesh are shaped by the patrilineal, patriarchal and patrilocal nature of the society. One of the main reasons that little attention is paid to nutrition, health care and education of girls is the fact that they are usually married off early and go away to join the husband's household. According to government statistics, 50% of women are married by age 16, and 95% by age 25 (World Bank 1990). Since men are expected to be the primary breadwinners, once a woman joins her husband's household, it is her reproductive and nurturing role that is emphasized, rather than an economic one. She is expected to cook, clean, take care of her husband, and look after the children and her in-laws. Although women are actively involved in various types of economic activities, specially in the rural areas where they engage in post-harvest agriculture, livestock/poultry rearing, and growing vegetables (for an average of 10 to 14 hours a day) women's contribution to the household and national economy is not measured in cash terms and hence not considered of economic value (Ahmed et al 1994).

Table 1
Selected Demographic Indicators for Women in Bangladesh

	FEMALE	MALE
Population (1990)	55 million	58 million
Infant Mortality (per 1000 live births)	105 - 125	90 - 115
Child Mortality - ages 1-4 (per 1000 population)	16	13
School Enrollment Ratio (1986) (% of age group)		
Primary school	50%	69%
Secondary school	11%	24%
Literacy Rates (1981)	19%	40%

Source: World Bank 1990

Poverty makes the situation for women even worse. Poor women have almost no economic assets of their own (land, cash savings, etc.), and compounded with their general lack of education, marketable skills or even awareness of their legal rights, they are particularly vulnerable. Should their husbands desert them or divorce them (which many do, without following due legal process), they have no way of supporting themselves. Hence, for fear of abandonment and in an effort to keep their husbands happy and their families intact, they often deprive themselves (and their daughters) of food and other comforts and normally do not protest abuse and ill treatment.

A large majority of women in Bangladesh (88% in 1990) live in rural areas. One of the main differences between urban and rural women is the social/religious custom of "purdah", which is much more rigorously enforced in the rural areas than in the cities. Purdah, literally meaning curtain, is an institution designed ostensibly to guard women's "honor". It imposes strict sanctions against women's physical mobility (women are expected to stay within the homestead or the area immediately surrounding it), their attire (they are expected to cover themselves up entirely, including their heads and sometimes even faces in the presence of men), and their conduct in front of men (they are expected to be unassertive and not attract attention to themselves). Almost every aspect of purdah ensures women's subordination to men. The isolation that purdah imposes makes it difficult for women to, among other things, take part in income generating activities or take advantage of services such as health and family planning, all activities that would require them to travel to and operate in public spaces on their own. However, as Hashemi and Schuler (1993) point out, "... such behaviour is so internalized by women that the system of purdah is seen by them as not only natural but more importantly as protective of women, and therefore beneficial" (p. 3).

These traditional attitudes and customs work together to perpetuate the situation of dependence and subordination of women. Combined with the reality of extreme poverty that characterizes the Bangladeshi countryside, it ensures that poor rural women live under difficult and disempowering circumstances.

II. The Grameen Bank Model

Before the advent of the Grameen Bank, access of the poor to formal credit in Bangladesh was plagued by the usual problems associated with rural financial markets in developing countries: a poorly extended commercial banking system; high transactions costs for lenders for lending small sums of money; high transaction costs for borrowers who would have to travel great distances to get to bank branches; and the poor's lack of physical collateral, to name a few (Goetz and Sen Gupta 1994). There was also concern with the repayment capacity of the poor because at a subsistence level, the compulsion to consume any extra income (as opposed to investing it in productive activities) was believed to be high (Hossain 1984). In Bangladesh, the concept of lending to poor *women* was rarely even considered because of the purdah system which, as mentioned above, places severe constraints on women's ability to interact with strangers and travel outside the village.

During the 1980s, the Grameen Bank's success at giving loans specifically to poor rural women and getting repayment rates of over 95% challenged these presumptions. The model that brought Grameen its fame is the model of group collateral or group lending. Grameen asks its members to organize into groups of five before giving out loans. Although loans are given to individuals, each member is individually as well as collectively responsible for loan repayments: should one member default on a payment, her group has to cover for her. Defaulters may jeopardize their own as well as the entire group's ability to take out more loans in the future. This built-in system of monitoring and peer pressure seems to have worked remarkably well and is seen as the principal reason for the unusually high repayment rates that Grameen has experienced[4].

---

[4] See Jain 1996 which challenges this assumption also.

The Grameen Bank was initiated in 1976 by a professor of Economics, Mohammad Yunus, out of a genuine concern with raising the most disadvantaged groups in society out of poverty. Early on, Grameen established a targeting strategy: loans are only given to landless and assetless villagers, i.e. those who own less than half an acre of land and whose combined possessions have a value of less than one acre of medium quality land. During the first few years of experimentation (Grameen was formalized as a development bank in 1983), Professor Yunus discovered that women were doubly disadvantaged--exploited within their families and belonging to the families that were most exploited. Since the early 1980s, therefore, Grameen has been specifically targeting women. From a total of about 9,400 women or 39% of total membership in 1981, in 1993 women constituted 94% of Grameen's 1.8 million members (Grameen Bank Annual Report 1993).

III. The Expected Impact of Credit Programs on Women

In a society where a mere 2.5 million women (or 9% of the total labour force) are "employed"[5], it is expected that when loans are given to women, at the most basic level, women will invest the money in a productive economic venture, and will become income earners in the family. Cash earnings and a regular income will strengthen their economic roles within the household, give them more autonomy and control over important decisions, raise their self-confidence and self-esteem and gain them respect within their families.

Grameen's mode of operation includes a number of features that are expected to have additional benefits for women. Each group of five members elects a chairperson and a secretary, positions which rotate among the group annually so that each member benefits from the leadership and responsibility that come with the positions. The chairperson is responsible for discipline within the group and monitors loan activity. Five or six groups within the same village form a center and group chairpersons elect a center chief. The center chief is responsible for attendance at weekly meetings, payments of loan installments, and overall discipline. Bank workers attend weekly center meetings and collect loan repayments. Members have to travel to the local branch office to take out a loan (each loan has to be countersigned by the group chairperson). The loan can be used for any productive activity,

[5] According to a national Labor Force Survey of 1984-85, these women worked as employees (51%), were self-employed (16%), worked as day labourers (13%) or as unpaid family workers (13%), the balance not being reported (World Bank 1990).

but has to be put to use immediately as repayments begin two weeks after the loan agreement is signed. The principal plus interest has to be repaid on a weekly basis within one year. In addition, each member is required to deposit money regularly into a number of savings schemes.

In rural Bangladesh, where poor women in the past had virtually no access to credit, did not earn cash incomes, rarely held positions of leadership, and rarely owned any material assets, let alone have savings, all these features of the Grameen model were expected to change the lives of women.

IV. Comparing the Grameen Bank and BRAC

The Bangladesh Rural Advancement Committee (BRAC) is one of the largest non-government organizations in the country. It has two major goals: poverty alleviation and empowerment of the poor. Established in 1972 by F. H. Abed, BRAC gained fame in Bangladesh over the years through its innovative education and health programs. BRAC's Non Formal Primary Education program, especially, has been so successful that it has been replicated by many other NGOs in Bangladesh and has received worldwide attention--UNICEF and OXFAM have both adopted this model for many of their projects (Lovell 1992). It was only in 1986 that BRAC shifted its emphasis and launched a large-scale credit scheme, the Rural Development Program (RDP). Since then, RDP has grown at an extremely rapid pace, and by 1993, it had over a million members and was taking up over 40% of BRAC's total budget (BRAC Annual Report 1993). RDP too has been focusing increasingly on women, and in 1992, 74% of about 670,000 members were women (Goetz and Sen Gupta 1994).

Drawing comparisons between the Grameen Bank and BRAC is particularly salient for a number of reasons:

- BRAC has modeled its credit program, RDP, after the Grameen model. The basic features of group lending, compulsory savings, weekly repayments, rotating leadership, interaction with organization staff and branch offices, etc., exist in the BRAC program as well. Thus, the *mechanisms* by which women are expected to be empowered are the same in both organizations.

- In terms of scale, the organizations are similar, both having achieved wide coverage throughout the Bangladeshi countryside (over 30,000 villages each), and both serving over a million members (see Table 2).
- Both organizations were founded and continue to be headed by charismatic leaders who have demonstrated a deep commitment to improving the conditions of the poor in Bangladesh.

Table 2
Selected Statistics on the Grameen Bank and BRAC

	GRAMEEN BANK	BRAC
Originated	1976 as action-research project 1983 formalized as a bank	1972 as a relief organization 1986 started credit operations through the Rural Development Program (RDP)
Coverage (as of December 1993) Number of villages Number of members Number of women loanees	 33, 667 1,814,916 1,585,483	 35, 272 (20, 033 under RDP) 1,029,119
Credit and Savings (cumulative to December 1993, in million Taka) Amount disbursed Amount repaid Savings	 26, 056 19,889 2,334 (Group and Emergency Funds)	 3,884 2,820 451 (including Group Trust Fund)

Source: *Grameen Bank Annual Report 1993*
BRAC Annual Report 1993

In discussions of the social impact of credit programs, one of the biggest differences between Grameen and BRAC that is most often highlighted is the fact that Grameen is a private bank whereas BRAC is an NGO. Being a bank, Grameen has to cover costs through the interest it charges on loans, and therefore must have, as its primary motive, loan recovery. As its founder, Professor Yunus, often states: "Ours is a bank. The rural poor are its clients. We give loans to them. We are happy as long as they repay the loans in time. We are in business." (A. Rahman 1986, p. 1). BRAC, on the other hand, is an NGO with explicit goals of alleviating poverty and empowering the poor. Although organizationally BRAC has changed and evolved over the years (it started out in 1972 as a relief organization), one guiding principle that has remained constant in its operations is the philosophy of "conscientization" as conceptualized by Paulo Freire--that is, raising the capacity of the poor (or the disadvantaged, women included) to understand their situations in relation to the economy and society they interact in, and enabling them to analyze the reasons they face a particular set of circumstances (Lovell 1992). If indeed credit programs are going to bring about a transformation in women's lives, BRAC's experience with serving women (its first program specifically targeting women was initiated in 1975), combined with this philosophy of conscientization, one would expect, would make BRAC more sensitive to the needs and situations of women and therefore better able to affect social change. Also, since 55% of BRAC's income consists of grants contributions from donors, the pressures on BRAC for loan recovery are far less than for Grameen.

In spite of the differences in orientation of the two organizations, both are actively involved in bringing about social change and raising poor women out of a cycle of poverty and subordination. The word 'bank' is a misnomer for Grameen, and despite what Yunus publicly proclaims, what he emphasizes in the field more than loan repayments is the social aspect of Grameen's work: "Amidst [Grameen] loanees you will find him mostly talking about their group solidarity, children's education, health, nutrition, housing, and, above all, urging them to become forward-looking, self-confident and prejudice-free 'liberated' human beings" (A. Rahman 1986, p.1). Even when talking to bank workers, Yunus emphasizes "We are teachers and we must not behave otherwise" (ibid.). In Grameen Bank terminology, these teachings are labeled its "consciousness raising" efforts.

The social aspects of the two organizations' work are best represented through the series of "decisions" or "promises" that each member has to vow to implement in her daily life. These decisions cover issues ranging from family planning, health care, literacy and education, to vegetable growing, the evils of dowry, and the importance of group solidarity (the full list is given in Table 3). The values represented in these decisions are taught to members during training courses before members are given credit. Members memorize the decisions and are expected to repeat them at every meeting. This, along with regular interaction with staff members, is expected to keep the decisions fresh in members' minds.

While the Grameen Bank limits its involvement in villages to its interaction with the centres, BRAC plays a more extensive role. BRAC has chosen to conduct its credit scheme, the RDP, through a process of "institution building". Village Organizations (VOs) consisting of between 20 and 55 members are first formed (VOs are single sex), and all members are required to take a month long "functional education" course focusing on basic conscientization

Table 3
Consciousness Raising Efforts

Grameen Bank's Sixteen Decisions

1. We shall follow and advance the four principles of Grameen Bank -- Discipline, Unity, Courage and Hard Work-- in all walks of our lives.
2. Prosperity we shall bring to our families.
3. We shall not live in dilapidated houses. We shall repair our houses and work towards constructing new houses at the earliest.
4. We shall grow vegetables all year round. We shall eat plenty of them and sell the surplus.
5. During the plantation season, we shall plant as many seedlings as possible.
6. We shall plan to keep our families small. We shall minimize our expenditures. We shall look after our health.
7. We shall educate our children and ensure that we can earn to pay for their education.
8. We shall always keep our children and the environment clean.
9. We shall build and use pit-latrines.
10. We shall drink water from tubewells. If it is not available, we shall boil water or use alum.
11. We shall not take any dowry at our sons' weddings, neither shall we give any dowry at our daughters' weddings. We shall keep the centre free from the curse of dowry. We shall not practice child marriage.
12. We shall not inflict any injustice on anyone, neither shall we allow anyone to do so.
13. We shall collectively undertake bigger investments for higher incomes.
14. We shall always be ready to help each other. If anyone is in difficulty, we shall all help him or her.
15. If we come to know of any breach of discipline in any centre, we shall all go there and help restore discipline.
16. We shall introduce physical exercise in all our Centres. We shall take part in all social activities collectively.

BRAC's Seventeen Promises

1. We shall not do malpractice and injustice.
2. We shall work hard and bring prosperity to our family.
3. We shall send our children to school.
4. We shall adopt family planning and keep our family size small.
5. We shall try to be clean and keep our house tidy.
6. We shall always drink pure water.
7. We shall not keep our food uncovered and will wash our hands and face before we take our meal.
8. We shall construct latrines and shall not leave our stool where it doesn't belong.
9. We shall cultivate vegetables and trees in and around our house.
10. We shall try to help others under all circumstances.
11. We shall fight against polygamy and injustices to our wives and all women.
12. We shall be loyal to the Organization and abide by its rules and regulations.
13. We shall not sign anything without having a good understanding of what it means (we will look carefully before we act).
14. We shall attend weekly meetings regularly and on time.
15. We shall always abide by the decisions of the weekly group meetings.
16. We shall regularly deposit our weekly savings.
17. If we receive a loan we shall repay it on time.

and awareness building (see Table 3, BRAC's Seventeen Promises)[6]. Over a three to six month period, members are expected to develop solidarity and trust and to establish a savings discipline; only then do they become eligible for credit. Through the solidarity building process, the credit operations, and bi-monthly issue-based meetings (to discuss issues such dowry, education, etc.), BRAC hopes that VOs will develop into institutions through which the poor will become mobilized, learn to articulate their needs and interests, mobilize resources, and plan for participation in activities such as education, health, social welfare and ultimately, politics (Mustafa 1995). BRAC thus has a broad social change agenda through RDP.[7]

In summary, BRAC and Grameen are comparable programs, based on similar models of credit delivery for rural women. Despite the fact that one is a bank and the other an NGO, both are interested and actively involved in trying to bring about social change in villages, teaching villagers, especially women, about education, family planning, and nutrition, and helping to raise their self-confidence and self-esteem. Although organizationally they are different, the way their credit programs are designed implies that the mechanisms by which credit is expected to change the lives of women are the same. It is this impact that forms the subject of the chapters following.

---

[6] An additional thirty lessons focusing on literacy and numeracy are also available and are taken by about 50% of the members (Lovell 1992).

[7] It should be mentioned here that as of 1990, BRAC started its own bank called the Rural Credit Project (RCP). RCP is designed as a "self-sustaining, self-financing entity that provides banking services to members of mature VOs who 'graduate' [from RDP] to the bank" (Lovell 1992, p. 49). Mature VOs are those that have reached an adequate level of social development and in which the members' savings and loan activities are sufficient to cover ongoing operating costs of credit and savings activities. VOs have to have been a member of RDP for a minimum of four years before they are eligible to graduate to RCP.

CHAPTER THREE

Male Appropriation of Women's Loans

Women in Bangladesh face particularly difficult economic and cultural constraints. In this environment, by focusing on women as economic actors, Grameen style credit programs are expected to fundamentally change women's lives. Both the Grameen Bank and BRAC have been studied widely. Although these studies use different criteria to measure impact, they all lead to the same general conclusion: credit programs have been a blessing for the rural poor in Bangladesh. They have contributed (to varying degrees according to different studies) to increased incomes; improved nutritional status, especially of women and children; increased expenditure on children's education, on housing, and on health; increased employment and wages; increased capital accumulation and savings; and increased productivity (see Hossain 1988, Pit and Khandker 1994, R. Rahman 1986). This positive impact, combined with unusually high loan recovery rates (averaging over 90%), has led the rapid spread of Grameen style credit programs not only throughout Bangladesh, but all over the world.

In the midst of the glowing reviews of the success of credit programs, Goetz and Sen Gupta (1994) raise an important issue regarding loan use and control of credit within the household. They show that a majority of women who participate in credit programs actually retain very little control over their loans, handing over the entire amount or part of it to their husbands or other male members of the family. According to their study, of the 253 women interviewed, 63% fell in the categories of having partial, very limited or no control over their loans; only 18% had full control over the loan financed activity while only about 20% had significant control[8] [9]. With such large percentages of women losing control over their loans, Goetz and Sen Gupta conclude that credit programs are not providing women with the means of financial empowerment as they claim they do.

---

8 FULL = full control over the entire productive process, including marketing
SIGNIFICANT = control over every aspect of the productive process with the exception of marketing (e.g. women will invest the loan money in a milch cow, but a male member of the household will buy the cow and sell the milk since women rarely buy and sell in markets in Bangladesh)
PARTIAL = loss of managerial control over the productive process, but provision of substantial input of labour (e.g. paddy husking, where the men provide the inputs and women do the work, but have little say in the volume of weekly production)
LIMITED = minimal input into the productive process (e.g. men grow vegetables in the fields and the women wash the vegetables for the men to sell)
NO INVOLVEMENT = the women stated they had no idea how their men had used the money, or provided no labour for the activity in which the money is invested (e.g. rickshaw peddling)

9 They surveyed four organizations. Of the 253 women, 106 were from BRAC, 53 from Grameen, 39 from a women's NGO (TMSS) and 15 from the government's credit program (RD-12).

In this chapter, I examine what existing impact evaluation studies of BRAC and Grameen can tell us about women's use of credit. Using the results of these studies and from my own observations in the field, I then lay out possible reasons for why and under what circumstances women are likely to lose control over their loans. I close by describing how the two organizations have responded to this issue.

I. Evidence of Male Appropriation

Almost all the impact evaluations I studied allude to the fact that men often use women's loans (see Annex for a list of impact evaluations studied). However, this phenomenon is rarely regarded as an "issue" that has required much discussion or consideration.

R. Rahman in a 1986 study showed that 12% of a sample of 151 Grameen Bank women handed over the entire amount of the loan to their husbands or male guardians, while 77% gave up to one-fourth of their borrowed money over to male members. Rahman considers these results an achievement. In a patriarchal rural society where women have so little mobility, the fact that such a large percentage of women are actually using up to three-quarters of the loan themselves could be considered quite impressive. Hossain's 1988 study of Grameen Bank loanees shows that of 534 women participants, about 20% of women reported themselves as being "unemployed" even after they took out loans, implying that they did not use their credit to earn cash incomes and probably handed the loans to their husbands or other members in the household. Hossain explains this by saying that these women may have been engaged in activities like livestock raising or cottage industry as "part-time workers", and may not have considered this as "employment".

Studies of credit programs other than Grameen show similar results. White's 1991 survey of 140 women in ActionAid (an NGO) shows that 50% of loans taken by women were being used for traditionally male activities, and therefore probably being controlled by men. Hossain and Afsar, in their survey of the impact of six credit programs on women (Hossain and Afsar 1989), cite a study of another NGO, the Women's Entrepreneurship Development Program, which reveals that 20% of women borrowers had no involvement in their loan investments, 25% were actually workers in their husband's businesses, 35% were doing joint businesses with their husbands and only 19% managed their own enterprise. For an overwhelming majority of respondents, the husbands and fathers decided on the type of investment (73%), maintained accounts (63%), and sold the finished goods (76%).

These studies clearly indicate a significant pattern of loss of direct control over credit. During interviews, managers at BRAC admitted that the issue of male appropriation of women's loans was an "open secret". At Grameen, staff members also recognized that it was not uncommon for men to use some of the loans, but did not seem to think it had reached proportions to be concerned about. From the 14 Grameen loanees I interviewed, 8 were using their loans for activities that their husbands dominated (renting land and harvesting crops, petty trading, fisheries), while 5 out of 12 BRAC loanees had handed some of their loans to their husbands (for rickshaws, harvesting land, carpentry, trading).

II. Possible Causes

The literature on Grameen and BRAC, and the results of my own field work in Bangladesh provide a number of reasons for why and under what circumstances men tend to take over women's loans. The problem is not that women are unaware that the loans are meant for their own use: when I asked loanees about what kinds of things branch officers emphasized when loans were given to them, all of them responded that the organizations made it quite clear to them that the credit is expected to be invested by the woman, and that they should not give it to someone else. The factors that seem to account for male appropriation are the following:

a. The problem of unemployment and underemployment

In many of the poorest areas in Bangladesh, the economic situation is so bad that even peasants who actually own land are finding it hard to make ends meet. Thus, many landless farmers, specially those who rely on working on other people's land for their daily wage, are without any source of income. The problem of surplus labour in Bangladesh is well documented and rural underemployment figures are generally estimated to be as high as 25% (Rahman and Khandker 1995). Unemployment and underemployment was especially evident in Jamalpur, where the majority of the BRAC members I interviewed had husbands who previously used to sit at home with nothing to do. Once the wife of one of these men gained access to some financial resources from BRAC, the last thing the woman wanted to do was use the money for an income generating project that she was in charge of, while the "man of the household" sat idle. The typical reaction from the majority of these women was "Why should I try and use the loans myself when my husband is at home without work?".

b. The general lack of access to financial resources

BRAC and Grameen both try and reach the poorest of the rural poor through their programs--landless and assetless families. In a country where per capita GNP is a mere $246 per year, the people who are at the very bottom of the income distribution never see large amounts of money at a time. The only sources of money for these people before the advent of organizations like BRAC and Grameen were the local moneylenders and loan sharks who, in monopoly situations, charged exceedingly high interest rates. Under such circumstances, a day labourer working twelve hours a day on somebody else's rice field and barely making enough to feed his wife, his five children, his aging parents, and his unmarried younger sister (not an uncommon situation at all), would jump at the opportunity of using the only source of a loan with reasonable interest rates to invest in, say a rickshaw van, that would make it far easier for him to feed his family as well as get him out of exploitative relationships with the large powerful landowner.

The general lack of access to financial resources is compounded by the fact that even where poor farmers previously had access to formal sources of credit, these sources have been decreasing rapidly over the years (Goetz and Sen Gupta 1994). Between 1987 and 1991, agricultural credit disbursements by national commercial banks (the Krishi Bank, the Bangladesh Rural Development Board, and others) shrank by 54%, and subsidies in agriculture have been cut due to pressure from international financial institutions like the World Bank and the IMF. Where access to credit is so severely limited--ironically enough, increasingly for men--and the only source of finances is through credit programs for women (although men still receive, by far, a much greater percentage of total rural credit than women), it often makes much more *economic* sense for the woman to borrow the money and for the man to put it to productive use. Given the extent of poverty that such households face, demanding that these women use the loans themselves regardless of what would be most lucrative for the household, some would argue, does not make sense.

c. Productivity of women's activities and access to markets

Directly related to the above two issues is the fact that in Bangladesh gendered roles are clearly defined--there are some activities that are traditionally "women's" activities and some that are exclusively the domain of males. Traditional women's activities include poultry rearing, growing vegetables, paddy husking, looking after livestock, "katha" stitching (intricate embroidery), etc., while men's activities include agricultural labour, rickshaw peddling, carpentry, fisheries, and stock shops, among others. The types of activities that women participate in are further restricted by the fact that traditionally women rarely go to the market in rural areas, and the buying and selling of goods, even those produced exclusively by a woman's labour, is done by the men of the household.

Studies comparing productivities of men's versus women's activities are difficult to find. Rahman and Khandker (1995) found that livestock rearing is one of the lowest return activities, yet this is where the majority of female labour hours are invested. Looking at participants in BRAC, BRDB and Grameen programs, they found that over 50% of the labour hours worked by women are in livestock rearing. Interestingly, the authors also found that the hourly return for activities carried out jointly by men and women declines sharply as the percentage of female labour in these activities increases. They explain this finding as a possible result of women's greater involvement in activities requiring lower capital investments or because of lower returns on female labour vis-a-vis male labour even within the same activity.

The combination of cultural barriers to the types of work women engage in, and their lack of access to markets makes it difficult for women to not only control the flow of money from their activities but also to participate in productive activities. The following case study illustrates this clearly:

> A female loanee from BRAC, Laili Begum, is the leader of her center. She has a Class Five education and is a strong, confident woman. At the time Laili Begum borrowed money from BRAC, her husband was unemployed. They used the money to buy a rickshaw van which her husband drives around to transport people to nearby villages. She says that although she would like to have her own income and be able to make the weekly repayments of her loan ("kishti") herself, there are very few work opportunities for her. She tried her hand at raising chicks, but they died and she made a loss. The only other income earning possibilities she can think of are petty trading or on-loaning money (explained below). She herself mentioned that even if she were to get involved in petty trading, she would still have to rely on her husband to go to the market to buy goods like flour, soap, oil, etc. in large quantities which she would then sell to her neighbors from her house.

Petty trading, at the level Laili Begum was imagining, would be a low-productivity venture as her market would be her neighbors, who more than likely face similar situations of poverty and would be unable to pay high mark-up prices for basic necessities like flour and oil. On-loaning money, the practice of making a profit by taking loans at low interest rates and lending the money to others at higher rates, is strongly discouraged by the organizations. Because credit is such a scarce commodity in this area, it was not uncommon for borrowers, at some point in their membership, to have used the money for on-loaning. Even though it could be a high return venture, there are still risks of non-repayment involved (one member mentioned that the only year she defaulted on loan payments was the year she had on-loaned money and the person failed to repay her), on-loaning money could hardly be called a productive activity.

III. Organizational Responses

Grameen and BRAC both recognize the realities of the general lack of access to credit, the problem of unemployment and of women's lack of access to productive activities. However, both organizations decided early on that they would target women despite these problems, because women were in an especially disadvantaged position. The two organizations chose to achieve their goals in different ways.

BRAC gained its reputation in the Bangladeshi development scene mainly through exemplary work in non-formal primary education and its innovative health programs in the rural areas. Its credit program is a much newer component of its portfolio (RDP was started in 1986), and has been growing fast in recent years: in 1993, over 40 percent of BRAC expenditures were on its credit programs. BRAC's concern with empowerment of the poor and the overall development of the Bangladeshi people, its broad based coverage of the country, and its size and reputation have made it an organization that has tried to be at the cutting edge of development issues.

Through its experience, BRAC realized that credit alone was not sufficient to alleviate poverty--income generating and employment *opportunities* needed to be expanded. BRAC thus focused its efforts in developing certain economic sub-sectors, specifically poultry and livestock, fisheries, and sericulture. For these sub-sectors, BRAC gets involved in all aspects of the production and sale of certain products. For example, in the poultry program, BRAC buys from the government a special hybrid variety of chicks that the government is trying to promote. BRAC trains its members in rearing these chicks and encourages members to use their loans to buy the chicks from BRAC. Members rear the chicks to a salable age and then generate income by selling the eggs or the chickens directly to BRAC. BRAC also trains and gives loans to people to become feed makers (hybrid chicks require properly formulated feed) and vaccinators for the chicks, and it has developed a marketing system for eggs involving members who become egg sellers and who take trading loans to facilitate their business (Lovell 1992).

Similar arrangements have been developed for fisheries (BRAC trains people in pisciculture and production of certain varieties of fish which are then sold to local markets as well as to the government), sericulture (BRAC sells silkworm eggs to members, trains them in rearing silkworms, sells saplings of mulberry bushes--the only food that silkworms eat--to members, trains people in spinning silk, markets the silk, etc.), and irrigation (members take loans to buy tubewells from BRAC and derive income by selling water to farmers).

BRAC feels that these "institutional interventions" provide opportunities that do not exist in the infrastructure-starved Bangladesh context. Lovell emphasizes their impact on women:

> Think for a moment what the subsector interventions have meant to the women [Village Organization] members. Formerly they derived income from low-yield investments in, for example, traditional manual paddy husking, a low-paid, difficult, time-consuming task. Women are now owning tubewell shares and deriving 20 to 30 percent profits; they are deriving income from taking care of improved breeds of chickens with much lowered mortality rates; they are gaining income from vaccinating chickens for their neighbors in their spare time; they have gained expertise and income from being paravets for livestock; they are becoming shareholders in pisciculture projects. (Lovell 1992, p.113)

The Grameen Bank has a different philosophy. Among the myriad problems that face the rural poor in Bangladesh, Grameen chose to deal with one specific bottleneck--that of access to financial resources. In trying to reach the poorest of the poor, the organization discovered that the majority of the poor are women, and the majority of women are poor. Hence, the guiding principle of Grameen has been income generation for women to break them out of the cycle of poverty and thereby empower them. Its programs have been organized and thought out with that goal in mind. As described in Chapter Two, gendered roles are clearly defined in Bangladesh--women do not drive rickshaws or vans (vehicles used to transport people or goods), while looking after cows, poultry and vegetable gardens is usually done by women. Grameen has an explicit policy to not loan money for activities like rickshaw pulling or carpentry, knowing that these are not traditionally women's work, and therefore more likely to be appropriated by men. All Grameen staff members I spoke with were very clear about this policy and seemed to know precisely the logic behind not allowing women to borrow money for non-traditional activities.

The strategies of poverty alleviation and empowerment that both BRAC and Grameen have followed have built-in, if not explicit, means of trying to ensure that women use loans themselves rather than handing over money to their husbands or male members of the family. What has been the impact of these strategies on women and how have they been measured? In the following two chapters, I examine this impact by analyzing in detail existing evaluation studies of the two organizations.

CHAPTER FOUR
Economic Impact

In the last chapter, I showed that recent findings of male appropriation of women's loans implies that the way we have understood credit to work to empower and enrich women's lives does not necessarily stand true in the case of Bangladesh. I also demonstrate that the two organizations I am reviewing have developed strategies to deal with this issue. What has been the impact of their work on women? In the development community, one often hears and reads about the beneficial impact that credit targeted to women has had on families--improved incomes, improved health, greater school enrollment of children, etc. But these are household indicators, showing the benefits that the entire household has received as a result of women's participation in these programs. Having highlighted previously that there may be a cost to women of participation, it is important to look at how the woman individually might benefit.

The first issue I examine is the economic impact of credit on women, measured by their income and employment. If men are taking over women's loans, one would not expect the woman's individual income or her employment to have increased. What do the existing evaluations tell us about incomes and employment? Before reviewing these evaluation studies, I highlight some common limitations that most of these studies suffer from as a result of difficulties in measuring the impact of social development projects such as these. The remainder of the chapter analyzes the main studies that have looked specifically at women's incomes and employment.

I. Problems With Evaluating Impact

The most common method of evaluating the impact of credit programs is to measure chosen indicators through cross-sectional surveys comparing participants of credit programs with non-participants. The main limitation that cross-sectional surveys are vulnerable to is specification errors. Specification errors are "mistakes in specifying the appropriate theoretical structure that can rule out competing explanations" (Rossi 1982, p. 238). One such error that is particularly relevant for credit programs is sample *selection bias* which often overestimates program effects (ibid, p. 239). Credit programs are likely to suffer from sample selection bias on two fronts:

1. Where individuals self-select themselves into the program, it is possible that people who are more motivated, more entrepreneurial, harder-working, better educated, better skilled, and more self-assured will be the ones to join. Comparing participants with non-participants from the same villages, who perhaps did not join precisely because they did not possess these inherent qualities, could either overestimate the impact of the credit program, or attribute a causality that is incorrect. For example, giving credit to a woman with a specific skill, say sewing skills, might enable her to raise her income significantly by enabling her to buy materials and threads and sell her output. Comparing her income with a non-participant who does not possess any marketable skills would overestimate the impact of the program because giving credit to the unskilled woman might not have raised her income by as much. Similarly, observing that participants are more self-assured than non-participants might lead evaluators to conclude that credit leads to self-assuredness. However, this causality might not be accurate because it is possible that the only reason these women joined the credit program in the first place was because they were already self-confident.

2. The second type of selection bias could arise because programs choose where to locate their activities--villages are not picked at random. Since program directors are understandably concerned with making their programs successful, it is possible that the villages chosen are the ones that are already doing relatively well, have better access to markets and roads, are more liberal in their attitudes towards women's work, or have a reputation for self-employment. Comparing such villages with control villages which could, for example, be economically worse off or are inherently more conservative, would give more credit to the programs for positive results than they necessarily deserve.

One way to avoid the first type of selection bias is to compare participants with a target group from control villages that do not have a credit program, as opposed to comparing participants with non-participants in the same villages. A random group from villages without credit programs would have a higher probability of being more representative of the general population than non-participants from program villages. However, this does not mitigate against the second type of selection bias (that location of programs is non-random) as it is extremely difficult to find control villages that are exactly similar to program villages in all respects. In this type of a comparison, village level differences might account more for differences in results from the comparison than the impact of the credit program per se.

Although not a selection bias problem, an additional confounding factor when comparing participants with non-participants in credit programs is the possibility of spillover effects within a village. Credit to participants might create employment opportunities for non-participants (a woman who uses her loan to buy chickens might pay another woman to help her feed and look after them); increased mobility and assertiveness in women participants might encourage non-participants to behave likewise. Therefore, if differences between participants and non-participants are not significant, this might actually underestimate the impact of the credit program.

There are also likely to be response bias problems depending on who is actually carrying out evaluations. Because credit is such a scarce commodity in most villages, members are happy merely having access to this money, and might be unwilling to jeopardize their positions by speaking negatively about its impact when speaking with evaluators who might be connected to the organization.

There are thus numerous problems with carrying out impact evaluations of credit programs. Cross-sectional surveys carried out by the lending organizations are not the best method. What is needed are time-series analyses, carefully trying to eliminate random changes, controlling for differences within communities (where there might be spillover effects) and between communities, to eliminate some of the selection biases. It is interesting that there has not been one time-series analysis to date of either Grameen's or BRAC's credit programs. Since all the evaluations examined in this study are based on cross-section data, the limitations outlined above need to be kept in mind when considering the results as they are likely to have a consistent positive bias.

II. Impact on Women's Employment

Where evaluations have tried to specifically measure *women's* employment, they have all concluded that this value has increased as a result of credit. R. Rahman's 1986 study and Hossain's 1988 study, both on the Grameen Bank, show that women participants work more hours than non-participants (neither study corrects for selection bias, and are thus likely to be positively biased). While this may be true of the Grameen Bank, the results are a little more fuzzy when we compare other credit programs as well. The following is a detailed analysis of a recent (1995) study of credit's impact on women's employment. The reason I have gone into detail here is to show how evaluators are sometimes tempted to generalize results across the board, even when the data proves otherwise.

The World Bank and the Bangladesh Institute of Development Studies (BIDS) has carried out one of the most extensive impact evaluations of credit programs. The study surveys 1,798 households (4,715 individuals) from three programs: the Grameen Bank, BRAC and BRDB (the Bangladesh Rural Development Board, the government's equivalent to these programs). Rahman and Khandker (1995) examine specifically the role of targeted credit programs in promoting employment. They define the target group as individuals eligible for credit, i.e. landless and assetless families as defined in Chapter 2. They compare participants with non-participants, also from the target group, from the same villages as well as with the target group in control villages without any credit programs.[10] As their dependent variables, they measure labour force participation rates and the number of labour hours worked per month by both men and women in the three programs. Table 4 shows their results for women's employment.

Table 4
Impact of Credit Programs on Women's Employment

	Labor force participation rate	***Employment: Labour hours per month***		
		Self Employment	Wage Employment	Total Employment
Grameen participants	68.3	49.9	14.7	64.7
Grameen non-participants	55	31.8	34.1	65.9
BRAC participants	51.2	23.8	22.5	46.2
BRAC non-participants	42.9	27.4	16.9	44.3
BRDB participants	64.5	35.8	9.7	45.5
BRDB non-participants	56.5	46.7	23.4	70.2
Avg for all participants *	61.3	36.5	15.6	52.1
Control village: Target group	63	24.5	32	56.4

* Own estimates assuming equal numbers in each program

Source: Rahman and Khandker 1995

---

[10] They have an additional category, non-target households, which are households that are not eligible for credit, i.e. they own more than half an acre of land and their assets are worth more than one acre of land. Since this category is not relevant for my analysis, I do not cite results for it here. Of a total of 1,798 households surveyed, 1,538 were eligible for credit (i.e. target households). Of these, 905 (60%) were participants in the credit programs.

Using these data, Rahman and Khandker show that: (a) women participants of Grameen and BRDB have a higher labour force participation rate compared to the target group in control villages; (b) women participants of Grameen work longer hours compared to the target group in control villages; (c) in BRAC and BRDB, participants' monthly working hours are "comparable" to the control areas; and (d) employment per worker is higher in program villages than in control villages for both male and female workers (ibid.: pp. 8-9). Based on these simple comparisons, they conclude this section of the paper by saying:

> The above analysis shows that the credit programs have been successful in expanding self-employment opportunities. Labor force participation rates among women have increased. Participation rates and employment per worker are higher among program participants than among the target group population in the control area. This reflects the enhanced overall level of employment as well as self-employment in the program villages.
> (Rahman and Khandker 1995, p. 21)

A closer look at the actual figures, however, shows that the evidence the authors use for their conclusions is rather selective. Looking at labour force participation rates[11], if we take the control villages as our basis for comparison (a rate of 63%), we can see that Grameen and BRDB participants do participate more than the control group (68.3% and 64.5% respectively) but that the differences are not large. We also see that BRAC participants participate far less (51.2%). Since the authors do not propose an explanation for BRAC's low figure, it is inaccurate to conclude unequivocally that credit programs increase women's labour force participation rates.[12] What would have been a more honest approach might have been to aggregate the results for the different programs and give an average across the entire sample. In the last row of Table 4, I have calculated simple averages for all women participants (I have assumed an equal distribution of women participants among the three programs as the number of members by program are not given). This shows that differences between rates for program participants and the control group are negligible (61.3% compared to 63% respectively) and almost certainly not statistically significant.

With regard to the number of hours worked per month (hereafter, working hours), a number of issues arise.[13] The authors show that Grameen Bank participants work longer hours than

---

[11] They do not explain how they calculate the labour force participation rate.

[12] Without explaining the BRAC figures, the only way their conclusion might have been justified is if their sample size for BRAC was very small, making its effect statistically insignificant. However, the paper by Pitt and Khandker which contains selected details of the entire sample, implies that there are actually more respondents from BRAC than from Grameen or BRDB (Pitt and Khandker 1994, p. 29).

[13] Estimates of numbers of hours worked are first extremely unreliable as they depend completely on participant recall. This is specially problematic for measuring labour hours in self-employment activities which are often

the control group (64.7 working hours compared to 56.4), and state that working hours for BRAC and BRDB participants are "comparable" to the control group figures. From their statements, it is unclear which figures they are comparing since the results are diaggregated according to self-employment, wage employment and total employment. The total employment figures show that participants in both BRAC (46.2 hours) and BRDB (45.5 hours) actually work *fewer* hours than the control group (56.4 hours).[14]

According to the self-employment figures Grameen participants work almost twice as much as the control group (49.9 hours compared to 24.5), BRDB participants also work more (35.8 hours), and BRAC participants work about as much (23.8 hours). The average across participants, 36.5 hours, is much higher than the 24.5 hours for the control group. Although these figures are consistent with the authors' conclusions, when we compare program participants with *non-participants* in the same villages, the results are quite different. Although Grameen participants work approximately 8 hours more per month than non-participants in Grameen villages, in BRAC and BRDB, participants actually work less than non-participants.

I have mentioned above the danger of comparing participants with non-participants because of selection bias and possible spillover effects. One expects, nevertheless, that participants will work more than non-participants--if there is indeed a selection bias, it is merely the absolute difference between working hours for participants and non-participants that would be affected. The fact that the figures for BRAC and BRDB imply that women who take loans work *less* in self-employment activities than women who do not is a surprising outcome that the authors do not address.

In reexamining the data, it is clear that the evidence from Rahman and Khandker's study does *not* show that women's employment has unequivocally or significantly increased as a result of credit. At best, their figures show that the Grameen Bank is better at creating employment opportunities than BRAC and BRDB. Yet, the authors conclude that credit programs have "enhanced [the] overall level of employment as well as self-employment in the program

---

combined with regular household duties. For example, a woman who might be boiling rice in preparation for dehusking (a self-employment activity) at the same time and on the same stove as she used to cook, might not count that time towards "labour".

[14] It is even more interesting that in another paper based on the same survey, and co-authored by Khandker also (Pitt and Khandker 1994), they state that employment hours per month for all women in the study (granted, not just women who took loans) is 40 for participants, 37 for non-participants, and 44 for women in the control areas, again indicating the women who have not benefited at all from credit programs work more hours than ones who have.

villages" (p. 21). Given that this particular survey is one of the most extensive ones carried out to date of credit programs, and that it is sponsored by two organizations (the World Bank and BIDS) that are well respected authorities in the field, it is likely that the conclusions stated above will be taken at face value and used to show the undeniable contribution of credit towards creating employment opportunities for women and therefore strengthening women's economic roles and positions in the household.

III. Impact on Women's Income

The recent World Bank-BIDS study does not try to measure the impact of credit on incomes. However, Pitt and Khandker (1994) infer that, since women's labor supply increases due to credit, they must be earning more cash incomes. These results are used to show that women are becoming more "empowered", and that "women are the major beneficiaries of targeted credit programs in the true sense" (Pitt and Khandker 1994, p. 47). There is no mention in their study that women might never see these "incomes" since they rarely go to the market to sell the products that their labour produces.

A review of research on the Grameen Bank carried out from 1986-1992 identifies four studies that have looked at the impact on incomes (Chen 1992). One of the studies indicates that household income among participants is greater than that for non-participants (in control villages) by as much as 43 percent (ibid, p. 4). Another showed that participants' household incomes had increased by 53 percent over three years. However, these are household income figures. The only study that looked specifically at women's incomes was by R. Rahman (1986). She shows that Grameen Bank women contribute significantly to their household incomes from their loan activities--providing about 38% of total income earned by the average household. However, Rahman herself cautions that "though these activities are organized mainly by the female loanee and mainly with the finance provided by the [Grameen Bank], this often emerges as a family activity where families' resources are also pooled and other members contribute labour input to this activity" (p. 49). Rahman justifies calling this the "woman's" income because it was her catalytic role as a Grameen member that made the endeavour possible.

IV. Remarks

A number of issues are evident from this review.

1. Doing impact evaluations of credit programs is not an easy task, even when trying to measure "quantifiable" variables like incomes and employment.
2. There is obviously a dearth of studies that try to measure the economic impact of credit on women. This is perhaps the result of an expectation that credit will/should benefit the household, not the woman, or that strengthening women's economic positions will happen automatically if credit is provided to them.
3. The Grameen Bank seems to have succeeded in improving women's employment and incomes. Other programs have not fared as well.

Defenders of credit programs would argue that even if women's incomes and employment have not increased, these programs have other features that seek to change women's lives and empower them. And studies do exist that look at women's empowerment. These form the subject of the next chapter.

CHAPTER FIVE
Whither Empowerment?

I. Defining Empowerment

Empowerment is a value laden and contentious term, defined, measured and used in different ways by different groups in society for different purposes. It is rarely precisely defined, even by organizations that have empowerment (of the poor, or of women, or of the oppressed) as their overriding goal. For example, BRAC describes itself as an organization whose two major goals are poverty alleviation and empowerment of the poor (BRAC Annual Report 1993). Yet, it is difficult to find anywhere BRAC's working definition of the concept. BRAC seems to use a number of definitions which include:

> people gaining an understanding of and control over social, economic, and/or political forces in order to improve their standing in society; or
>
> a social action process that promotes participation of people, organisations, and communities in gaining control over their lives in their community and larger society; or specifically about women
>
> the capacity of women to be economically self-sufficient and self-reliant with control over decisions affecting their life options and freedom from violence[15]

Each of these definitions contain common themes of improving lives, of control over resources and participation in decision-making spheres. Ultimately, however, "to empower" means "to make more powerful". The question is then, to make more powerful in relation to what? If we claim to "empower" women, are we trying to make them more powerful relative to their husbands, their children, their in-laws, the rich, conniving politicians, fundamentalist religious leaders? Is it enough to become more powerful in one sphere and not in others? Or does empowerment mean just becoming more powerful in relation to their previously disempowered state? And in that case, is this empowerment or does it signify merely a betterment in women's lives?

Lukes (1974) provides a useful theoretical discussion of the different interpretations of power in the social sciences. He distinguishes between three: the "power to", the "power over" and the "power within". The "power to" is concerned with decision-making and is

---

[15] From "Annotation of the Literature on the Empowerment of the Poor" by F. Karim, A. Mahbub, and M. Mannan, 1993, as cited in Huda and Hossain (1994) p.10

defined as the capacity of people to influence outcomes against the wishes of others. In the context of credit programs, giving a woman control over financial resources is expected to give her the power to decide, for example, to spend money on her daughter's education even if her husband objects. The "power over" is a broader concept that recognizes that certain issues are excluded from the decision-making agenda, so that they are not considered "decisionable". For example, a woman might have the power to make decisions about expenditures, but what is usually never negotiated is the man's control over household land, capital and other assets. The "power within", a term and concept used in the feminist literature, points out that not only are some issues removed from the decision-making agenda, others are suppressed from the consciousness of the parties involved. "Power relations are kept in place because the actors involved--both dominant and subordinate--subscribe to accounts of social reality which deny that ... inequalities exist" (Kabeer 1994, p. 227). This can be illustrated by some women's response when I asked them what they did with their loans. They said they gave the loan to their husbands because the husbands were unemployed. The concept that a woman could work when her husband did not, had not occurred to them.

II. Measuring Empowerment

There are thus various dimensions to power. Organizations that aim to "empower" women choose to tackle different dimensions of power. Since these are not always precisely articulated or defined, it is also very difficult to measure the impact that these organizations' efforts have had on empowerment.

I described in Chapter Two that the Grameen Bank and BRAC have designed their credit programs in ways that are expected to empower women in more than just an economic sense. Hashemi and Schuler (1993) sketch a general picture of the transformation that is expected to occur in women's lives as a result of their participation in these credit programs.

At an individual level, participation in group meetings, and explicit efforts by the credit organizations to make women speak up and articulate their concerns, look people in the eye and not feel intimidated in the presence of a man or a stranger will make women more assertive and self-confident. Mandatory weekly meetings, requiring women to be physically present at branch offices to collect loans, and the economic activities they engage in through the loans will increase women's mobility, and consequently reduce the "invisibility" of women in the public sphere. Credit gives women the opportunity to earn cash incomes, and their enhanced contribution to family incomes will strengthen their bargaining position within the household. This enhanced economic role, combined with their increased assertiveness will make them better able to make independent decisions and play a more decisive role in joint decisions. Interaction with their respective centers and officials of the lending organizations will give women exposure to the world outside their homesteads. Combined with the organizations' efforts to increase their legal and political awareness, it is expected that over time, women will learn to effectively seek out services and resources in the public sphere that was restricted to them previously because of their isolation and subordination. Through credit programs, therefore, women are expected to gain in status, be listened to more often and respected, and have greater decision making power--women will become empowered.

Based on this picture of how these programs empower women, Hashemi and Schuler identify six general domains in which subordination of women in rural Bangladesh is traditionally played out, and in which empowerment is believed to be taking place as a result of participation in credit programs:

1. Sense of self and vision of a future
2. Mobility and visibility
3. Status and decision-making power within the household
4. Economic security
5. Ability to interact effectively in the public sphere
6. Participation in non-family groups (e.g. collective enterprises)

A number of indicators are used to measure each of these domains. To give a few examples, in a society where attire, conduct, and attitudes of women are carefully regulated to ensure their subordination to men, seemingly simple actions such as not leaving the road when a man appears, not hiding behind her sari, looking people in the eye rather than looking down, can be observed by interviewers, and give an indication of a sense of self. Mobility and visibility can be measured by asking questions like whether women go to meetings, the bank, training sessions, the cinema, etc. Highest points are usually given to women who break tradition most, i.e. go to the market place or go to the cinema. Some of the indicators that can be used to measure decision-making power are a woman's ability to use money, spend money and make purchases on her own, as well as her influence over major decisions like buying a cow, leasing land, etc.

The six domains identified by Hashemi and Schuler to measure empowerment encompass the spectrum of indicators commonly used by standard evaluations. All of them are difficult to measure. The most popular indicator is influence over household decisions. If, after joining credit programs, women are observed to be participating more decisively and with more authority in household decisions (like purchasing food and clothing, investments like buying a cow or land or repairing the house, marrying off a son or daughter, etc.), these women are considered to be empowered.

There are, however, a number of problems with using influence over specific decisions within the household as an indicator of empowerment. One is the accuracy of the data one can expect to get when asking sensitive questions about who decides what in the household. Since decisions in the household are normally a result of discussion, compromise or persuasion, people might respond according to their perception of who had the final say in a decision, as opposed to what happened in reality. For example, a farmer might decide to buy a cow, but do so as a result of listening to his wife talk constantly of how beneficial it would be for the household to own one. An evaluator asking the man about who made the decision would most probably hear "I did".

The second problem is the fact that power is not manifested in one issue but rather a range of issues. The question lies in how the importance of issues is determined (Lukes 1986). In gathering data on decisions, it is the evaluators who decide what the "key" decisions are. Key decisions might well vary from household to household. For example, the decision to visit relatives living in another village, an indicator used in one study, might be an important factor in a conservative village, and might be of little consequence in a more liberal village where women have relatively more mobility to begin with. In addition, an individual may have more power in some areas and less in others, making it difficult for evaluators to weigh the variables accurately. Thus, a woman who plays a strong role in deciding whether the household should invest in a cow might, at the same time, have little say in who her son or daughter should marry. Is this woman less or more empowered than the one who decides on her children's marriages but has no influence over investment decisions?

To complicate things further, there is also the problem that a woman may be allowed to make decisions about certain issues only to the extent that the range of choices she considers are narrow and acceptable. Thus, a man might give his wife full responsibility of all household expenditures assuming that her priority is the welfare of her children, her husband and her in-laws. If she should want to spend money on her own parents or just on herself, she might not be allowed to do so. In Lukes' terms, this would be called the lack of the "power over".

The other indicators of empowerment have received similar criticisms. Huda and Hossain (1994) raise an interesting and valid objection to another commonly used indicator, increased mobility/visibility of women. They say that if we are to use this indicator alone, without any conditions, we might well find that the most empowered woman will be the itinerant beggar, obviously not a result that is compatible with any definition of empowerment.

III. Studies on Empowerment

Imperfect as they are, these are the indicators that have been used most commonly to measure the impact of credit on women's empowerment. The results of the principal studies are presented below.

As I mention earlier, household decision-making is the most commonly used indicator. R. Rahman (1986), studying the impact of the Grameen bank on women, tested whether women were mainly or jointly responsible for decisions in five areas of family decision-making: (a) daily purchases of food; (b) purchases of clothing; (c) type of medical treatment; (d) travel to relatives' house; and (e) marriage of son or daughter. Rahman concludes that while the pattern of influence is not very clear from the data, wives of male loanees seem to exercise the least influence over decisions, "transfer-making" women (women who hand their entire loans over to male members) exercise a higher level of decision-making, and active female loanees exercise the highest level. Table 5 shows these results. Putting aside the questions of reliability in using decision-making data as a measure of power, what Rahman fails to point out is that the most relevant comparison group, the target group in the control villages, seem to perform better than even the active female loanees in three of the five areas, making even her tentative conclusion largely irrelevant.

Although not classified as "decisions", Rahman also investigates consumption and expenditure patterns in Grameen households, and concludes that female loanees on the whole consume more meals per day and spend more money on clothing (saris) than either wives of male loanees or non-participants. Although the reference period for her questions was rather short (for consumption, it was number of meals taken the day before the interview and average over the last week; for expenditure it was number of saris bought in the last year,

Table 5

Influence of Grameen Bank Women on Household Decision-Making

	Percentage of families where decisions are taken mainly by the woman or jointly by the husband and wife				
Group	**Daily purchase of food**	**Purchases of clothing**	**Type of medical treatment**	**Travel to relatives' houses**	**Marriage of son or daughter**
Active Loanees	72.9	45.1	66.2	69.2	78.0
Transfer-making Loanees	72.3	39.0	83.3	55.6	94.4
Wives of Male Loanees	59.4	8.1	37.8	27.0	71.5
Control Group	94.4	31.6	38.9	88.9	86.8
Non-participants	74.0	31.7	55.6	61.8	75.8

Source: R. Rahman 1986, p. 69

which ranged between one and two, making it difficult to detect differences), and though the differences between the groups were small, she shows that even those female loanees who passed their entire loans on to their husbands spent more on themselves than the wives of male loanees, concluding that "even such a passive loan improves the situation of a woman in the family" (p. 60).[16] Rahman's results were not adjusted for income levels. Since expenditure is a function of income, and credit seems to lead to increased household incomes, and since the differences between the groups are minimal, it is difficult to conclude from her study that women in Grameen households, transfer-making ones or not, are better off than those who did not take loans.

Another study has also attempted to measure empowerment through household decision-making processes. Where Rahman looked at the impact of credit on decision-making, Mizan (1994), looked at factors which affect household decisions using credit as one of the

---

[16] Pitt and Khandker (1994) in their study of Grameen, BRAC and BRDB, have also looked at expenditure patterns, and although they do not look at the impact of credit on women specifically, they find that giving loans to women is more likely to increase household expenditure on food items than giving loans to men. They also find that loaning to women increases the probability of girls being sent to school by a factor of 0.034. Both of these results, which correct for sample selection bias, were found to be statistically significant.

independent variables[17]. The most important limitation to Mizan's study is that she too does not correct for selection bias. Her analysis is based on 200 participants and non-participants, with no control from villages that do not have credit programs. Nevertheless, in the absence of other studies that investigate empowerment issues, her results are presented briefly.

Using simple regression analysis, Mizan finds that the three most important variables determining household decision-making are, in order of importance, the age of the woman, the length of her participation in the program, and income from the Grameen Bank. While the results on age are expected in traditional Bangladeshi society which bestows greater respect and authority on older people, it is interesting that length of participation has a stronger impact on empowerment than income. It suggests that women are gaining resources other than income from credit programs that are enabling them to have a greater say in household decisions. Mizan explains this finding by saying that longer involvement in credit programs gives women more exposure to the outside world, enhances expressive verbal and negotiating skills, strengthens social network affiliations and knowledge, all of which can be applied in decision-making situations at home. These crucial resources of competence, confidence and motivation are, she says, more effective inducers of power within the household than a strengthened economic role.[18]

Schuler and Hashemi (1994) carry out perhaps the most sophisticated analysis of empowerment. As outlined earlier, they try to measure empowerment through all six domains in their study. They compile the responses to questions from the six domains to formulate an aggregate empowerment indicator for each individual in their sample of 1,305 women. Doing their analysis on both Grameen and BRAC members (using non-participants and a group from villages without any programs as controls), they show that (1) the presence of a credit program in a village has a significant positive effect on women's level of empowerment (controlling for age, schooling and wealth); (2) participation in credit programs strengthens women's economic roles within the family, where economic role is measured by level of contribution to family's support; and (3) both participation in credit programs and

---

17 Along with decisions regarding food, clothing, and medical treatment, she includes major decisions including buying a cow, leasing land, and hiring workers.

18 The other significant variables affecting decision-making included fertility and the parent's residential location, fertility being a burden for women, heightening her dependency, and the closer physical presence of her parents increasing her power.

contribution to family support have a significant positive effect on empowerment.[19] The authors conclude that the positive impact of credit on women's level of empowerment seems attributable, in part, to its effectiveness in strengthening women's economic roles through credit.

As I mention in the previous section, Schuler and Hashemi's indicators of empowerment have been questioned by some. In addition, I would add a word of caution regarding the variable they use to measure "economic roles". The authors evaluate economic role according to women's contribution to family support. They measure contribution by giving a score of 1 to women who said their contribution to family support represented "all of it", "most of it", "half of it" or "some of it", and a score of 0 to those who said they contributed "a very small portion" or "none of it". Using such a simple classification to measure economic roles is almost equivalent to asking "do you take out a loan". To put things in perspective, the landless/assetless people who are members of credit programs earn less than Taka 8,000 (which is per capita GNP) per year. The average size of loans for women, even in 1985, was Taka 4,000. Under these circumstances, I would think that any loanee will say they contribute "something" to family support if they bring this much money into the household. Therefore, according to Schuler and Hashemi's classifications, almost any woman who takes out a loan will consider herself to have "strengthened her economic role in the household", regardless of whether she contributes to family support with a regular income from her own economic activities.

Although Schuler and Hashemi conclude that a strengthened economic role leads to women's empowerment, they are careful to emphasize that strong economic positions seem to explain empowerment only in part. There are other ways that participation in credit programs empowers women. These are reflected in the ways in which the credit programs are organized, including their emphasis on bringing women out of the homestead into group meetings, forming a group identity, allowing for interaction with outsiders, etc., as described earlier.

---

[19] One of the principal hypothesis the authors were testing was that participation in credit programs or residence in communities where such programs exist increases the likelihood that a woman will use contraceptives. Although they do not use "contraceptive use" as an indicator of empowerment, they do show through their analysis that the Grameen Bank has a strong positive effect on contraceptive use. Surprisingly, BRAC membership does not seem to affect contraceptive use.

CHAPTER SIX
Maximizing Credit's Impact on Women

In the two previous chapters, I discuss the ways in which evaluations have generally studied the impact of credit on women. Chapter Four showed that studies measuring income and employment effects have sometimes presented biased results or used selective evidence to prove that credit has had a positive impact on both. While the results of the latest study combining data from three of the largest credit programs in Bangladesh provide inconclusive evidence on whether incomes and employment of women have indeed gone up, other studies, especially those exclusively on the Grameen Bank, show that these have increased. However, evidence of male appropriation of women's loans makes it clear that data on income and employment do not necessarily prove that women gain more control over economic resources.

Some of the studies on empowerment that are reviewed in Chapter Five have had a similar positive bias. A more fundamental problem with the studies on empowerment have been the ways evaluators define and measure empowerment. Not only has the definition of the term been elusive, the indicators used to measure it (household decision-making, increased mobility) do not necessarily capture the changes that might or might not be occurring in women's lives. The feminist critique of credit programs, presented by Goetz and Sen Gupta, postulates that the only way women are really going to be empowered is if they retain control over their loans and participate in the financial aspects of their loan-financed activity. This poses a dilemma for the organizations that provide credit to women with a view to empowering them. The most recent impact assessment of BRAC's credit program carried out by its Research and Evaluation Division (Mustafa et al 1995) reflects this clearly. This study shows that although BRAC has brought about positive changes in women's lives, in a majority of cases, it is still the male members of the households who utilize the loans received by female members. This fact leads the evaluators to question the long term goals of BRAC's credit program. In their conclusion, they ask:

> Should BRAC go on expanding its women's credit programme without creating an enabling environment which allows them to use loans themselves?... To effect significant change in women's lives, women targeted programmes are not likely to give the best results. (Mustafa et al 1995, p. 37)

I. The Difficulties of Controlling Loan Use

Ensuring that women use their own loans is no easy task. Some of the problems and difficulties are laid out below.

a. Institutional constraints

I identified in Chapter Three some of the institutional reasons that men tend to take over women's loans, namely the problem of unemployment/underemployment; the general lack of access to commercial credit; low productivity of women's work; and their lack of access to the market. Until these problems, which are external to the organizations, are addressed directly through government policy, it is unlikely that there will be a quick reversal of this situation. Although Grameen and BRAC have both attempted to create an enabling environment for women to use loans (BRAC through its sub-sector strategy and Grameen through its policy of loaning for women's activities only), these have faced some problems.

b. "Women's" activities

For BRAC, the sub-sector programs have proved to be a great challenge. Management of an entire production process as well as marketing of products requires specific skills on the part of the staff, as well as additional time and resources. Managing a business successfully in a capitalistic sense (i.e. for profit) is difficult enough. When empowerment is added to this goal, there has to be a tradeoff. A recent study examining BRAC's sericulture program highlights some of the management problems that the organization has faced (Harvard Business School 1994).

My fieldwork revealed additional problems. Interviews with some BRAC loanees demonstrated that sometimes, if a particular woman's income generating project starts to do really well, the man will quit his current occupation and join his wife in her project. This happened a number of times with poultry and sericulture projects. As these women's projects grew, and they started to take out loans to build huts for their growing numbers of chicks or silkworms, the man realized that this was a lucrative business, and decided to give up his not-as-lucrative day labour or rickshaw pulling job. Where both husband and wife were involved in the same activity, it was invariably the husband who took over the financial aspects because of cultural norms. Thus, ensuring that women are involved in a profitable activity might actually increase the probability of male appropriation. Similar observations of men joining the woman's activity were made with some of the non-traditional activities BRAC encourages women to become involved in, like the restaurant business (Khan 1993).

Grameen faces similar problems of identifying what exactly a woman's activity is. The following case illustrates this:

> Nirada Rani, a center leader whose husband is a fisherman, borrowed money from Grameen to make fishing nets--traditionally a woman's activity. That year, the family did so well that they decided they would need bigger nets the next year. The size and quality of net they wanted, however, could not be made at home. Thus the following year, she took out a loan for a fishing net, only this time, instead of making the net, she gave the money to her husband to go and buy it. The family's fishing business has grown immensely over the last eight years, but Nirada Rani no longer deals with any of the financial aspects of the business. She takes annual loans from Grameen for their investments and repairs to the fishnets, but lets her husband handle the money. She says she spends all her time looking after her children, sending them to school, helping them do their homework (she is literate). Has the fact that she does not use the loan directly made her any less valuable in her husband's eyes or in society's eyes? She does not think so. She smiles when she says that the only way the household was able to get the money in the first place is because of her, and that it does not matter who is using it.

Thus, what constitutes a "woman's" activity is not as clear cut as we think, even in Bangladesh where tradition has such a strong hand in determining gender roles.

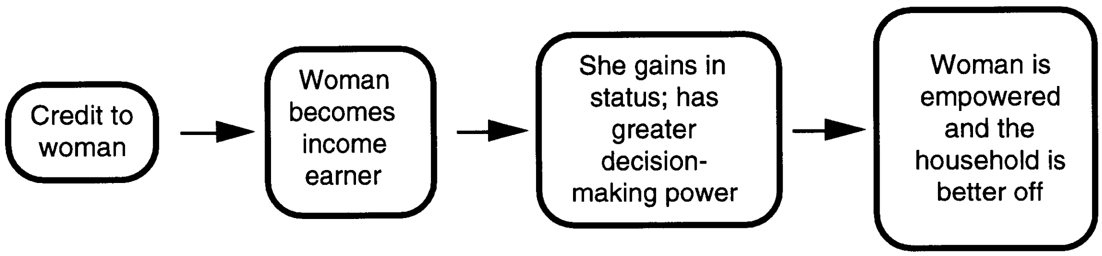
c. Organizational limitations

White (1991) raises an important issue of whether organizations *should* be trying to control women's use of loans. Reviewing six credit programs, White observes: "Loans and profits from businesses are usually split and used in variety of different ways. The household in which funds enter is a joint venture with both economic and social dimensions, in which different individuals have access to 'common' resources, and in which sums for different purposes are highly fungible" (Section 6.1.3). Thus, women may take a loan for a certain activity but in emergency situations, might use it for other needs. Although investing in non-productive activities is technically not permitted, one of the women I interviewed gave the loan to her father who had lost his home in a flood, another used it for her son's circumcision ceremony, another gave it to her husband to salvage a deteriorating marital relationship, another bought medicine for an illness, etc. When asked how they repaid these loans, they were a little evasive, saying either through their husband's earnings or that they "managed" through sales of homegrown vegetables, eggs, etc. These women's ability to use loans for other purposes were critical survival techniques for the family. Controlling what women use this money for would take away the maneuvering capacity that credit currently provides in their lives.

II. The Mechanisms by Which Credit Influences Women

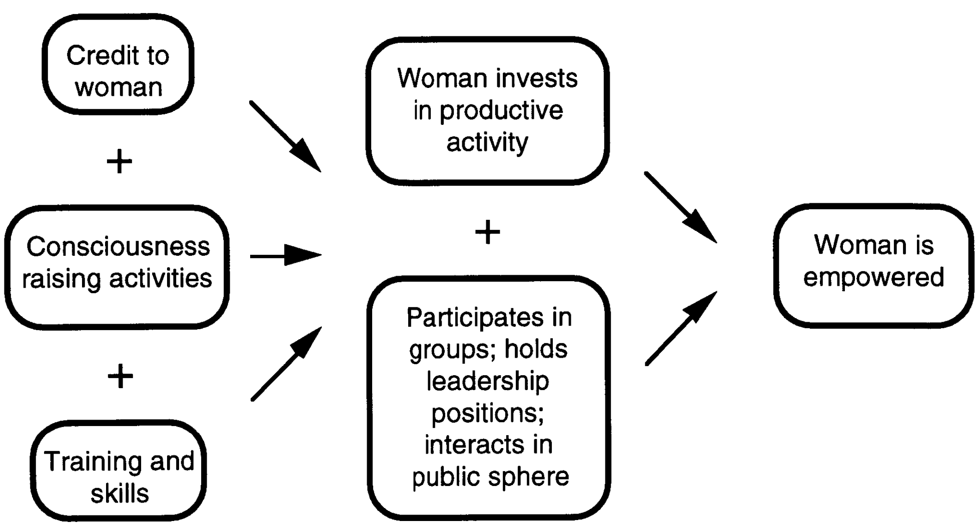
A preoccupation with ensuring women use their own loans is based on the way we have presumed credit works to empower women, i.e. that giving loans to women makes them income earners, strengthens their economic positions in the household and therefore empowers them. This relationship can be depicted in the following manner:

Figure One



Grameen and BRAC provide additional inputs through the structure of the programs and through their consciousness raising efforts. These are expected to transform women's lives as described earlier (p. 37). Based on this, we can modify Figure One in the following way:

Figure Two



Where women have invested their loans in profitable activities that they have managed and controlled, credit, combined with consciousness raising activities and the training and skills provided by these organizations, has indeed succeeded in fundamentally changing their lives, their economic positions in the household, their husbands' attitudes towards them, and the way society views them. These are the many "success story cases" of Grameen and BRAC. A number of studies give powerful anecdotal evidence of individual women whose lives have changed dramatically thanks to these programs (see for example, Jorimon and Others: Faces of Poverty, edited by Mohammad Yunus).

Even without bringing in the issue of male appropriation, my fieldwork revealed that even where women are becoming income earners, their positions in the household do not improve unequivocally. Two of the BRAC loanees I spoke with mentioned that their husbands are actually less appreciative of them since they joined BRAC. Where before these men had control over all finances, and could express their fondness of their families by buying necessities or gifts at their discretion, they now feel differently. Now, these women have to ask their husbands for things, and sometimes the men's response is "Why are you asking me? You have your own money, get it yourself." Marital relationships thus do not always improve with effective use of credit.

Some BRAC women also stated that although they were earning their own incomes, they would nevertheless hand over their earnings to their husbands. Their general attitude is "We are a family. We work together for our betterment." Sofura, who has been trained in rearing chickens through BRAC's poultry program, says that if she did not give her husband her money, he would tell her to go and live on her own with her own money. Khodeja, who has been quite successful in the sericulture program, says that she "makes" her husband control the money. She is very clear about her reasons: she deliberately does not want to be completely responsible for the loan and gives him control so that "the whole risk wont be [hers] alone".

Goetz and Sen Gupta also raise the possibility that as women are more effectively targeted for credit, and as sources of institutional credit for men decline (as discussed in Chapter Three), this might lead to the increased commodification of women, where their value is measured by their success in gaining and retaining membership in these programs. The authors quote a field worker heard saying that credit is actually becoming just another form of dowry (1995, p. 20).

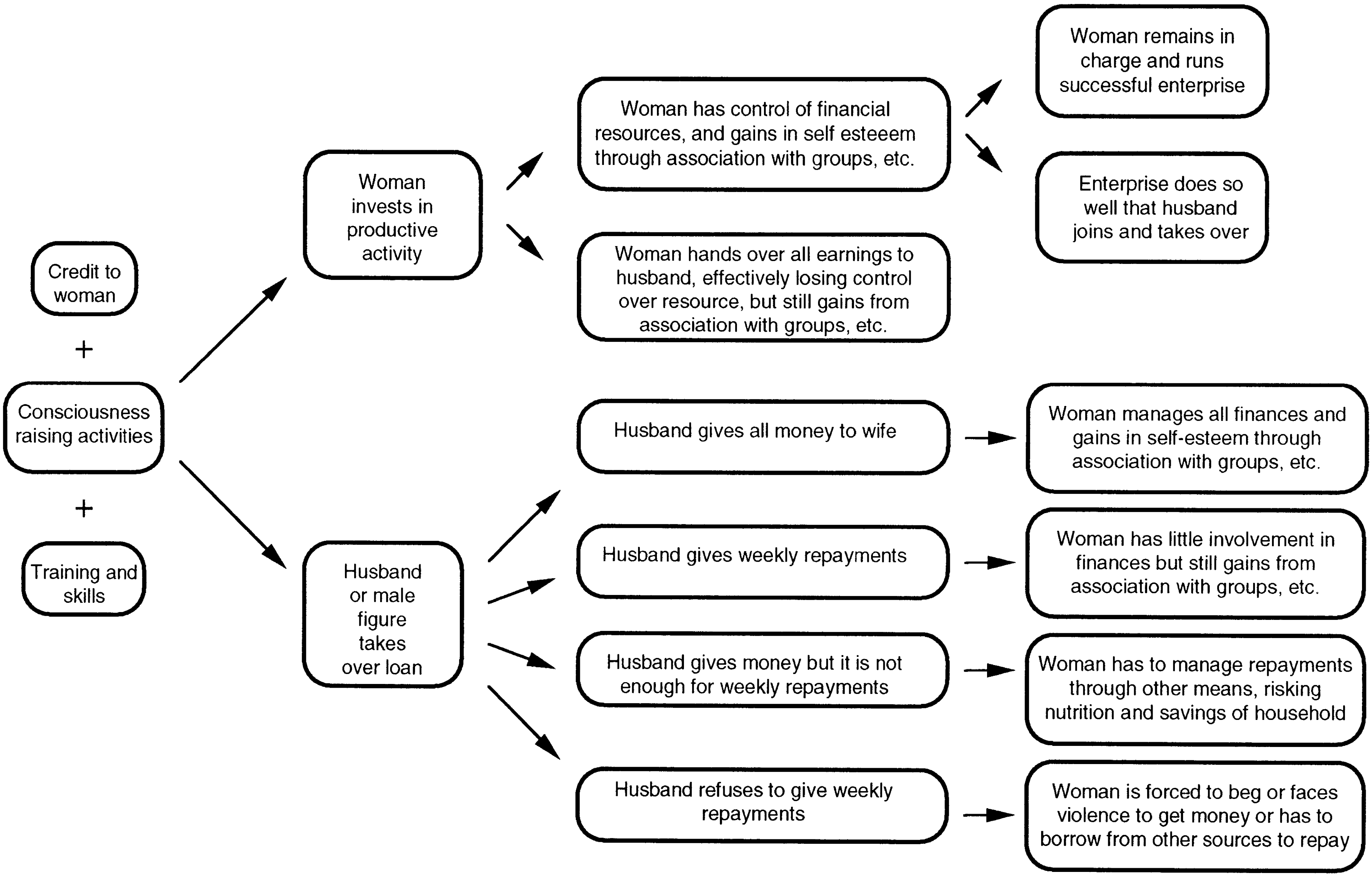
Where men are using women's loans, a number of scenarios could take place. Some of the possible negative consequences (e.g. women suffering violence when they have to beg their husbands for weekly repayments) were mentioned in Chapter One. Ackerly (1995) uses Goetz and Sen Gupta's analysis to classify some other possible scenarios. Men who take over women's loans could: (1) give over all their earnings (including earnings from their own work) to the woman, leaving her to manage all household finances; (2) give only the required weekly payments to their wives; (3) give some earnings but the woman has to supplement these with her own sources ("mushti chal", etc. as in p. 8) to make the full payment; or (4) he could refuse to give the weekly payments making the woman plead with him for the money or resort to other sources which most likely will exact a higher cost.

All these scenarios demonstrate that credit might not always have an empowering effect on women as conventional wisdom (as depicted in Figure Two) supposes. Figure Three incorporates the scenarios described above.

From Figure Three, it is difficult to know in which of the cases women are being empowered, since even where they invest the money themselves, they might still lose control over their earnings. Figure Three shows the fallacies in presuming (1) that controlling financial resources leads directly to empowerment; and (2) that credit increases women's control over financial resources.

All the evaluation studies that have looked at empowerment issues have highlighted the critical role that the design of Grameen style programs and efforts at conscientization have played in influencing women's lives. The design of the programs emphasizes group solidarity, depending on and supporting one another, bringing women out of the homestead and in contact with the outside world, taking on leadership roles and making women interact with officials and professionals. The consciousness raising efforts, described by Grameen's Sixteen Decisions and BRAC's Seventeen Promises (Chapter Two), have some conventional development goals (health, water and sanitation, family planning, education, etc.), but also emphasize some of the more intangible aspects of social development--discipline, unity, responsibility, courage, justice and solidarity. There is also the decision not to give or take dowry, one of the main institutionalized expressions of women's subordination. New forms of consciousness arise out of women's newly acquired resources of analytical skills, social networks, solidarity, self confidence and self esteem.

Figure Three



III. An Alternative Way of Looking at Empowerment

As Ackerly (1995) points out, although it is commonly presumed to be, credit itself is not empowering--by definition, it is actually a liability. In order for this liability to be empowering, it must be seen as a means, not as a goal. Ackerly argues that when a borrower invests her loan in a successful enterprise, she develops knowledge--knowledge about an economic activity, about prices of inputs and outputs, about profitability, etc.--and it is this knowledge that gains her the respect of her husband and her society, and therefore empowers her. The author shows that involvement in the buying and selling of goods from the loan-financed activity, as opposed to merely providing labour, is more likely to increase a woman's knowledge. She concludes that in order to empower borrowers, credit programmes should focus their efforts on increased market activity. I show earlier in the paper the constraints to ensuring loan use by women. I do not wish to imply by this, however, that organizations should abandon all efforts to enable women to invest in activities that they are in charge of. Both Grameen and BRAC should be commended on the strategies they have developed to achieve this--traditional activities and subsector programs. It is beyond the scope of this paper to recommend one strategy over the other. Unfortunately, both have their own set of limitations.

Even if men are going to be taking over some loans targeted for women, knowledge can play an important part in ensuring that women gain some benefits. Even when a woman does not go to the market, if she knows about costs, market prices, profits, she is in a better position to hold her husband accountable to her for the money. This learning process can be encouraged by making it one of the criteria by which success is measured. Just as evaluators ask about employment, incomes, and household decision making, knowledge would give an idea of the woman's level of awareness of financial matters and of the market.

If knowledge is made a standard criteria by which to measure empowerment, organizations would in turn be pressured to find creative ways of ensuring that women gain this knowledge, whether this is through direct involvement in the loan-financed activity or through communication with their husbands and others. Ackerly (1995) cites examples of two NGOs in Bangladesh, the Shakti Foundation and Save the Children Fund (SCF), who give great value to market knowledge of their borrowers. Shakti has formalized this by making loan approval subject to the husband's sharing market information with his wife and her being able to demonstrate her knowledge before the loan is issued. SCF has a more informal mechanism, whereby during weekly meetings, borrowers are strongly and repeatedly encouraged to seek market knowledge. Goetz and Sen Gupta (1994) describe another NGO, TMSS (Thengemara Mahila Sebuj Sangstha), which also requires women borrowers to provide accurate and continuous accounts of loan use, as well as encouraging informal contracts between women and male users if women are not the primary users.

Focusing strictly on knowledge of the market, however, reduces the concept of empowerment to the first one articulated by Lukes--the "power to". It disregards other forms of empowerment, the "power over" and the "power within". The way these programs are designed and the consciousness raising activities of the two organizations address some aspects of these domains of power. The knowledge indicator can be used to measure the success of these activities as well. Knowledge over issues such as women's human and legal rights can be tested--especially critical issues such as inheritance laws and divorce laws. Much of women's insecurity stems from ignorance of laws. Men are thus able to get away with divorcing their wives at a moment's notice[20] without paying alimony, sons claim all the family property even when by law daughters have a right to at least one third of assets. Of course, many of these existing institutions are still unequal and favor men over women (why should daughters get one third of assets instead of half?), and they need to be changed. Some credit organizations have taken on this task directly. For example, the Self Employed Women's Association (SEWA) in India emphasizes the rights and interests of self-employed women workers to a trade union of their own. Intangible as they may seem, consciousness raising efforts of these programs are critical factors in ensuring that women experience a positive change in their lives as a result of their participation in credit programs.

An additional aspect of credit programs that has been largely ignored by the literature is the potential impact of the savings activities by women. Each member of a credit program is required to put aside money in different savings schemes. At Grameen, for example, borrowers have to deposit five percent of each loan as well as one taka every week into a Group Fund[21]. An individual group member can borrow from this fund for any need, but she has to have the consent of all members and the group together decides the terms and conditions of these loans. This arrangement is expected to accustom members to the discipline of saving and provide an "essential experience in the collective management of

[20] A common--but mistaken--belief is that a man can divorce a woman in an Islamic marriage by merely pronouncing the words "Talak, talak, talak".

[21] All members of a group must also purchase a Grameen Bank share (costing Tk 100 or US$2.5) when the accumulated savings in their Group Fund exceeds Tk. 600. These shares remain in member's savings permanently and cannot be taken out as a loan. This arrangement ensures ownership of the bank by its member. In 1992, members owned 88% of the Bank's shares (Mizan 1994).

finances" (Hossain 1988, p. 26). By December 1993, the Group Fund had accumulated Taka 2,117 million or over US$50 million (see Table 2, p. 16). A sum equivalent to 25% of the amount charged by Grameen as interest on an individual loan is deposited by the borrower into an Emergency Fund which provides insurance against default, illness, accident, death, disability, and other unforeseen events. A group can claim up to Taka 2,500 from the Emergency Fund on behalf of a member. By December 1993, approximately Taka 217 million or about US$5 million had been accumulated in this fund. BRAC has similar arrangements, with some differences in rates and terms and conditions of the funds.

Individual women's annual savings at Grameen averaged Taka 1,293 in 1994 (Khandker, Khalily and Khan 1995). Again, with per capita GNP standing at about Taka 8,000, this sum represents a substantial amount of money for women, especially for those who have been saving for five years or more. White (1991) suggests that members are often unaware of exactly how much money they have in their savings accounts, being satisfied only with the fact that they have something put aside for emergencies. Encouraging this savings habit and making women more aware of how much they have accumulated and what this might imply for their sense of economic security and financial independence is another way organizations can promote empowerment.

In addition to savings, organizations can also ensure that women's assets are increased as a result of participation in credit programs. For example, even if the loan is used to buy a rickshaw that her husband drives or land that her husband cultivates, these assets can be placed under the woman's name. Both BRAC and Grameen already practice this. However, the key is to make women aware of the fact that these assets belong to them and that they have the right to do what they want with it. This way, even if the woman is not using the loan, she nevertheless builds up assets that give her economic security.

CHAPTER SEVEN
Concluding Remarks

Credit programs designed according to the Grameen Bank model have the potential to empower women by (1) giving them opportunities to earn cash incomes, and therefore to be valued more by their husbands and their society; and (2) providing them with other more intangible resources of solidarity, self-esteem, social networks, and awareness of their human and legal rights. However, the evidence of male appropriation of credit shows that this does not happen automatically when women are merely targeted for credit. Where men take over women's loans, a number of scenarios are possible, some of which bring about positive changes in women's lives and others which place them in situations of greater dependency and subordination. The tendency in evaluations to overlook or de-emphasize the phenomenon of male appropriation is made possible by the fact that the standard indicators used to measure success--high repayment rates, level of women's income and level of women's employment--do not allow evaluators to gauge whether women are using the loans themselves or not.

Organizations have employed different strategies to try and ensure that women are involved in the loan financed activity--the Grameen Bank by encouraging women to invest in traditional "women's activities", and BRAC by developing economic sub-sectors. Both strategies have faced problems: identifying what is a "woman's" activity is difficult; managing entire economic sub-sectors calls for managerial and marketing expertise that these organizations are not well equipped with; and stringent regulation and control of loan use restricts the maneuvering capacity that credit often provides for women. Until the institutional and cultural barriers that prevent women from investing in productive activities and accessing the market are broken, and until gender relations are changed to allow for possibilities like the fact that women could be employed even when their husbands are not, it will continue to be difficult for organizations to control loan use.

There are definite steps that organizations can take to ensure that the empowering effects of credit programs are maximized. This can be done by encouraging women to gain knowledge of the market, of accounting practices, of prices and profitability of economic ventures, even if they are not in charge of them. It can also be done through the building up of assets like savings, land and capital, as well as through the consciousness raising and awareness building efforts that these two organizations have developed. The only way these can be achieved, however, is if they are made into explicit goals of the programs, and consequently, if indicators for their measurement are developed and utilized in standard impact evaluations of the programs.

Credit programs have made significant achievements in providing women with access to a scarce resource. However, this paper has shown the limitations of using credit programs as a strategy for women's empowerment. Even if the organizations were able to increase women's knowledge of business practices and raise their awareness of their situations and of their rights, it is important to realize that credit could end up perpetuating existing gender differentials. Women's work continues to be undervalued in Bangladeshi society. As cited earlier, although women already work 10 to 14 hours a day in economic activities, their contribution to the household and national economy is not measured in cash terms and hence not considered of economic value. Increasing the number of hours that women work, as credit programs are doing--and especially if this is in areas that are still considered traditional "women's" activities like livestock/poultry rearing and vegetable growing--does not change the perception of the value of women's work. Increasing women's labour hours also does not change the existing division of domestic responsibilities. There is little evidence that men take on more domestic chores when their wives start investing loans in productive enterprises. This means that women have to carry out their loan financed activities *in addition to* all their responsibilities in looking after the homestead and the children. Similarly, where female wage labourers earn 40% of what male wage labourers earn, increasing opportunities for women to work outside their homes, without changing these conditions, perpetuates severe inequalities in the value of women's work.

Kabeer (1994) speaks of the need for women, and for those interested in empowering women, to focus on building on the "power within" to address this institutional and cultural devaluation of the worth of women.

> Power lies not only in men's ability to mobilize material sources from a variety of arenas in order to promote their individual and gender interests, but also in their ability to construct the "rules of the game" in ways that disguise the operations of this power and construct the illusion of consensus and complementarity. (Kabeer 1994, p. 229)

To combat this, Kabeer emphasizes that only when women join forces with each other, build alliances and networks, and act collectively to express their needs and interests, will a true transformation take place. The organizational capacity of women is seen as a vital instrument for women to become active participants in the development process--capable of identifying their own agendas and developing strategies that are appropriate to women's circumstances--

as opposed to being mere recipients of the benefits of pre-designed social projects (usually determined by men who dominate the staff of development programs). However, this capacity has to be built up as a conscious process.

Grameen style credit programs, through a design that emphasizes group solidarity and by including awareness building and consciousness raising activities as a part of their activities, takes this process only one step. With internal pressures of rapid expansion (increasing the numbers of loans and loanees) and donor pressures for economic sustainability (maintaining high repayment rates and increasing profitability), even these ancillary activities and the "intangible" resources they provide for women are in danger of being traded off.[22] This paper has highlighted the fact that empowerment, which in effect entails fundamental social change, is a subtle and complex process, and the cause-and-effect relationship between credit and empowerment is not as simple as has been assumed. Unless credit programs focus directly on the finer--and consequently more elusive and difficult to measure--micro details of social change, their impact on women's empowerment will remain limited.

[22] See Ebdon 1995, Kuriakose 1995, White 1991, for the implications of NGO expansion on empowerment goals of credit programs.

ANNEX
Impact Evaluations Studied

Date	Authors/Affiliation	Organizations Studied	Sample Size	Impact evaluated
1995	R. I. Rahman and Shahid Khandker BIDS, World Bank	Grameen Bank, BRAC, BRDB	1,798 households/ 4,715 individuals	Employment Productivity
1995	Brooke Ackerly	Grameen Bank, BRAC, Save the Children (SCF)	613 women participants	Loan use Women's empowerment
1994	Mark Pitt and Shahid Khandker BIDS, World Bank	Grameen Bank, BRAC, BRDB	1,798 households/ 4,715 individuals	General
1994	Sidney Schuler and Syed Hashemi	Grameen Bank, BRAC	1,305 women	Women's empowerment Fertility
1994	Ann Marie Goetz and Rina Sen Gupta Institute of Development Studies, Sussex	Grameen Bank, BRAC, BRDB, Thangemara Mohila Sebuj Sengstha (TMSS)	253 women participants	Loan use and control
1994	A. Nahar Mizan	Grameen Bank	100 women participants, 100 non-participants	Women's empowerment
1991	Sarah White Overseas Development Institute	ActionAid, Gono Kallyan Trust, Gono Unnayan Prochesta, CARITAS		General
1989	Mahabub Hossain and Rita Afsar BIDS	Grameen Bank, BRAC, BRDB, Proshika, Women's Entrepreneurship Dev. Prog, Swanirvar		Women Economic
1988	Mahabub Hossain BIDS, IFPRI	Grameen Bank	534 women participants	Economic
1986	R. I. Rahman BIDS	Grameen Bank	151 women participants	Women Economic
1986	Atiur Rahman BIDS	Grameen Bank	150 men 150 women	Consciousness-raising efforts

References

Ackerly, Brooke (1995). "Testing the Tools of Development: Credit Programmes, Loan Involvement, and Women's Empowerment", *IDS Bulletin*, Volume 26, No. 3, pp. 56-68

Ahmed, Syed Masud, Md. Mohsin, et al (1994). "Women as Wage Earners: Does this make any difference?", Research and Evaluation Division, Bangladesh Rural Advancement Committee, Dhaka, mimeograph

BRAC Annual Report 1993

Chen, Marty (1992). "Impact of Grameen Bank's Credit Operations on Its Members: Past and Future Research", draft

Ebdon, Rosamund (1995). "NGO Expansion and the Fight to Reach the Poor: Gender Implications of NGO Scaling-up in Bangladesh", *IDS Bulletin,* Volume 26, No. 3, pp. 49-55

Goetz, Ann Marie and Rina Sen Gupta (1994). "Who Takes the Credit? Gender, Power and Control Over Loan Use in Rural Credit Programs in Bangladesh", Institute of Development Studies, University of Sussex, mimeograph

Grameen Bank Annual Report 1993

Harvard Business School (1995). "BRAC (Bangladesh Rural Advancement Committee)", Case Study N9-395-107, Harvard Business School Publishing, Boston, Massachusetts

Hashemi, Syed and Sidney Schuler (1993). "Operationalising Indicators of Empowerment: A Methodological Note", unpublished draft

Hossain, Mahabub (1984). "The Impact of Grameen Bank on Women's Involvement in Productive Activities", paper presented at a seminar entitled "Bank Credit for Landless Women--A Study Tour of Grameen Bank" organized by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Dhaka, November 6, 1984

Hossain, Mahabub (1988). <u>Credit for Alleviation of Rural Poverty: The Grameen Bank in Bangladesh</u>, Research Report 65, International Food Policy Research Institute (in collaboration with the Bangladesh Institute of Development Studies), Washington D.C.

Hossain, Mahabub and Rita Afsar (1989). "Credit for Women's Involvement in Economic Activities in Rural Bangladesh", Research Report 105, Bangladesh Institute of Development Studies, Dhaka

Huda, Samiha and Naomi Hossain (1994). "Involvement in Non-Traditional Activities: the Implications for Women's Empowerment", Research and Evaluation Division, BRAC, Dhaka, unpublished draft

Jain, Pankaj (1996). "Managing Credit for the Rural Poor: Lessons from the Grameen Bank", *World Development,* Vol. 24, No. 1, pp. 79-89

Kabeer, Naila (1994). Reversed Realities: Gender Hierarchies in Development Thought, Verso, London

Khan, Mahmuda R. (1993). "Women's Entrepreneurship in the Restaurant Business: Case of Shuruchi", Research and Evaluation Division, Bangladesh Rural Advancement Committee, Dhaka, mimeograph

Khandker, Shahidur R., Baqui Khalily, and Zahed Khan (1995). Grameen Bank: Performance and Sustainability, Poverty and Social Policy Department, The World Bank, Washington, D.C.

Kuriakose, Anne (1995). "Cooperative Finance: Gender Implications of Institutional Expansion", Institute of Development Studies, University of Sussex, unpublished M.A. Dissertation

Lovell, Catherine H. (1992). Breaking the Cycle of Poverty: The BRAC Strategy, Kumarian Press, West Hartford, Connecticut

Lukes, Steven ed. (1986). Power, New York University Press, New York

Marsden, David and Peter Oakley, eds. (1990) Evaluating Social Development Projects, Oxfam, Oxford

Mizan, Ainon N. (1994). In Quest of Empowerment: The Grameen Bank Impact on Women's Power and Status, University Press Limited, Dhaka

Mustafa, Shams, Ishrat Ara, et al (1995). "Impact Assessment Study of the Rural Development Program of BRAC", Research and Evaluation Division, BRAC, Dhaka, final draft

Pitt, Mark M. and Shahidur Khandker (1994). "Household and Intrahousehold Impacts of the Grameen Bank and Similar Targeted Programs in Bangladesh", The World Bank, Washington D.C., mimeograph

Rahman, Atiur (1986). "Consciousness Raising Efforts of Grameen Bank", Grameen Bank Evaluation Project, Working Paper 3, Bangladesh Institute of Development Studies, Dhaka

Rahman, Rushidan I. and Shahidur Khandker (1995). "Role of Targeted Credit Programs in Promoting Employment and Productivity of the Poor in Bangladesh", The World Bank, Washington D.C., unpublished document

Rahman, Rushidan Islam (1986). "Impact of Grameen Bank on the Situation of Poor Rural Women", Grameen Bank Evaluation Project, Working Paper 1, Bangladesh Institute of Development Studies, Dhaka

Rao, Aruna and David Kelleher (1995). "Engendering Organizational Change: The BRAC Case", *IDS Bulletin,* Volume 26, No. 3, pp. 69-78

Rashid, Mansoora and Robert Townsend (1994). "Targeting Credit and Insurance: Efficiency, Mechanism Design and Program Evaluation", Education and Social Policy Department, The World Bank, Washington, D.C.

Rossi, Peter and Howard Freeman (1982). Evaluation: A Systematic Approach, Sage Publications, Beverly Hills, California

Schuler, Sidney R. and Syed Hashemi (1994). "Credit Programs, Women's Empowerment, and Contraceptive Use in Rural Bangladesh", *Studies in Family Planning* , Volume 25, No. 2, pp. 65-76

White, Sarah C. (1991). "An Evaluation of NGO Effectiveness in Raising the Economic Status of the Rural Poor", Bangladesh Country Study, Overseas Development Institute, final draft

White, Sarah C. (1992). Arguing With the Crocodile: Gender and Class in Bangladesh, Zed Books, London

World Bank (1990). Bangladesh: Strategies for Enhancing the Role of Women in Economic Development, The World Bank, Washington D.C.

Young, Kate (1993). Planning Development With Women: Making a World of Difference, Macmillan Press, London

Yunus, Mohammad, ed. (1991). Jorimon and Others: Faces of Poverty, Grameen Bank, Dhaka