

The role of micro-credit to improve women's participation in household decisions

¹ Mojtaba Sadighi, ² Mehran Bozorgmanesh and ³ Mohammadreza Ghaffari

^{1,2,3} Damavand Branch, Islamic Azad University, Damavand, Iran

Corresponding author: sharif11070@yahoo.com

Abstract: Supplying credits and analyzing credits approaches cause opportunity to activate poor men's working power, establishing field for sustainable production and income, prevent usurers and pre shoppers of agriculture productions to plunder poor rural men and finally empowering poor people especially women who can work but were deprived to have capital and work tools, and extension accordance to their activities such as needs assessment, identifying target group, organizing poor people, giving needed specialized and public training and have important role on effectiveness and make effective activities of these credits.

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Introduction:

Paying part of cost of life by government or charities, establishing forums to analyze family supervisor women's problems, supplying necessary facilities to grow and improve child's life quality and paying facilities to provide sustainable employment, are among most important approaches to support family supervisor women. Paying credit facilities to access sustainable employment with easy terms at limited time, is one of the most important approaches to support family supervisor women. Because alongside supplying their continues needs, their esteem wouldn't be marred. Currently, this approach is used at many countries and positive results have emerged. (Ghaffari, 2000).

Aforementioned plan, due to containing special advantage such as giving accessible loan with low commission fee and no interest rate and also long-term repayment, could provide chances for many farmers to release from dealers and broker jobbers. In this approach, giving micro-credits to rural women seems more effective. because alongside agricultures activities that needed more investments, women by enjoying of very micro-credits not only could create remarkable creativities in rural productions but also gained worthy economic and social abilities, and even improved their field of social presence, well. (Lahsaeizadeh, 2000).

If rural women can work through receiving credits, loan and others finance facilities at favorite jobs and live through earned income (as it called "self-reliance and independence"), so undoubtedly we would see changes in social, economic and cultural relations of village.

Here, Basic issue is that if changes happened following of these events in villages, have positive

aspects or negative? Naturally, every change in institutions and social phenomena has both positive and negative dimensions. (Farghdan, 2001)

Being high and low of each one is depended on various conditions and terms so it is varied from one society to another society. In Iranian rural societies, cultural and social context is such that, consequences of these phenomena maybe being different and sometimes contradictory. However these actions caused that women stand in good economic condition and also gain self reliance and rely themselves with no help from husbands, but dominant cultural space on villages may create some disorders. At most of villages in Iran, patriarchal with all features dominate and women's financial self reliance may not being pleasant for some human and rural groups. When women gain financial independence in villages, impacts and social and cultural consequences would emerge. (Chabokru and etal, 2005)

Increasing Suffrage, lack of relying on vast patriarchal families, increasing cultural acknowledgment, relation with newer institutions, having intellectual independence, making decision for marrying, occupation, emigration and etc are those rights that they gain. gaining aforementioned rights by women in context of cultural and social framework followed some changes that maybe lead to disfunctions and even create disorders and abnormalities at traditional, familial and kinship relations that dominated on villages (Fakhraee 2002)

What that performing credits programs, has made in recent years, was on broad outlook with purpose to access to same results as above findings.

Thus, in one inclusive outlook, it is possible to use micro-credits programs to solve those issues which involved with rural women's economic limitations,

so that lead them toward social empowerment, in the context of economic growth (Rahmani and alibi, 2001).

Micro-credits:

One of the raised strategy, in order to accelerate investment process and reinforcing financial foundations, and saving, at deprived and rural areas, has been empowering and eradicating poverty of rural societies through efficiency with emphasize on applying micro-credits (Shahnaj and Sajedur, 2009). Micro-loans as useful tool to fight against poverty and starvation, has proven its capabilities and values to develop these areas. These tools have ability to change and improve human's life, especially poor peoples. Micro loans, saving accounts, and giving various bank services, cause this belief in low income and poor family that, by accessing to these services, their income will increase, so they can protect themselves against barriers of unexpected problems and their current level of life and also invest on nutrition, housing and their children's education. (Varzgar and azizi, 2001)

Accessing to these conditions is among main goals of third millennium program (i.e. eradicating absolute poverty of human societies).

In micro-credits programs other than offering and distributing micro loans, there are also small savings and deposits so that they are designed as form of saving-credit programs. The existing term in phrase "micro-credits" points to two basic concepts that is due to dominant perspective on this approach. First term (i.e. credits) points to rural areas and lack of access for many villagers to formal resources that are one of their major problems. And at system of micro-credits, are tried to decrease poor families' access barriers to credit sources and also to increase effectiveness of these markets. Second term (i.e. micro) emphasize on deficiency of development, according to classic economist's method. Emphasizing on concept of "micro" means revising recommendations of market economy at rural society's development.

Generally, goals of micro-credits programs are: (Moazami 2005)

- a- increasing access coefficient of low income rural women to credit facilities
- b- considering and focus on low income rural women groups
- c- empowering rural women to enjoy needed job skills
- d- empowering rural women to deal with group works and cooperative activity
- e- equipping non-productive villager's saving (women) to effective and productive investment

- f- planning in order to perform projects that are based on capacities and facilities of that area
- g- breaking poverty cycle and saving rural family
- h- Developing employment and stabilizing jobs which faced financial crisis

Importance of women's participation:

It's not possible to reach rural development goals without understanding the present situation of society and its groups. Meanwhile identifying the groups with critical roles in the rural area development program will be of importance. Women, as a rural group, due to numerous reasons have always received the least attention while their activities in non-monetary sector play a certain role in rural household economy. As most men leave the village to work in town, women provide much of the agriculture force in the area. In recent years the situation has been more considerable as rural migration to town is getting more. In most Iranian villages women's population is more than men. According to FAO's reports, in some African regions, for 60% of families, women are responsible for supervising family. Even for cases that men are the direct responsible of production affairs, women's role in family economy can't be denied just because they don't get paid. Although these efforts appear to register in none of official statistics, they easily replace some other activities with significant financial value.

Studies by FAO show that more than half of the world's crops are collected by women. According to estimates, 1.3 billion of world's poor are women, thus the slogan "poverty has a feminine face" is spread worldwide.

Given that in many parts of the world, the production potential of women is not used properly, a cost-benefit study by the World Bank shows that investing on women in developing countries will be more profitable than any other investment. In addition to financial benefits of this huge force, its ancillary results will also be useful. The ancillary benefits of women's employment include: lower population growth and children mortality rates (Navab Akbar, 1997).

Rural women are a big part of productive force and in developing countries third to half of them are supervising households; as a result they face numerous problems, such as:

- Lack of access to social and health facilities
- Various daily chores inside and outside the home
- Men's skill and increase of women's responsibility
- Lack of professional to educate women

Around the world and in Iran, the issue related to female employment, especially in rural areas (which

is a manifestation of participation), is not unemployment but unpaid employment; because all the unpaid work done by women at home, such as cleaning, washing, nursing, social affairs, agriculture and livestock,... are encountered as non-economical activities; While visible economic sector cannot continue to exist without this invisible sector's goods and services. On the other hand, rise of industrial system and expansion of factory job all over the world, attracted men to these economic systems and this has given men an objective vision; Whereas, the majority of women, due to working alone at home have got a subjective vision. Now, as women enter labor market and start to participate, they'll become objectified; because the work system will encourage them to think like men. Being more around the house and their local area will help both men and women in terms of subjectivity and objectivity (Arab-Mazar and Jamshidi, 2005).

Thus the issue of women's participation has important effects, including:

- Acceleration of plans implementation
- Realization of people's every day needs with cooperation and consultation
- Increasing efficiency and reducing functional expanses of projects
- Creating opportunities for talent realization and scientific activities
- Creating sense of solidarity and cooperation
- Increase social and personal awareness
- Women, sharing ideas in decision-making and determining their own destiny
- Participation of women as an important factor and a major power to achieve development

Therefore, according to preceding discussions and importance of women's participation in future plans, it's of great importance to study and recognize the factors affecting their participation in social activities of rural area (Fakhraee, 2002).

Major obstacles to women's participation:

Considering society's current conditions and the issues mentioned above, major obstacles which result in women's less participation can be classified as follows.

1- Educational barriers

Apparently, one essential factor for development is education. Studies indicate that compared with men and boys women and girls do not have sufficient access to education. Some of the factors effecting women's access to education are:

1. Great need of parents to their daughters as labor force
2. Lack of access to educational experts and planners

3. Lack of schools or proper places for girl's education
4. Mixed classes for boys and girls and rural bias on this issue
5. Education expenses
6. Lack of attention to the importance of girls' roles
7. Social, cultural and traditional beliefs about girls
8. Early marriage

Report by UNICEF, claims that literacy rate of women in developing countries is two third of men's, and of about 860 million illiterate adult worldwide, 640 million are women who never had the possibility to go to school or have left school unfinished (Bakhshoodeh and Salami, 2005).

2- Social and cultural barriers

Sociologically, women in third world countries- especially in rural areas- believe to be dependent on men.

The thought is deeply attached to their historical beliefs. Thereupon they never share ideas while decision-making or planning. As some sociology and politic experts stated, it's the reason they have developed "the silence culture" and they never let themselves to comment on, or participate in planning. In addition, customs and prejudices that they have been trained with, indirectly affects women's participation. Such ideology of knowing a sex to be lower than the other is a crippling disease that causes a big part of mental and power sources of community remain disadvantaged. These are all prejudice emphasizing on men's value and denying those of women (Changizi Ashtiani, 2003).

3- Structural barriers

In fact, in most countries, governing power, marketing and production conditions and some values related to them, create serious structural barriers to women's participation. According to United Nations' research institute of second development program, these structures are anti-participation; because they lead to unequal access to the control of wealth and social status. They cause failure of many national-regional innovations encouraging participation, and finally make a small group be responsible for everything and we won't have the beneficial results associated with women's participation. The structure determines the conditions of participation and reacts strongly to any renovation. Its objective is to keep women in their position as a labor. Labor market divides the jobs in workshops and factories in a way that some

occupational fields are only for women and some other only for men. Men are chosen to be the administrator in all professions and it's assumed that women are not interested in or not able to handle these positions. Thus, in practice the world of production and work is subject to gender discrimination.

4- Political and organizational barriers

In third world countries, women face with many obstacles for participation in decision making, planning, implementation, and evaluation of projects related to country's developing plans. Although, the structure of the country play an important role in making suitable conditions for participation in different areas, but because they have focused plans and such decisions are made by public organizations and official systems, usually the potential force of participation in society will be palled and in practice, participation will face serious obstacles and problems. A focused government always encourages focused official structures. Such a structure is a major barrier to women's participation. They control structures and systems resource allocation and information and knowledge people need to participate in social activities, besides they never let people and especially women control all these. So it's apparent that such programs are either not comprehensive or it's facing problems because designers are not aware of the realities in their community.

5- Barriers related to wife-mother role

UNICEF reports indicate that women's work hours is 25% longer than men's; because a large number of them work at home to produce livelihood products without payment.

The main role of all women in each society is the role of mother and wife; therefore every other matter such as their employment is subject to these roles. Possibility of finding a job (as administrator or in a lower rank) for a girl is affected by various factors including educational level and their socialization method as a child. They have always been thought that they are not identical to boys in terms of social privileges or social status. Emphasize on the roles of mother and wife may make women think there is no need to promote their social status and in the other hand society will not provide necessary facilities for their development. In this situation they are prevented from studying and schooling. This issue will still be a problem after they are married.

It should be noted that with women getting paid, total household's welfare improves; because field studies claim that all women earning money, spend their income on their family and particularly children's needs.

So we should mention that not only participation is a woman's civil right but also it will make her more autonomic, and she'll become more creative and innovative.

6- Economical barriers

One of the factors indicating development progress is how and how much different classes of society participate in vital activities. Although importance of women's participation has always been completely apparent, the appropriate balance between men and women in different fields is not yet established in our country. As women can only posses a limited sort of jobs and also they always have the smaller share of each job opportunity, they are not able to compete in labor market. What's more, mostly they do not own the capital needed for economical participation, so providing personal credits can solve their problem in some extent.

Discussion and results:

In many countries financial plans mostly focus on women. Women, provided with financial facilities, will receive a loan, guarantee to pay it back, keep their saving account and also they'll have insurance coverage. Micro-financial plans have an important message for families and communities. Many studies have proven that women's access to mentioned facilities may improve their conditions in family and society; it also helps them feel more self-confident and makes them aware of their own abilities. Thus providing micro-credit services for the poor in society is a powerful tool to reduce poverty and so that they are able to create assets, earn more money and become less vulnerable against the economic pressure. Of about 1.3 billion poor in the world there are 900 million poor women, this obviously shows that poverty has a feminine face. According to UN's development fund, 10% of world's income and less than 10% of world's assets belongs to women. While a majority of them never posses the capital needed for their activities, women still play an important role in the economic development of country. Therefore women draw the micro-credit policy maker's attention more than others. Choosing women as the main target of micro-credit plans is an effective strategy to eradicate poverty; because their income will upgrade the family welfare; furthermore earning money improves their social status. In some countries this choice is influenced by society's attitude and culture (Araghzadeh, 2002).

Women's access to micro-credits have shown that their income benefit to improve their family and provide livelihood. In addition to all these another reason of women being the target of micro-credit plans is that women have higher loan recovery rates.

Totally, expanding women's access to micro-credits may lead to many useful results which in economy is mentioned as "virtuous spiral"; because their access to micro-credits results in family welfare and in a broader point it'll improve community's welfare and shall be increased welfare this process is repeated.

In researches that conducted by Nanda (2004) became clear that women participation in credits programs had positive effects on their demand about health care. Fiona Steele and et al (2008) in researches that conducted as called " influences of credits programs on empowering women at Bangladesh , found that women who joined to credits programs , have participated in more educational programs and have married with more educated men and also they have saved more and they had more cash .

Shahnaj and Chaudhury(2009) in research as "credits and its role on empowering women " concluded that there is meaningful relation between attending in credits programs and empowering women , at economical dimensions .

Maybe the main challenges that threaten credits associations , is lack of necessary emphasizes on social dimensions and on reinforcing their basics , that practically cause that this social foundations lose its efficiency soon and practically changed to unsuccessful institution .

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Ellen and her Colleagues (2009) used approach called it "credits and education at Bolivia, Ghana, Honduras, Mali and Thailand". This approach looks for empowering women through financial services with education. In this approach, women get familiar with importance of credits through education and extension and also familiar with ways to access it through establishing different groups.

Ruhal Amin and others (2010) found that those who joined credit funds had more ability rather than those who didn't.

Jameela (2010) presented that credit programs has shown lot of affects on empowering women so that has increased their social, politic and economic ability. Thus it is obvious that credits programs and its educational and empowering programs can be affective on social, humane and economic development or rural society, if it be associated with proper and gradual practices and base on reciprocal communications principles and apply opinion of local society.

A study conducted by Chabokru et al (1384) shows the crucial importance of micro-credits for farmers who do not possess physical financial assets (land, building, livestock, well...) and work in agricultural sector because of environmental conditions (such as living in a village) or because it's their ancestral occupation.

So today, women's participation in sustainable economic, social, and cultural development in rural areas is not optional but an essential matter. Those communities that have not seriously considered the necessity of participation faced failures and delayed community's development, welfare and security process. In any community, village, or social group, broad participation of every women in decision-making and any other matter related to national or local development programs, is a key variable in social sciences and in the last few decades, it has interested many scholars of socio-economic and especially cultural issues, and is considered as one of the most fundamental democratic rights of women in a society. As we know in a popular participation, all people are given the opportunity to participate in planning and decision making for their society and for their own future. When in practice women feel that they can be involved in planning, policy making and deciding or solving problems in the society certainly they'll feel more solidarity and become more interested in social, economic, and cultural development programs.

Corresponding Author:

Mojtaba Sadighi
Damavand Branch, Islamic Azad University,
Damavand, Iran
E-mail: sharif1070@yahoo.com

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