The Popularity of Micro Finance for Women

In this context, it becomes easier to see why resistance to gender-equity measures is so strong, and to explain the current popularity of micro-finance programmes for women. Policies designed to redistribute material and social resources between women and men probably arouse stronger institutional resistance than most other forms of development policy. Studies of public administration the world over have identified a range of characteristics of different kinds of policies which affect the type of resistance they will encounter. As noted earlier, redistributive policies, which take something away from one group and give it to another, tend to attract more resistance than policies which distribute a new good, or policies which regulate existing practices (Lowi 1964). Resistance to redistributive policies comes from privileged members of society, and also from policy-makers themselves who

fear losing the support of the powerful. Anti-poverty policies, which challenge class privileges, are much easier to implement if they leave intact the underliving structures which produce poverty, and focus instead on superficial measures, such as skills development or a one off dispensation of new, externally supplied resources (Nelson 1989). It is notable that in South Asia, it has always been much more difficult to implement land reform, which challenges the foundation of rural class structures, than to promote homestead-based self-employment, which is less likely to fundamentally alter the relations of production, or to form the poor into a class capable of challenging the rich (Kohli 1987; Sanyal 1991) Studies in Bangladesh of both NGO and government poverty alleviation programmes document the means by which members of the elite either capture resources meant for the poor or simply destroy programme efforts (Kramsjo and Wood 1992; van Schendel 1987).

Gender is probably a more deeply internalised system of inequality than class and policies which aim to challenge firmly held beliefs about women's inequality and men's superiority are likely to arouse profound hostility and resistance. This is particularly so because unlike most other kinds of development policy and practice, gender policies carry the implication that policy-makers themselves need to change their own behaviour. Policy is no longer a matter of prescribing changes in the behaviour of distant and anonymous people 'out there', but is rather a matter of changes that start at home, in the development agent's own relationships with their spouses and children.

In explaining social and bureaucratic resistance to pro-poor policies, Joan Nelson has shown that resistance increases according to the size of the transfer to the poor, the size of the target group, and the extent of institutional change. Resistance drops if extensive political mileage can be gleaned from a generous policy gesture (1989:100). This same logic can be adapted to map resistance to gender-equity policies. Thus resistance to gender-equity policies from policy-makers, privileged social groups, and individual men, will vary in four main ways.

First, if the proposed resource transfer to women is seen as zero-sum, long-term, and large (taking power, privilege, or resources from men, and/or wealthier classes), resistance will be high. Although few GAD policies are framed as zero-sum subtractions of power, privilege, and resources from men, they are perceived as implying this, even though gender-equity advocates are at pains to stress the positive-sum advantages of greater equality between women and men.

Second, if the target group is large or controversial (i.e., all or most women, or even all poor women, as opposed to small and 'deserving' groups like widows, disabled women, or abused women), resistance will be high. Liberal feminist measures to bring gender equity into formal legal systems imply changes which affect a broad target group of women. Policies to enhance women's economic resources, such as skills training, equal opportunities, and access to productive assets like land, address the needs of a rather large group of

women—not just a residual 'deserving' group of women who may have dropped out of the 'safety-net' of male provision, such as widows. But it is not just the size of the target group which is significant. So is the category of woman. Less threatening groups, such as girls of school-going age targeted for improved education, arouse less resistance than the targeting of illiterate adult women for literacy training. Educated daughters are seen as an investment in the future, whereas the future benefits of educating wives are less obvious to men than is the potential for such education to threaten male privilege in the family.

Third, if extensive institutional change is proposed (reorienting agricultural extension services to address the needs of women farmers, or of the health service to address women's reproductive needs more effectively), it will arouse more resistance than creating new—often tokenistic— institutions to address these 'new' demands. Proposals to bring gender-equity into health education and social security systems imply nationwide changes in standards of delivery, and in the personnel providing these services. Institutional changes will be needed to attract and support women staff, and to reorient service provision to respond to new and different needs.

Finally, resistance may be lower when gender-equity measures can be used for political advantage; where, for instance, vulnerable group feeding programmes provide an instant demonstration of the political prowess of the politician who delivers them. But the institutional changes which are needed to bring gender equity into development programmes all over a country will not constitute a direct and immediate resource to bolster the clientalistic power bases of local politicians. A national leadership may gain political advantage if it is seen to be promoting women's well-being, but even then, women are a relatively weak political constituency for national politicians to concern themselves with. They are often assumed not to deliver substantial political rewards in terms of marshalling votes and resources for particular leaders.

The extraordinary current popularity of micro-finance programmes deserves exploration in light of these political characteristics of various policy models. According to the above criteria, micro-finance programmes have the potential to arouse considerable, resistance. Credit programmes for poor women represent an important challenge to the terms and conditions of gender relations. In providing women with cash resources which can help them to shift their rate of market engagement, credit programmes challenge prejudices regarding women's rights of access to the market, and their ascribed identities as family dependants. This can threaten men's economic and social privileges. These credit programmes, especially on the scale on which they are organised in Bangladesh, are targeted to large numbers of women across several different categories of the poor. This not only challenges residual notions of 'deserving' poverty in women, but also undercuts to some extent the client base of informal moneylenders, who usually come from wealthier rural classes. In this sense they disrupt rural patron-client systems and arouse class resentment. Their successful implementation requires considerable institutional change in systems of rural

financial service provision. To the extent that these programmes employ women as development agents, they may also have to engage in considerable institutional change to accommodate women staff.

But other aspects of micro-finance programmes for women make them particularly appealing to policy-makers and power holders. As has been pointed out by Sanyal with reference both to these and other NGO self-help initiatives, the stress is on home-based micro-enterprise, not changes to the structure of production which so limits the range of opportunities of the poor or women (1991). Micro-finance programmes do not focus energies on mobilising the poor to build a political challenge to the rich. As we have seen in this book, pressure on field workers to move more money more quickly in order to support the financial sustainability of their programmes undermines the time which might have been spent on awareness building among programme clients. Less and less time is devoted to discussing injustices in gender and class relations.

As Linda Mayoux summarises in a major study of micro-finance initia-tives for women, the popularity of these programmes is explained by the fact that they 'become independent of donor funds within a given time-frame and also avoid politically sensitive issues of resource distribut.on and focused feminist mobilisation' (1998: 5).

The findings of the present study and chose of others suggest that lower-level implemented of micro-finance programmes may sometimes downplay the socially challenging aspects of micro-finance provision to women. This is done, primarily, by avoiding the issue of actual control over loans within the family. As noted that the issue of control over resources within the family is in any case and in any culture, a very fuzy area, where intimate family relationships mean that it is unrealistic and inappropriate to impose expectations about individual control and benefit from financial resources. In addition regardness of who establishes direct control over credit, women do claim benefits of increased respect and importance within their household from their role as sources of credit. Nevertheless any project of gender equity and women's emancipation would have to pay some attention to the issue of expanding women's room for manoeuvre within the rural economy by building their asset base and financial management skills. By avoiding this issue and downplaying efforts to promote women's independent rights to control cash, field workers can mollify possible hostile reactions of the husbands of women clients, the rural elites, and indeed, even themselves.

Some studies of micro-finance initiatives suggest that women clients are targeted primarily for instrumental reasons. Rutherford's study of the large NGO ASA, for instance, suggests that gender relation are a key methodological or organisational tool in the construction of the Bangladeshi micro credit revolution. In other words, it is not so much moral considerations which make women targets of these programmes the reason is practical, and necessary for these programme to work. These programmes rely upon rural women's tractability and

concern with family honour to enforce credit discipline. They rely upon women's relatively low involvement in the market, and limited alternative sources of income, to ensure their availability to attend regular meetings. And they rely, to some extent, on gender relations within the household for women to use their leverage on intra-household systems of obligation to secure regular instalments from husbands, who might feel more free to default otherwise. In other words, it is the particular nature of gender relations in Bangladesh which is in part responsible for the financial success of its micro-credit programmes. As Rutherford notes: 'In my view and in that of many with first-hand experience of the working or these schemes, these practical reasons are almost wholly responsible for the move to an exclusively female clientele' (1995:145). To the extent this is true, it diminishes both bureaucratic and local resistances to micro-finance programmes, because they are deemed consistent with accepted patterns of gender relations.

Thus, micro-finance programmes do not represent a significant challenge either to spending priorities in the national budget, or to the class and gender-based distribution of rights and resources in rural areas. This is not, however, to dismiss these programmes. All efforts to deliver resources to women, however they are designed, however much their challenge to gender relations is disguised or diminished represent opportunities for change. There is no doubt that the availability of micro-finance for poor women in Bangladesh has shifted women's patterns of social and market engagement, and triggered new patterns of negotiation over resources in the household Micro-finance is also an important tool in poverty reduction. Channelling credit to the household through women has been demonstrated to bring discernible increases in the proportion of household income spent on the nutrition of all household members, on the health of women and children, and on children's education (Kabeer 1998).

A challenging question remains: would these and other benefits have been realised had micro-finance programmes approached credit for women from a more overtly feminist perspective? It can be argued that more subtle, less socially challenging approaches stand a better chance of success in terms of bringing long-term changes in women's social and economic rights, and in men's acceptance of women's rights. The ferocity of social resistance to enhancing women's status can undermine the sustainability of feminist social change projects. This has prompted a variety of efforts to present gender-equity policies in uncontroversial ways. In the development field, gender-equity policy advocates sometimes worry that the radical content of their proposals will be subverted and undermined in the process of making them palatable to policy-makers. Whether women advance radical or seemingly collusive approaches to gender equity, it remains important to ensure that attention to organisational change accompanies these efforts. The long-term sustainability of such policies, and their capacity to survive sudden changes in political regime, or periodic attacks from outsiders—such as the assaults by Islamic groups in 1993 on programmes targeting women in Bangladesh—may be enhanced by the degree to which development

bureaucracies have embraced the importance of gender-sensitive organisational change. This book has suggested that a slow but important process of individual empowerment is triggered by deploying women as non-traditional development agents. This process extends beyond the personal level because it encourages gradual attitudinal change amongst men development workers and the rural communities in which they work. The impression created by women development workers is as important as the resources they deliver. They bring new visions of gender relations to rural areas.