

Bringing Changes in the Lives of Rural Poor Women: A Study on Grameen Bank

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Abstract: *In most of the rural based Government programs the poor are seriously neglected and females are almost ignored. Many Micro Finance Institutions (MFIs) have been working in our country for more than three decades to create an improved position of women. This paper aims at finding out the impact of Grameen Bank's (GB) activities on the poor women living in the rural areas of Bangladesh. More particularly this paper has tried to analyze how micro credit to the rural poor women could bring significant changes in their lives. This paper has identified how the GB has been able to bring improvements in the lives of its members after joining the programs as compared to their previous position.*

Keywords: *MFI, Grameen Bank, Rural Women.*

Introduction

The women in our country have a subordinate position from the time immemorial. It is the outcome of many factors rooted in the structural processes of the society, which reflect various aspects of deprivation. Women suffer from a greater degree of vulnerability and they form a disadvantaged group in our country. On the basis of some indicators like health, education, employment and social equality the status of Bangladeshi women is very low as compared to men. Among them rural poor women's access to employment opportunities, nutrition, health, education facilities is much less than those of men due to their subordinate socio-economic status. Women accept this position as they have internalized it since their childhood.

In this backdrop to create an advanced position of women over the last three decades or more, a large number of micro finance institutions have been working with genuine rural poor women. MFIs aim at giving economic resources to the poor women recognizing that they are the best agents of their families. Again some consciousness building programs of MFIs aim at raising the level of consciousness of the poor people of which majority are rural poor women. Women involved with Grameen Bank are improving their inferior position both in the family and society by contributing economically to their families and attending different programs. They generate income from various income-generating activities by using loans taken from this bank (Grameen Bank). This economic contribution has increased their position in different ways. Therefore by analyzing the effectiveness of such programs, this paper found that Grameen

Bank brought a greater extent of improvement in the lives of its members who had access to neither financial assets nor physical assets before joining there.

Objectives of the Study

Broad Objective

The broad objective of this study is to discover the areas of change through the programs of Grameen Bank i.e. how it (GB) has been successful in bringing about changes in the lives of rural poor women living in different villages of the Kotwali Thana in the district of Barisal.

Specific Objectives

Specific objectives of the study are to:

- identify the change in financial condition and improvement in standard of living of the rural women after joining the programs of Grameen Bank;
- discover increased participation of women in household decision-making process and their usage of discretion in exercising voting right;
- find out women's increased mobility and social network after becoming the members of GB;
- reveal the impact of the programs of Grameen Bank to reduce domestic violence of its members and improve family relation; and
- get an idea about how the participants of Grameen Bank have been able to develop their concept about different aspects of life.

Methodology and Data Collection

This study is an attempt to find out the role of Grameen Bank to bring changes in the lives of rural poor women living in different villages through its different programs. With this view in mind efforts were made to collect data directly from those who were the members of this institution. Both primary and secondary data has been considered to make the paper a complete one.

Structured and unstructured questionnaires have been developed to collect the data according to the research objectives. A total of sixty (60) members with almost same socio-economic background were interviewed in this respect. The respondents were asked to answer the questions at the center where they meet each other every week. Immediately after answering the questions by the members the answers were written down. Available literatures on the intervention of MFIs to bring changes in the lives of members were gone through to find out relevant support. In addition, various programs of micro finance institutions were also studied to supplement the research process.

Limitations

While conducting the present study some limitations were encountered. Since data were collected from the members (rural women) living in different villages of a particular district, question may be raised as to the representative character of that data. The impact was judged only based on a study area and no generalization is possible to recommend regarding this.

Besides, the term 'change' can be considered from various dimensions. It varies from culture to culture, region to region and person to person. The contribution of Grameen Bank in bringing changes in the lives of rural poor women was judged based on some selective indicators. Again in some cases their position after joining the GB could not be compared with previous situation. Despite the above-mentioned limitations it is felt that the study findings could reveal a clear picture of the condition of rural poor women and how Grameen Bank has made it possible through its pro-poor activities.

Empirical Evidences and Analysis

Changes in Financial Condition

A number of studies show that women tend to spend income that flows through their hands differently than men, holding back less for personal use and devoting more to children's nutrition and family welfare (Blumberg, 1991). Begum (2002) established that attaining economic viability by the women members would bring some other impact on 'life options' including marriage, divorce, household authority and other household decisions. Therefore, it is expected that if money is placed in the hands of poor women they can change their position very rapidly as compared to men.

Through a set of incentives, the bank encourages its members to save money. The saving accumulated by the women is one of the important indicators the bank uses to judge its impact on the members to attain financial viability. There is a close relationship between saving and membership period and the longer the membership period, the higher is the amount of saving. The survey finds that all the members could increase their saving, contribute in their families economically and increase income base. In addition, some of the members have been able to own some physical assets like land, cows, goats, and in some cases ornaments; whereas a few members were found to have income, ownership of assets and economic contribution to their families before joining the Grameen Bank (Table-1, Part-A).

Increased Standard of Living

Halдар and Akhtar (1999) showed that women, as a result of microfinance intervention, along with the household activities are running business, attending meeting, marketing their products, going to school with children, receiving training on health and education. Almost all the members reported that GB improved their standard of living putting loan in their hands. By using that loan they generated additional income and this additional income was used to buy their necessary things about which they could never think.

The study identified that female members spent their savings in the areas that eventually helped their families to improve status. Areas mainly cover spending for food consumption, children's education, clothes, treatment, poultry, furniture, crockery, ornaments, radio, television etc. All the members reported that they increased their spending on food consumption after joining GB. Furthermore, a good number of the members said that they have been able to increase spending for education of their children (53 percent), for better clothes (58 percent) and for furniture and crockery (55 percent) while one-fourth of the respondents (25 percent) purchased radio or television for entertainment by their income (Table-1, Part-B).

Participation in Decision-Making

Women's participation in the decision-making process is very rare in the context of our country. Economic contribution of women to family can make a room for them to participate therein. Sharmin and Khan (2002) identified that decision-making power had been inclined more towards women participating in different microfinance activities. Kabeer (1998) showed that women using micro-credit are the primary decision maker regarding the use of loan. Participation in decision-making is considered as one of the important indicators of women's empowerment. Economic contribution to the family increases the opportunity for the members to participate in decision-making. Survey report finds most of the members had more participation in decision-making processes in the families with regard to sending children to school, purchasing of land/livestock, constructing or repairing of house, using contraceptive, giving birth of child, exercising voting right and spending money. Their participation in these regards ranges from 63 to 90 percent showing a momentous improvement in comparison with past status (Table-1, Part-C).

Although they generate income by income-generating activities financed by micro credit spending of that income is not completely controlled by them. In terms of the right to use income women are still conditioned by some social and cultural traditions. However, as much as 70 percent members were found to have gained freedom to use income generated by them. Again, a significant majority of the members (75 percent) confirmed that at the time of purchasing lands and constructing houses their opinion was taken. An overwhelming majority of the women (90 percent) reported that they were able to influence their husbands to use contraceptive (Table-1, Part-C). They also took part importantly in the decision of sending their children to schools because of their increased abilities to share a significant portion of educational expenditures of their children.

Exercising Voting Right

Economic empowerment of women is strongly linked with their freedom of choice. Financial viability has contributed a lot to take their own decision without being influenced by others. Uddin and Raihan (2005) found in their study that a combination of women's increased economic activity and control over resources resulting from access to micro-finance with improved women's skills, mobility, access to knowledge has a very positive impact on politics. A good number of members admitted that the Grameen Bank developed their level of consciousness and they apply it while taking voting decision. Furthermore, they usually discuss with group members about the candidates to reach a fruitful decision before casting vote.

Prior to joining the GB they would not consider voting decision so seriously and many of them would have been influenced by the decision of the others like parents-in-law and husbands. A very small number of members (12 percent) reported that they would use their discretion in voting decision before being the members of that institution. But after joining there they came to know how important the voting issue is. The situation has changed today for many members and their husbands or parents-in-law don't interfere in their decision-making process as they already proved their prudence there. A total of 63 percent members reported that they are now taking voting decision independently (Table-1, Part -C). Still many women were observed to be influenced by other family members in voting decision because of deep-rooted cultural barriers.

Reduction of Violence and Improved Family Relation

Male members in the family treat women as no-income-generating elements and for they don't value them (women) accordingly. Their participation in the household activities is not treated reasonably important and they receive violence and negligence from male members in the family. Schuler et al. (1996) argued that membership in a micro-credit programs had a mitigating effect on domestic violence because it makes women's economic contribution to the household visible. In his study Kabeer (1998) found that micro-credit programs mitigate violence by channeling resources and enabling women to share responsibilities.

Grameen Bank has also a very positive impact to improve family relation by reducing conflict among family members. The women reported that conflict used to arise due to financial crises and their relation among the family members was vulnerable. They have a very good family relation for their economic contribution to families. An overwhelming majority of the women (80 percent) opined that as soon as they started to generate income and helped their families financially, the attitude of the other family members changed and it could bring honor and value for them in their families (Table-1, Part-E).

Women's Mobility and Social Network

Before joining the Grameen Bank most of the women would not go outside their houses and they had a very little tie with the people living in the same village. They would visit their relatives' houses only. In most of the social and religious occasions the male members would participate there. Imtiaz (1999) found that GB norms, which required the members to attend regular meetings once in a week, had increased the mobility of the women. Their social connection has increased and they frequently visit others' houses without any male member with them.

With almost same message Halder and Akhtar (1999) revealed that women members have increased a much closer relation beyond their household and now they are in touch with the whole area. Their participation in group meeting in every week created the ground for social mobility. Almost half of the total members interviewed (47 percent) confirmed that they now go to school with their children to pay tuition fees, find out progress over time and bring result after the examination.

At the same time 42 percent women said that they now go to market to sell products while a good number of women (68 percent) were found to join different religious and social festivals in the society. They could develop such mentality that they are no longer alone and they are with some people in the society to share their feelings beyond family members. Earlier their social mobility and network were very low in comparison with recently gained position (Table-1, Part-E).

Impact on Women's Health and Sanitation

Yunus and Jolis (1998) said that around the world, national health programs are in crisis and in Bangladesh, while government spends generously, the quality of services the poor receive is appalling. So Grameen Bank started to provide Grameen-sponsored health program at a cheaper cost. Before joining this institution they used to suffer from numerous diseases and it was usual for them not to go to hospital for treatment despite the ability of some members. If their disease got a serious turn they would go to village doctor. Their knowledge of sanitation was also very

alarming. Only a few members were seen to have consciousness about health and sanitation (Table-1, Part-E).

In terms of health situation their improvement was apparent after joining their organization. With their increased level of consciousness about different aspects of life members became careful about health and sanitation. The report also discloses that the majority of the members went to doctors when they were sick and they took their children to the hospital for treatment too. Besides these, it was also seen that as much as 95 percent, a vast majority of the members, have been able to increase their level of consciousness regarding health and sanitation. They achieved a better understanding about the importance of health, sanitation and cleanliness in life. All the members were found to use sanitized latrine as well (Table-1, Part-E).

Changes in other Aspects of Life

Zareen and Khan (2001) showed that the loanees (women borrowers) expressed they understand many issues better than before and their level of consciousness has enhanced. The poor members started thinking that only male members of the family are not sufficient enough to bring total improvement of a family and women's participation can uphold the family status. Majority of the members were found to have a very good idea about development (they say it 'unnoti'). Seventy five percent members viewed development as self sufficiency, keeping family small, having some additional money, education for the children etc (Table-1, Part-E).

They used to consider dowry, subordinate position of women, less education and employment for them as social norms. They changed their views within few years of joining and all the members were seen to be more knowledgeable about gender equality, women trafficking, child trafficking, acid throwing and some other punishable offences. They also acknowledged that that increased knowledge had been possible due to the intervention of their institution.

Some of the members have been able to purchase either television or radio by their additional income. Few members (25 percent) regularly watch television or listen to radio programs and they reported that radio and television were their major sources of knowledge (Table- 1, Part-B). If they find anything new either by watching television or by listening to radio programs they disseminate this information to other members when they meet each other and they make no difference between boys and girls in the family.

Conclusion

Grameen Bank has put loan in the hands of its members and they, in return, showed their competence to use that loan. This bank made credit available to poor women which in turn helped them to show their abilities to do something for the families. They brought economic improvement through increased saving, wealth accumulation and investment of money. After successful usage of loan taken from GB they improved their standard of living which was possible because of additional spending for health, education, sanitation, nutrition etc.

All the members accumulated financial assets (saving) through weekly saving program of Grameen Bank. Again, some members took loan to build houses and they got title to that land on which their houses were built. In addition, many members purchased cows, goats, rickshaws etc. by their additional income generated through income-generating programs.

Grameen Bank contributed a lot in bringing changes in the lives of rural poor women through its different programs. Some programs brought financial change that was very important for them to create a room in their respective families while rests of the programs enhanced their level of consciousness through increased knowledge base of different aspects. Earlier the women did not have opportunity to show their competence in most of the sectors other than household activities. At first the Grameen Bank gave them a chance to use money and by using that money members proved their abilities, generated income which subsequently brought dignity and increased status of them in the families as well as society.

Future Research Direction

The study on Grameen Bank's effort to increase the socio-economic condition of its members by various income-generating and consciousness-building programs has revealed a positive change in the areas of income generation, decision making inside and outside the families, health and sanitation, social network, voting right etc. But are these changes sustainable? Are these changes coming at the cost of some negative effects on family or society? Is Grameen Bank's intervention appropriate for sustainable development? These are the issues deserving greater attention to be studied in subsequent phases.□

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Table-1: Different Changes in the Lives of Grameen Bank's Members

Part-A: Changes in Financial Condition				
Areas of Change	Before Joining	Percent	After Joining	Percent
Entitlement of financial assets	7	12	60	100
Entitlement of physical assets	4	7	37	62
Economic contribution to family	6	8	60	100
Having income base	6	8	60	100
Part-B: Changes in Standard of Living				
Change in food consumption	N/A	N/A	54	90
Increased spending for education	-	-	32	53
Increased spending for better clothes	-	-	35	58
Spending for television and radio	-	-	15	25
Spending for furniture and crockery	N/A	N/A	33	55
Part-C: Participation in Decision-Making				
Sending children to school	9	15	46	77
Exercising voting right	6	10	38	63
Purchasing of land	3	5	45	75
Using contraceptive	10	17	54	90
Freedom to use income/money	4	7	42	70
Part-D: Impact on Health and Sanitation				
Use of sanitized latrine	11	18	60	100
Going to hospital or doctors if sick	14	23	47	78
Awareness about health & sanitation	9	15	57	95
Part-E: Changes in other Aspects				
Having knowledge base	11	18	60	100
Improvement of family relation	N/A	N/A	48	80
Concept of development	7	12	45	75
Going to school with children	9	15	28	47
Going to market to sell products	4	7	25	42
Sharing social festivals	12	20	41	68

Source: Authors' Personal Survey