

The role of micro-credit on social participation of rural women

Esmaeel Ghorbani¹, Maryam Khodamoradi² and Mehran Bozorgmanesh³
^{1,2,3} Marvdasht Branch, Islamic Azad University, Marvdasht, Iran

*Corresponding author: mehran11070@yahoo.com

Abstract: Rural women are among those major groups at society who previously were considered less by planners, due to specific reasons in the past. And this problem is more observable at developing countries. While, by looking at women's history of economic and social life, we can find that this great group, continuously have played basic role in forming economic condition of country. This great group consistent with men have had active role at areas of social-economic activities and always have had major part on economic production of society. Nowadays, supporting family supervisor women is adopted by universal society, as politic, economic a social concern and nearly all countries applied related approaches, and however these efforts have resulted in failure, in so many cases. [Esmaeel Ghorbani, Maryam Khodamoradi and Mehran Bozorgmanesh. **The role of micro-credit on social participation of rural women.** Life Science Journal. 2011;8(3):97-101] (ISSN:1097-8135). <http://www.lifesciencesite.com>.

Keywords: participation, rural women, micro-credit

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 Andalibi, 2001).

Nowadays micro-credits and supplying micro financial resources, has changed human's life and cause to revive different societies at poorest and richest countries of world, so that we can see growth in human's power to access to common financial services. By accessing to wide range of financial tools, families according to their priorities, invest on cases such as costs of education, healthcare, healthy and good nutrition or housing.

Applicants for Microfinance resources mostly involved family supervisor women, pensioners, homeless people, frugal workers, small farmers and micro entrepreneurs. These people are divided into four groups: Poor, very poor, relatively poor and vulnerable poor.

Whenever repayment afford, bond terms and accessing to data, in this classification will change, in order to supply sustainable financial needs of various clients, procedures and operation structures will be developed. (Fami, 2001)

Generally, in most countries, micro finance sources are considered for poor women. By women's access possibility to finance services, they committed to loan and ensure its repayment and preserve their saving accounts and also enjoy insurance cover. Supplying programs for micro financial resources have strong message for families and societies. Most of qualitative and quantitative studies and researches have proven that accessing to financial services; will improve women's conditions in family and society. Women's confidence has increased and they are aware of their abilities. (Banihashem, 1999)

Thus, it has proven that supplying financial services for poor peoples is powerful tool to decrease poverty so that make them able to establish finance, increase income and decrease vulnerability against economic pressures.

Women, being half the population, play an effective role in the economic welfare of family and society. In Iran's economy, women are one of productive factors, but, so far, researchers and writers have ignored the issue of women's participation in economic activities. While in present situation considering the role of women's participation seems to be obligatory (Balali, 2005).

Participation in its broader sense means to motivate people and thus increase the sensitivity to understand and become responsive of development programs and it also carries the concept of local initiatives.

In fact, participation is to guide people caught by disability, to help them realize their potentials and to empower them to make the best use of life.

According to preceding definition of participation, and the ability of participation to turn potential into imminence power, women should participate more

actively in economic affairs. Statistics regarding women and girls' activities, especially in rural areas, are always presented much lower than the real numbers (Ghaffari, 2000).

Village with the word "woman" removed will lose its literally in production and economic activities, their everyday activities in different fields all are evidence of woman being required in rural production. Rural girls and women are responsible for a variety of roles and duties including wife, mother, producing crops, livestock and agricultural activities, making and marketing handicrafts which are common in each area, and food preparation.

Daily activities of girls and women in different fields all are evidence of woman being required in rural production sector. Women are the major potential for developing the rural economy which leads to further growth of rural production. Increasing awareness towards the role of this class in production and towards necessity of their broader participation in economical and social development, have forced the countries to consider and support their activities while making new rural, Local and national policies (Rahmani Andalibi, 2001).

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 pallid 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 possess 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.

Conclusion:

In all communities, rural women are considered as an important factor in achieving rural development goals and in fact are half of the manpower needed for rural development. However, in the rural community of Iran, there are gaps between the ruling class (capital owners) and villagers, between literate and illiterate, and between men and women. Especially in villages women have fewer possibilities in terms of investment and less power and credit. Role of rural women, over of men, is more influenced with different economic, social, cultural and ecologic factors. Rural women are considered as a noticeable potential in the community either directly (crops production, livestock, handicrafts, cottage industries) or indirectly by helping the agricultural sector (as labor). About 5.6 million women are involved in agricultural production, and activities related to planting... harvesting, preparation of animal food, and taking care of livestock and poultry and some certain activities related to trading and marketing are all different fields of rural women's role and participation. Based on current statistics, women in rural area participate about 50% in conversion industries, 22% in producing crops and livestock, 75% in handicrafts and in areas related to planting...harvesting, respectively, 25, 24 and 4.26. And also in activities related to livestock, they handle 23% of livestock grazing, 42% of animal care and 100 percent of total poultry in the village.

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.

Goetz and Sengupta (2003), presented negative image of credits effects on empowering women. They concluded that most women have minimum control on their loans. And when repayment period is short, this shortage of control has devastating effects on women welfare.

Hashemi and others (2004) found that joining to Gramin Bank, has meaningful positive affects on controlling women, and helps to family income.

In researches that conducted by Nanda (2004) became clear that women participation in credits programs had positive affects on their demand about health care.

Fiona Steele and etal (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.

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.

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.

Ruhailamin 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.

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.

Corresponding Author:

Mehran Bozorgmanesh
Marvdasht Branch, Islamic Azad University,
Marvdasht, Iran
E-mail: mehran11070@yahoo.com

References:

1. Araghzadeh, M. institutions active in the field of providing financial services to rural women. Conference Proceedings rural women micro-credit. (Volume II), 2002. 167-153.
2. Bakhshoodeh M. and Habibullah Salami. Article "The role of agricultural banks in reducing poverty with emphasis on micro-credit." Conference on rural development and poverty reduction, agricultural banks, Tehran, 2005.
3. Balali, L. Mission Trip Reports samples producing rural women (rural women's efforts Affairs Ministry of Agriculture) to India and meeting with the board of directors and senior managers National Bank of Agriculture and Rural Development (NABARD) self-employment Women's Association (SEWA), and the Empowerment Institute rural women (CARE), 2005.
4. Banihashem, F. Rural women, education, association and participation. Jihad Journal village, 14 years, No. 310, 1999, p. 21.
5. Changizi Ashtiani, M .Including the share of women in producing countries. Journal of Agricultural Economics and Development, the third year, special role of women in agriculture. Tehran: Ministry of Agriculture publications, 2003, Pp 83-81.
6. Ellen Vor der Bruegge, Maureen Plas, Christopher Dunford and Kathleen E. Stack. Credit with education: a self-financing way to empower women, 2009.
7. Fakhraee, S. Economic and social effects of their financial reliance of women in rural communities, 2002.
8. FAO. Women in agricultural development. (Translated by: Saleh GH ancestry). Publisher: Management studies and studies and promoting people's participation Deputy Agriculture (the former). Pp 46-42, 1998.
9. Fiona Steele, Sajeda Amin and Ruchira T. Naved. The Impact of an Integrated Micro-credit Program on Women's Empowerment and Fertility Behavior in Rural Bangladesh, 2008.
10. Ghaffari, GH. The role of women and social development. Women's Magazine, 2000, No. 10, p. 15.
11. Goetz, A. and Rina Sengupta, R. "Who Takes the Credit? Gender, Power, and Control over Loan Use in Rural Credit Programs in Bangladesh." *World Development* 24 (1), 2003, 45-63.
12. Jameela v. a. Micro credit, empowerment and diversion of loan use, 2010.
13. Lahsaeizadeh, A. Sociology of rural development. Tehran: Publication Days, 2000, p. 58.
14. Moazami, M, Rahimi A. and Azam tayefe Heidari. "Coverage and sustainability of micro-credit programs, case study of rural women micro-credit fund" Research Center for Rural Women and Rural Affairs Ministry of Agriculture, 2005.
15. Najafi. M (2006). Participatory evaluation of rural women micro-credit fund scheme, the organization promoting education and agricultural research.
16. Nanda. P. (2004). Women's participation in rural credit programs in Bangladesh and their demand for formal health care: is there a positive impact? Center for Health and Gender Equity. USA.
17. Navab Akbar, F. The role of rural women in the past decade. Journal of Agricultural Economics and Development, conference papers, women participation and Agriculture 1400, Journal No. 3, Publishing Ministry of Agriculture, 1997, P. 186.
18. Rahmani Andalibi. S. "Need, principles, mechanisms and advantages of micro-credit programs in small business development and improvement of rural women." Conference Proceedings Volume II of rural women micro-credit and promoting people's participation Deputy Ministry of Agriculture - Bureau of Women Affairs in collaboration with Al-Zahra University, Agricultural Bank, Tehran, 2001.
19. Rahimi, A. Review of micro-credit properties. Conference Proceedings Volume II of rural women micro-credit and promoting people's participation Deputy Ministry of Agriculture - Bureau of Women Affairs in collaboration with Al-Zahra University, Agricultural Bank, Tehran, 2001.
20. Ruhail Amin, yipping li and ashrad u. Ahmad. Women's credit programs and family planning in rural Bangladesh, 2010.
21. Saadi. H, Arab Mazar A. Paper "role in accelerating the process of micro-credit in rural development: comparing two perspectives." Conference on rural development and poverty reduction, agricultural banks, Tehran, 2005.

5/7/2011