

Improving empowerment of rural women through micro- credit

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Abstract: 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. 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. 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:

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) .

Micro-credits:

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).

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 develop .(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)

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.

Empowering rural women:

Empowerment is capacity that woman can obtain in cultural and social environment, for economic independency and self reliance, by controlling over emotional decision making and far from violation. Empowering means, evolution and developing activities through non governmental organizations (NGOS) that lead empowerment to improve economic dimensions. (Amiri, 2000)

Enabling is process that, during it, people of society do activities to overcome barriers of advancement that finally cause their domination to determine their own density. The term "enabling" means overcoming fundamental inequalities. So it is different from self-reliance. (UNICEF, 1997)

Enabling, enables individual to overcome any problematic condition and consider barriers and problems as part of life and positive campaign. Finally, enabling provides energy to overcome most intellectual barriers and external problems at private life.

Thus, among all what have been said, it is possible to present suitable definition of enabling women, as follows:

"Process of explaining women about themselves (and also men about them) for instances that they must or want to do, and growth of their willingness and courage until they reach to needed competency "(management of rural and tribal women).

it should be noted here , that major factor which should be considered about women's ability , is eliminating individual and social barriers , and finally preparing field of economic and social participation for women at all fields . purpose of women's participation , is because of their dominance on all affairs of village including decision making process , organizations , forums , enterprising posts and ... that involve , participation at all social and economic dimensions .

Criteria of empowering women:

Enabling as a theory of policy making for women, in it present five criteria:

Welfare, access, Concientisation, participation and control.

1- welfare criteria :

In this criteria, men and women as human resources of development should enjoy of desirable welfare conditions and equality (Paknazar, 2000).

Most of timing developmental programs, have worked on base of women's welfare. They have considered and provided some services for women who were passive recipient of these services. But these services were limited to physical needs and mostly were considered to revive their role of productivity, again. sometimes , it has been said that this approach has begun at colonial era and has considered women from poor country and intended services for them that dose not exceed from that poverty level . Agricultural and industrial projects were designed for men and social programs for women and children. Most of welfare programs were inadequate or its success was limited. Considerable point in this criteria is that men and women as human resources of development should enjoy equality and desirable welfare conditions. At this stage, women's material welfare and their enjoyment of welfare programs, compared to men (nutrition, death rate and ...) were considered. And women's role as producer to supply their own needs isn't very important.

2. access criteria :

Lack of access or limited access for women to sources including (fields, job, capital and training) cause that their functions at production is less than men (Paknazar 2000). Access to facilities, sources, designed program and projects for women and access to schools and ... are in this part. Just whenever most of other legal, cultural and social issues being solved, men and women would equally access to sources and facilities. Concept of enabling at this stage is that women have equal right to access to sources at family and greater society.

3- Concientisation criteria

Women should know that their problems aren't due to their individual inefficiency and shortage but it has emerged by social system in which discriminations has become formal and acceptable issue. (Araghzadeh, 2002). This stage is more critical and important than other stages. Because women can participate at development activities not just be passive users. Women have real equality at development, just when be aware. Concientisation will help to increase women's ability to equality at participation at society. At this stage, women face

with critical analysis with society and will find that what has been considered natural and unchangeable reality, is changeable. (Bakhshodeh, 2005).

4- Participation criteria

One the most important items that this criteria has considered , is men and women's equal participation at decision making process of affairs of family at society (Paknazar 2000) . Men and women both should participate at process of assessment needs, designing, performing and evaluation of projects and development programs (UNICEF, 1998). In summary, this criterion means women's participation at all stages of surveying needs, detecting problems, planning, management, performing and valuation.

5- Control criteria

This criterion emphasize on this point that in addition to equal access of men and women to development sources , they must have adequate control on these sources that this issue is balance criterion , between men and women so that no one exceed other one (Paknazar 2000) . Women should have opportunities for decision making at workplace and home. If woman is producer, should be shared with part of her interest and wage. Women like men, should be able to choose her individual and social field and able to make decision and also development activities should be facilitator of these processes.

FAO (food and agricultural organization) addresses these three purposes as strategic goals while enabling women:

- 1- equality between men and women to access production sources
- 2- women's participation at policy and decision making
- 3- decreasing rural women's workload and increasing job opportunity and income for them (Paknazar 2000)

within theoretical framework of enabling women , having control on sources is presented as highest stage at women's participation process on development , but existing data at most developing countries , indicates that not only rural women haven't any control on financial resources of family but even they were deprived to access to sources and credits , specially through formal credits system (Shaditalab, 2002).

The question that arises here is that what relation is there between enabling women and micro-credits programs? Nowadays, micro-credits are considered as effective mechanism to eradicate poverty for women. Interests of micro-credits further increasing women's income, include:

- improving women's role in family

- Increasing women's confidence, not only through obtain financial success through business activity, but through increasing women's access to social services and communication with other women.
- Changing at social level (social class) at perspective of women's role.

Discussion and conclusion:

Supplying credits and analyzing credits approaches cause opportunity to activate poor men's working power, establishing field for sustainable production and income, prevent users 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.

Woroniuk Schalkwyk (1998) at their conducted research believe that now, micro credits, micro finance sources and small business unites are most effective mechanism to decrease poverty.

Plitt and others, conducted research as they called it "do credits programs, can empower women"? Results showed that corporation at credits programs helps empowering women.

Goetz 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.

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.

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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