

**Increasing social participation of rural women through micro-credit**<sup>1</sup> Ali Badragheh, <sup>2</sup> Mohammad Abedi<sup>1,2</sup> Department of Environment, Damavand Branch, Islamic Azad University, Damavand, Iran\*Corresponding author: [abedi114@yahoo.com](mailto:abedi114@yahoo.com)

**Abstract:** 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.

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**Introduction:**

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 (Banihashem, 1999). 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 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)

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.

#### **Rural women's participation:**

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).

Being aware of women and girls' important role in rural activities, many countries have established institutes and organizations to advance women's progress. These organizations try to remove legal barriers that prevent women to participate in development activities as much as men. And finally improve their social, political and

economic status in society. With continues evaluation and analysis of current development plans, we can provide especial conditions to ease women's access to production recourses and social services, and considering women's social situation in every society, we can provide the opportunity for them to increase their participation, share income like men, and take part in decision-making(FAO, 1998 ).

#### **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 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.

#### **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 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.

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.

In order to overcoming dominant consideration, experts believe that we should consider following in protection process of these social institutions.

- establishing and reinforcing through supporting without ant direct government involvement
- evaluating and constant modifying of financial management mechanisms
- improving organization effectiveness
- establishing constant relation and interaction with similar and equal systems.
- establishing local, regional and national networks
- establishing support and cover systems in order to decrease risk
- establishing balance and interaction with financial systems greater decision making include: capital market (local, regional, national) and governmental.

also following suggestions have been offered:

- helping to marketing and establishing many exhibitions for member's productions, credit programs, guiding and training them in line with group and workshop activity, can assist them on economic empowerment.
- since women have pointed to education deficiency as major barrier for empowering them, thus educating rural women at the field of exploiting different credits and channels of receiving credits, and also various educations, is so that lead to enabling them, that contain considerable importance.
- providing extension educations for men in order to believe economic role of their women, and give them chance of corporation on all economic, credits fields
- Since that base of credit association, forms base on People Corporation, so it's good chance to use these communities to expand extension-education activities. so it is better to consider special programs on different

extensional filed such as agriculture, ranching, family health, housekeeping economy and other fields accordance to condition of region and rural women's needs.

- it is suggested that vast and exact programming happens at following fields:
  - a- extending insurance, facilities for amenities
  - b- educating women about awareness of their own individual and social rights
  - c- persuading rural women about importance of participating at cooperatives and other educational institutes
  - d- educating women about job management and income management

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