

### Financial self-reliance of rural women through micro-credit

<sup>1</sup> Maryam Nikmanesh and <sup>2</sup> Mina Abarashi

<sup>1,2</sup> Damavand Branch, Islamic Azad University, Damavand, Iran

\*Corresponding author: [allahyari121@yahoo.com](mailto:allahyari121@yahoo.com)

**Abstract:** If rural women could provide a job for them by getting credits, loan and other financial convenience, through their income they can get self-reliance or financial independency and we will see social, cultural & economic change in village. The question here is that if these changes have positive or negative aspects in the village? It's natural that every change in social phenomenon has both positive and negative aspect, but which is Important here is that which aspect is more than the other and it depends to different condition in various societies. In our rural society there is an especial social & cultural kind that it's outcome maybe different and in some case inconsistent. With these actions rural women could be in idealistic economic condition and they could live without dependency to their husband's income. In most of the villages in Iran there is patriarchy in the families which is not acceptable for the most of the rural people and groups. When rural women became financially independent, it's acceptable to see its cultural & social outcomes. Giving the right that women make decision, independency to their family, increasing the cultural knowledge among them& making relation with new institutions, having independency in making decision about marriage, occupation, migration & something like this are the right that women have got it.

[Maryam Nikmanesh and Mina Abarashi. **Financial self-reliance of rural women through micro-credit**. Journal of American Science 2011;7(6):372-375]. (ISSN: 1545-1003). <http://www.americanscience.org>.

**Keywords:** financial self-reliance, rural women

#### Introduction:

Rural women constitute% 50 of the workforce and they participate in the production of half of the foods in the agriculture section. As an example the rural women constitute about 70 to% 80 of agriculture workforce in sub-Saharan Africa, %65 in Asia, %45 in Latin American & Caribbean, %80 in Nigeria & Tunisia and %80 in India, but their role in production system is the men's supplements roles and this causes a big responsibility inside their mother & wife duties and it takes a great time and energy of them. Studies in this field show that women spend about two thirds of their time for production, management & organize of their house as the men spend only one third of their time for such things. (Varzegar & Azizi 1367).

Poverty spreading in village is a global issue. According to the Fao finding about % 75 of world's poor people that are more than 1 milliard people are living in rural zone and more than % 70 of this poverty people are women. As the most of the people who are poor are living in village and are women is the reason for insufficiency of rural development programs.

One of the other basic barriers in development of rural women is their independent inaccessibility to get credits for investment in their job. Although their illiteracy is the big barrier to use of bank credits, but this view that women are dependent people that their husband should decide about their financial decisions is the other reason that rural women couldn't access to official credits. Maybe these barriers are the reason

why rural women are happy about applying micro-credit thought in village. (Najafi, 2007).

It seems that experiences which are obtained from performing financial programs in some villages in the developing countries could answer clearly to such questions.

A glimpse to previous planning about rural development in the world shows that from 1950 many developing countries understood that the main reason for making their economic growth (development) slowly in their countries is the weakness of investment in the agriculture part. Although many countries by patterning from developed societies have proceeded to improve & develop their industrial agriculture part and by this action not only had irreparable damages to many traditional farmers but also the main problem (the lack of capital sources) is also remained in the rural regions. (Rahimi, 2001).

Women's self-reliance and independency were the outcome of giving credits to women and in some cases were the obstacle of receiving credits by women which is necessary to explain about them shortly.

#### Cultural & social effects of rural women's financial self-reliance

As it mentioned before the traditional culture in villages was the reason for weakening women rights and made them oppressed, it is possible that women's self-reliance & financial independency in villages

make some crudities (malformation) in the family and village for a short a short time, but we can't disregard it's positive outcome in the social & cultural occasions in the long time, here we will discuss about some of these outcomes (Goetz and Sengupta, 2003)

#### **1- Preferment of women role and their social place:**

Women's financial self-reliance can increase the women's social role & place in the villages. In the new condition some of their assignment roles could change to acquisitive roles. The women should use of all their power & energy for doing their acquisitive roles. Thus they can find active view to different functions. The people & groups could increase their social place in the village with improving their social role. If their role and social place preferment be accompanied with the increasing of social intelligence & knowledge, it can have more effect culturally. (Amiri, 2000)

#### **2- Increasing self-confidence:**

Self-reliance in different life aspects can increase people's self-confidence. Rural women who are financially independent can live peacefully. With decreasing their problems in life, their self-confidence will increase. And self-confidence is one of personality & mentally condition for being success in life.

#### **3- Family consistency:**

At the first, it seems that rural women's financial independency is not acceptable by their husband and this causes some gaps in their family's relations. But little by little these problems will be solved by increasing the rural people's knowledge. Usually poverty is one of the reasons which will destroy or decrease family's consistency. Women by working and having income can help their husband & family. (Fakhraee, 1381)

#### **4- Change in family's relation:**

The rural women with having a job and financial independency can change the viewpoint of people who live in villages and cities and they will not look at the rural women as a weak and dependent people. But also their title and place will increase among their families. So by changing people's view to the women, gently we can see some changes in their family's relation which will have respect to the women's right. By increasing women's knowledge and by introducing new rural institution which give financial & authority service to the women, their stimulus (motivation) for reaching their social rights will increase and they try more than before (Amiri, 2000).

#### **5- Making patriarchy weak in the family:**

Gently, with changing family's relation in the villages and by increasing rural people's knowledge,

we can make the men and women's right equal and also we won't have patriarchy in the family, although patriarchy has historic and olden root in our villages but with improving women's position and increasing their cultural and social know ledge we can destroy patriarchy in the rural families. . (Chowdhury, 2005).

#### **6- Population and family adjustment:**

The practitioner women's view about the number of the children is different; studies show that practitioner women are interested to fewer children to the house keeper women.

By decreasing families in the village and women's financial independency we are more hopeful to adjust family's population in the future because villages have important role in the population increase in Iran. (Shaditalab 75).

#### **Conclusion & discussion:**

The question here is that if these changes have positive or negative aspects in the village? It's natural that every change in social phenomenon has both positive and negative aspect, but which is Important here is that which aspect is more than the other and it depends to different condition in various societies. In our rural society there is an especial social & cultural kind that it's outcome maybe different and in some case inconsistent. With these actions rural women could be in idealistic economic condition and they could live without dependency to their husband's income. In most of the villages in Iran there is patriarchy in the families which is not acceptable for the most of the rural people and groups. When rural women became financially independent, it's acceptable to see its cultural & social outcomes.

Giving the right that women make decision, independency to their family, increasing the cultural knowledge among them& making relation with new institutions, having independency in making decision about marriage, occupation, migration & something like this are the right that women have got it.

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 .Ruhail 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

- Relating public established institutions with each other and networking established institutions
- Emphasis on stability and self reliance of management system of credits institutions from financial and economic dimensions
- Efforts to gain local confidence and credibility among contacts
- Effectiveness of costs and economic and financial efficiency inside established institutions

Also following suggestions has been offered:

- 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.

Giving the right that women make decision, independency to their family, increasing the cultural knowledge among them& making relation with new institutions, having independency in making decision about marriage, occupation, migration & something like this are the right that women have got it.

Women by getting these rights can make change in the rural cultural & social issues which make disfunction & crudity in their family's relation. However, rural women's self-reliance has caused improvement in the economic, social & cultural issues. For solving women's self-reliance problems we can do these activities:

- Giving promotional services for increasing rural women's skills in various fields.
- Giving promotional instructions to men for believing their women's economic role & their women opportunity to participate in all economic, authority & ... aspects.
- Increasing rural women's knowledge in all social, political, cultural & economic fields.
- Making use of micro-credits programs to motivate & support women for doing economic affairs better & finally to make women self-reliance.

Its result is that, exploiter can't access to desirable condition of production efficiency at first. Secondly, he would incapable for loan repayment. Third, his activity doesn't contain consistency. Fourth, remarkable part of provided credits would exit from production cycle due to exploiter's incapability and lack of skill in exploiter. His technical and occupation skill would improve, if credit is being provided for exploiter as a credit program. and he knows and can applies loan properly and well timed for production and activity, so condition of production and level of income , level of life and ... would improve .

Women by getting these rights can make change in the rural cultural & social issues which make disfunction & crudity in their family's relation. However, rural women's self-reliance has caused improvement in the economic, social & cultural issues. For solving women's self-reliance problems we can do these activities:

- Giving promotional services for increasing rural women's skills in various fields.
- Giving promotional instructions to men for believing their women's economic role & their women opportunity to participate in all economic, authority & ... aspects.
- Increasing rural women's knowledge in all social, political, cultural & economic fields.
- Making use of micro-credits programs to motivate & support women for doing economic affairs better & finally to make women self-reliance.

**\*Corresponding Author:**

Maryam Nikmanesh  
Damavand Branch, Islamic Azad University,  
Damavand, Iran

\*Corresponding author: [allahyari121@yahoo.com](mailto:allahyari121@yahoo.com)

**Reference:**

1. 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.
2. Chabokru. GH, Mokhtari, D. and Abdshahi. A. Paper "of micro-credit on the value added of agricultural sector in Iran." Conference on rural development and poverty reduction, agricultural banks, Tehran, 2005.
3. Chowdhury. M. J. A. The Role of Micro-credit in Alleviation of Poverty: A study of the Grameen Bank in Bangladesh. Department of Economics, University of Stirling, Scotland and Department of Finance and Banking, University of Dhaka, Bangladesh, 2005.
4. Fakhraee, S. Economic and social effects of their financial reliance of women in rural communities, 2002.
5. 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.
6. 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.
7. Ghaffari, GH. The role of women and social development. *Women's Magazine*, 2000, No. 10, p. 15.
8. Jameela v. a. Micro credit, empowerment and diversion of loan use, 2010.
9. Najafi. M. Participatory evaluation of rural women micro-credit fund scheme, the organization promoting education and agricultural research, 2007.
10. 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.
11. Ruhail amin, yipping li and ashrad u. Ahmad. Women's credit programs and family planning in rural Bangladesh, 2010.

5/7/2011