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Exploring Women's Empowerment Through "Credit-Plus" Microfinance in India

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Abstract

Transnational feminist discourse has critiqued the pursuit of women's empowerment through international development programs. Empowerment, when reduced to the provision of financial resources and services, is unlikely to lead to wider changes in gender inequality unless programs strategically combine credit with other vital services. We interviewed women participating in a multifaceted empowerment program in Mumbai, India, to explore the potential of the "Credit-Plus" model to facilitate pathways of individual and collective empowerment. Emergent themes of empowerment were enhanced socioemotional well-being, increased economic assets, and improved household gender equity. Interview responses demonstrate changes in individual, household, and collective agency dynamics.

Keywords

empowerment, feminist theories and research, micro enterprise, research categories, social work/ social welfare history and philosophy, women in poverty

Introduction

Since the mid-1980s, concern for women's empowerment has grown within the international development field (Batliwala, 2007). Development scholar Naila Kabeer (1999) characterizes empowerment broadly as the "process through which those who have been denied the ability to make strategic life choices acquire such an ability" (p. 435). Though initially theorized by feminists from the developing world as a means to challenge patriarchal oppression through consciousness raising and political activism, more recently the notion of women's empowerment has been embraced by mainstream development organizations, primarily nongovernmental organizations

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(NGOs) that promote microfinance to reduce gender inequality by generating social and economic development (Batliwala, 2007). From the perspective of feminists wary of neoliberal appropriation, the focus on individual rather than collective empowerment, “entrepreneurship and individual self-reliance, rather than cooperation to challenge power structures which subordinate women,” signifies a fundamental denaturing of “empowerment” as a political and transformatory idea (Cornwall, Gideon, & Wilson, 2008; Oxaal & Baden, 1997, p. 5). Others argue that microfinance programs, when successful over time, can pave the way for collective transformation (Kabeer, 2005; Mayoux, 2011).

Considering the contentious discourse on women’s empowerment and its centrality to collective feminist politics as well as local development practice, this article traces the effects of one NGO’s microfinance program on women from poor urban areas of Mumbai, India. Founded in 1975, Annapurna Pariwar has long considered microcredit a useful, yet limited tool for addressing the complex issues facing India’s urban poor. A pioneer of the “Credit-Plus” model of microfinance, Annapurna Pariwar’s needs-based, multidimensional program offers women a package of services including savings, loans, health care, health insurance, child care, and educational sponsorships with the understanding that lack of access to resources, unequal gender relations, and discrimination based on ethnicity, class, caste, and religion intersect in ways that perpetuate poverty. The focus of our research was to explore the empowering effects of Annapurna Pariwar’s microfinance model through the stories and perspectives of women who participate in the program.

Literature Review

Empowerment is generally conceived as the process by which a person or group develops critical awareness and agency, or the ability to act purposefully and effectively for desired ends. Widely used and variously defined, “empowerment” figured prominently in U.S. radical political movements of the 1960s and has been taken up more recently within feminist and development discourse (Oxaal & Baden, 1997, p. 1). The feminist conceptualization of “women’s empowerment” as a political project and development intervention emerged in the mid-1980s in reaction to prevailing approaches to women in international development (Saunders, 2002). The grassroots group known as Development Alternatives with Women for a New Era (DAWN) played a crucial role in formulating a new vision of development based on the experiences of poor women in the Global South (Saunders, 2002). Discontent with development theories that did not recognize the situated complexity of gender relations or challenge existing economic structures (instead, equating women’s empowerment with access to the public “productive” sphere), members of DAWN emphasized that gender subordination must be understood in terms of socially constructed gender relations and larger systems of inequality (Drolet, 2010). Interested in creating more just, inclusive, and participatory processes of development and inspired by Paulo Freire’s work on critical consciousness and popular education, these scholars and activists saw “women’s empowerment” as a critical component of development for social transformation (Batliwala, 2007). In contrast to top-down development strategies, empowerment was conceived as a bottom-up process in which women develop a critical awareness of their own situation and dictate the shape of social change (Sen & Grown, 1987).

Throughout the 1980s and 1990s, women’s groups in India embraced empowerment as a tool for social justice, creating spaces for women to “collectivize around shared experiences of poverty, exclusion, and discrimination, critically analyze the structures and ideologies that sustained and reinforced their oppression, and raise consciousness of their own subordination” (Batliwala, 2007, p. 560). The success of these early interventions was one factor leading to the adoption of empowerment rhetoric by governments and development organizations in the 1990s. The 1995 Fourth World Conference on Women in Beijing was critical in bringing empowerment to the forefront of development policy and practice (Batliwala, 2007). Highlighting the connection between

women's empowerment, poverty reduction, and economic growth, the Beijing Platform for Action identified women's empowerment and gender equality as necessary prerequisites for achieving social, political, economic, cultural, and environmental security (Beijing Platform for Action, 1995, as cited in Drolet, 2010, p. 215). Eager to demonstrate a progressive approach to gender while reducing poverty and stimulating economic growth, many governments and development organizations adopted the language of empowerment while standardizing its implementation (Batliwala, 2007). Microcredit programs emerged during this time as a favored tactic for reducing poverty while empowering women, particularly as responsibility for women's empowerment shifted from the state to local governments and NGOs (Leach & Sitaram, 2002).

Though much research has brought into question the empowering effects of microcredit, the provision of financial services to poor women and families has been widely promoted by donor agencies as a relatively straightforward pathway to empowerment and poverty reduction (Mayoux, 2003). The assumed correlation between microcredit and empowerment is based on the premise that, with access to financial resources, women are better equipped to meet practical needs, contribute to household resources, and challenge gender inequity (Mayoux, 2003). On a basic level, the practice of microcredit involves extending small loans to poor borrowers who otherwise would not be able to access credit. Loans are disbursed to individuals or groups, with the expectation that the money will be invested in entrepreneurial activities, generate income and employment opportunities, and help to lessen poverty on the individual and community level (Isserles, 2003). The rationale for providing loans to women is based on findings that women are disproportionately represented among the poorest in society, are discriminated against in the formal labor market, and are often relegated to work in the unregulated informal sector (Leach & Sitaram, 2002). From a financial sustainability standpoint, women are considered safer investments, more reliable than men in repaying loans (D'Espallier, Guérin, & Mersland, 2011), and more likely to allocate earnings to family nutrition and well-being (Hamad & Fernald, 2012). Generally concerned with improving women's income-earning capacity via entrepreneurialism and self-employment, microcredit has been criticized for placing the onus of development on individual women rather than challenging broader structural barriers to gender equality and the alleviation of poverty (Drolet, 2010). Many feminist scholars view microcredit as an attempt to integrate poor women into the neoliberal capitalist market system and consider the use of "empowerment" in this context a misleading appropriation of a political concept (Batliwala, 2007; Drolet, 2010; Rankin, 2001).

Despite the limitations inherent to microcredit as a strategy for women's empowerment, Kabeer (2005) argues that microcredit programs do have the potential to address women's basic needs in the informal economy, and therefore should not be dismissed. Indeed, many women's organizations have long utilized microfinance as a tool for women's empowerment, operating within what Mayoux (2003) terms "the feminist empowerment paradigm." Reflective of the perspective advocated by DAWN, the feminist empowerment paradigm seeks not only to meet women's practical needs but also to transform oppressive power relations throughout society (Drolet, 2010). Empowerment is viewed as a complex, multidimensional process affecting multiple aspects of women's lives, from consciousness and self-esteem to agency, access to resources, and the ability to work with others for social justice (Kabeer, 2011). Given that women's experiences of marginality occur within particular contexts and reflect intersecting relations of power, there is no predictable pathway to empowerment. Within this paradigm, microcredit may help further the process of empowerment for some women, but should not be considered an end in itself.

Microfinance programs operating within the feminist empowerment paradigm recognize the limitations and possibilities of microcredit as a means of promoting gender justice and social transformation (Mayoux, 2010). Using a "Credit-Plus" model, organizations such as Pro Mujer in Bolivia, *Bangladesh Rural Advancement Committee* in Bangladesh, and the Self-Employed Women's Association in India supplement microcredit with ancillary services based on the needs of clients

and concern for gender empowerment. Despite reservations about the effectiveness and efficiency of the “Credit-Plus” model (Mayoux, 2010), Velasco and Marconi (2004) suggest that such an approach does not necessarily limit the financial sustainability or effectiveness of development programs. Based on their analysis of Pro Mujer, the authors argue that provision of integrated social and financial services may actually improve repayment rates and foster increased lending and investment, particularly for organizations that engage in group lending. Much of the existing research on the “Credit-Plus” model of microfinance takes an organizational perspective, measuring outcomes in terms of profitability, financial sustainability, and repayment rates (Chakrabarti & Ravi, 2011; Godquin, 2004). To date, few studies have explored “Credit-Plus” from a feminist empowerment standpoint as a means to foster women’s empowerment and broader structural changes in gender relations (Mayoux, 2010). Our research examined this question through a case study analysis of Annapurna Pariwar, an NGO in India that provides “Credit-Plus” microloans to women along with other social and financial services.

Case Study of Annapurna Pariwar, Mumbai, India

Despite advances in fields such as information technology, a burgeoning urban middle class, and increasing global influence and integration, India continues to face many challenges related to long-standing social inequalities and contemporary globalization (Pacione, 2006). Poor urban areas with dense conglomerations of disadvantaged people dot the metropolitan landscape of cities like Mumbai, where residents often contend with inadequate infrastructure, limited employment opportunities, lack of access to quality education, and poor health (Gomez, Gomez, & Kabajuni, 2008). Traditional social norms and power relations tend to destabilize in this environment of rapid cultural and economic change, creating new challenges and opportunities for poor residents (Desai, 2005). Microfinance organizations like Annapurna Pariwar have emerged in urban and rural areas to address gender inequality and women’s poverty by helping to regularize income flow and improve the ability of women and families to meet basic needs (Kabeer, 1999).

Founded in 1975, Annapurna Pariwar is a group of six NGOs located in the Indian state of Maharashtra and is one of the first urban microfinance organizations in India. Since 1993, Annapurna Pariwar has worked toward achieving its vision of “empowered women in sustainable families” through needs-based projects, partnerships, and advocacy. Though the organization’s first and primary activity remains empowering women through microfinance, the organizations associated with Annapurna Pariwar collectively offer a package of services that include (1) microloans and savings; (2) vocational training and job placement; (3) microinsurance; (4) family, legal, and health counseling; and (5) low-cost child care and educational sponsorship. Clients are encouraged to utilize a combination of services. The NGO provides small loans to poor female residents for business creation or expansion, debt repayment, and other social needs, like education and housing. The cost of health insurance is usually included in women’s monthly loan payments.

For Annapurna Pariwar, microcredit is an “entry point” into poor urban communities and the basis for further empowerment. The organization utilizes a joint liability group (JLG) microfinance model, consisting of five members who stand guarantee for the loan drawn by each member in the group. The JLG model is a version of group dynamics similar to the self-help group, a common tool for the empowerment of vulnerable groups in India based on the premise of increased social capital. Individual loans range in size from 1,000 to 35,000 rupees (roughly the equivalent of US\$18–US\$623). Borrowers are allowed loans in higher amounts over time, depending on their repayment performance, group cohesion, and business development. While repaying the loan, borrowers (referred to as “partners”) must save a minimum of 20%. Most partners engage in some form of informal employment to help repay their loans. Typical partners work as rag pickers, construction and domestic workers, farm laborers, petty merchants, rickshaw drivers, and vendors of vegetables,

fish, fruit, or flowers. Partners are encouraged to attend monthly and biannual meetings to engage with other group members, learn about Annapurna's other services and activities, seek health-related advice, and hear presentations on topics ranging from business operation and loan use to disease prevention and health.

According to an impact analysis conducted by Annapurna Pariwar, its microfinance program has positively impacted 150 slum communities in Pune and 60 slum communities in Mumbai, measured in terms of borrowers' earning power, family welfare, child education, and receipt of adequate health care ("Annapurna Pariwar," 2011). Our research extends this analysis by exploring pathways to the broader goal of women's empowerment, such as gender equality and challenges to the socioeconomic and political structures that oppress women. In other words, our study sought to assess what, if any, changes in women's individual and household well-being lay the groundwork for community and societal change, which can ultimately lead to structural transformation.

Method

Drawing upon feminist standpoint theory, our intent was to design a study that gives voice to women's lived experiences, while furthering our understanding of empowerment as a development intervention with the potential to address not only individual financial resources but gender inequality, poverty, and oppression. As a theory of knowledge building, feminist standpoint epistemology is concerned with understanding the lives of oppressed women, as they experience it, and uncovering knowledge that has been hidden or undervalued (Hesse-Biber & Leavy, 2007). The purpose of such an approach is not only to document women's voices but also to utilize their perspective as a starting point for social change. As a path-dependent and multidimensional process, empowerment is inherently difficult to define and measure (Kabeer, 2011). Qualitative research methods may be best able to capture local understandings of empowerment and the nuanced outcomes of empowerment interventions.

Following the approved institutional review board plan for research with human subjects, data collection took place over the course of 3 months. A local research assistant facilitated the recruitment process by distributing fliers to staff members at Annapurna Pariwar, who then identified and informed qualified potential subjects about the study. Participants were asked to complete a brief survey that included basic demographic questions and survey items pertaining to their participation in a women's empowerment intervention. Immediately following the survey, the research assistant conducted face-to-face interviews during which respondents were asked to describe their experience with the programs of Annapurna Pariwar. All subjects were compensated for participation. Two professional translators familiar with the local dialect of participants transcribed the data verbatim in Marathi and Hindi then translated into English.

Sample

The convenience sample of 10 women included in this study, considered by Annapurna Pariwar to be the "poorest of the poor," ranged in age from 18 to 55 and had participated in the microfinance program for at least a year. Like most poor slum residents, these women live with other family members in small, substandard housing units. All are married with children, though one respondent's husband lives elsewhere, while another's husband recently passed away. Some have worked their entire lives; others took up employment after receiving a loan from Annapurna. Most engage in heavily gendered informal economic activities, sorting through trash as rag pickers or selling vegetables, flowers, or garlands. Few have family members who earn a monthly fixed income. Their daily lives are almost entirely consumed by work, household responsibilities, and child care. The women's educational levels varied from *no education to junior or senior-level schooling*; six of the

women identified as Hindu and four as Muslim. Discrimination on caste, religion, and social status plays a crucial role in the self-image of women, and India's patriarchal setup, particularly for women who constitute the poorest of the poor, serves to locate the struggle of these women. Despite challenges, the women interviewed managed to maintain a sense of humor, dignity, and resilience.

Analysis

The interview and survey questions were designed to assess the respondents' sense of agency and empowerment by asking open-ended questions pertaining to the effect of the microfinance program on their sense of confidence and self-esteem, patterns of personal and household decision making, familial and extrafamilial relationships, economic well-being, and community-level empowerment. Interviews were coded to identify patterns and themes across the responses. The content analysis was informed by the preconceptualized categories identified in Malhotra, Schuler, and Boender's (2002) framework for assessing women's empowerment. Data were first categorized into different dimensions (psychological, familial/interpersonal, economic, and sociocultural) and then located along a spectrum from individual- to community-level empowerment. Kabeer's (1999) definition of empowerment undergirded the content analysis: Each dimension was assessed in terms of the women's sense of agency and access to resources, before and after taking loans from Annapurna Pariwar.

Findings

The findings presented here demonstrate the emerging themes for the research participants included in this study. Their survey and interview responses explore the relationship between Annapurna Pariwar's microfinance program and various dimensions of empowerment.

Theme 1: Psychosocial Empowerment

Since taking their first loans over 2 years ago, study participants described themselves as "better," "more confident," and "happy." Their responses reflected subthemes of improved self-confidence, self-efficacy, and social relationships. In general, they noted feeling more self-assured and capable in their work and their daily interactions, particularly in social situations they previously avoided:

People tell the children that your mother speaks better now, that she has a different etiquette now. We can go for weddings and go well dressed. We feel better and respected. We have a lot more confidence now. Our relatives are in better touch with us now.

Positive social interactions and increased respect from neighbors, relatives, and other acquaintances seem to reinforce the women's self-esteem. Based on interview data, the ability to interact more comfortably with people in positions of power may ultimately enhance the women's social capital and access to resources:

I am educated up to Std V. Now when I go to my son's school who is in Std XI, I am more comfortable speaking to his teachers as I know the way in which one must interact in society.

Considering the social stigma associated with slum dwellers and migrants, the respondent's expressions of self-respect and social inclusion may indicate a deeper process of healing from the effects of internalized oppression.

The women attributed newfound self-confidence and self-respect to various factors associated with their microfinance activities at Annapurna Pariwar. Most considered their success in income-earning

activities and loan repayment to be a significant achievement and source of pride. After years of economic instability and dependence, simply knowing that they are capable of paying loans on time, providing for their families, managing a business, and saving money reinforces a sense of “power within.” Being known and respected by family and peers as someone who has achieved all of these things magnifies this effect. Many women described not only confidence but happiness resulting from their ability to contribute to household income, control loan usage, save money, support their children’s education, and improve their family’s well-being. Happiness was also correlated with reduced stress due to improved living conditions.

Some remarked on the opportunity to interact more frequently with group members and NGO staff, linking group meetings to improved social competence:

What we cannot learn staying at home, we can, by stepping out and interacting with others. I speak a lot more, with confidence. We get to observe different people, how they speak, there is a lot to learn from that. I learnt to interact differently, not the usual informal way we may do with neighbors. Once one goes to places like these, one gets to know how to behave, act and speak with people and learn the etiquette that one does not get by staying only in the confines of the home. We learn a lot by just watching the ladies who work there.

By insisting on a group-based model of empowerment, Annapurna creates new and safe social spaces for observation, interaction, and personal development. Spaces that foster group inclusion and nonhierarchical relationships between poor and less poor individuals seem to be particularly successful in improving feelings of self-worth. The larger organization-wide meetings also serve to reassure clients that they are not alone in their struggles:

Here it feels like a big family, a lot of people attend the big meetings and it feels very good to see that.

The JLG model not only requires that participants meet with each other and communicate regularly; it necessitates a high degree of trust and dependence between group members. Whether they formed groups with friends or strangers, all of the women noted increased cohesiveness and high levels of trust among their groups. Apart from reminding each other of repayment dates and relaying what was said at larger group meetings, the women discuss personal issues and topics unrelated to microfinance within their groups:

The group is very cohesive, we are closer now so we are able to speak of many more things. We discuss more and are sharing more with each other.

Some women mentioned finding out about new resources, like a nearby day care center, by participating in group discussions. For those who did not know group members before joining Annapurna, the new relationships were a welcome expansion in social and material resources:

Earlier we did not even know each other but later we made friends with each other and now we are like one big family. We help each other in difficult times.

Despite feeling more capable and self-sufficient as individuals, the women find strength and reassurance in their group relationships. Many discussed feeling confident as a group and as having financial and business development goals as a group. Such statements give evidence that the women have begun to think and act as a cohesive unit. Considering their willingness to discuss personal issues and rely on each other in difficult times, the group-based microfinance model may facilitate group discussion and action against other personal and public injustices. In fact, Annapurna Pariwar

explicitly encourages clients to view themselves as part of a larger movement committed to gender justice and progress. In the oath taken by members after every meeting, women pledge to “not tolerate any injustice against any woman,” to “intervene in any fight within [their] community,” to help each other, and “remain united” despite ethnic, religious, or caste-based differences.

However, given the frequency of meetings and the large degree to which borrowers must depend on each other, it is not surprising that group meetings themselves cause occasional tension and conflict. As stipulated by Annapurna, if one person cannot make a loan payment, other group members are compelled to cover that person’s share. If all group members are not present on the payment date, loan repayments (along with savings and insurance monies) are not accepted by the organization. These rules are meant to encourage cooperation, communication, and trust among group members, critical to the functioning of the joint liability model. While a few interviewees expressed frustration with some participants’ disregard for the rules, most trusted in the reliability of their fellow group members and felt grateful for the bond they had developed over the course of their meetings together:

Everyone helps each other. Last time I could not pay my dues so the other four members paid on my behalf and then later I returned their money. So that works out quite well.

According to one respondent, NGO staff members offer to help mediate disagreements between borrowers and alter the composition of groups, if necessary. Another common complaint about the group structure was related to the time involved in planning and attending monthly meetings:

The problem is we don’t get time to go to the meeting and if we do we don’t talk about it much as we are all busy. We go to the important meetings; all of us rarely manage to go at the same time. We get a lot of good information at the meetings but unfortunately we don’t have time to go.

Some respondents had difficulty attending meetings knowing they would miss out on at least 2 hours worth of income. Others argued that attending meetings was not very much of a burden, if planned for in advance.

Since taking their very first loan, the women document a gradual process of transformation in themselves and their surroundings. Their testimonies suggest an increased awareness of possibilities and assurance about their own ability to succeed in future endeavors. For one woman who took her first loan months before her husband passed away, becoming her family’s sole provider with the help of Annapurna was both challenging and life changing:

My husband’s death has been the biggest change in my life and there cannot be anything greater than that. But it is only because of such an incident that I have been able to unleash my potential. I have grown a lot as a person. I have learned a lot of new things since the past three years. Initially I was very shy and quiet but now I can talk confidently with people.

The idea of “unleashed potential” perfectly describes the optimistic sentiment expressed by many of this study’s respondents when asked about their lives since taking loans. As one woman exclaimed,

Now I have the courage to take care of my responsibilities.

Bolstered by a belief in their essential worth and capabilities, the women felt bold enough to interact more freely in public and pursue different kinds of work:

I feel more confident now. Earlier I was so shy and I hardly used to go out for work but now I go out, talk to people and try and get more work.

Empowered by their record of success with Annapurna and driven by their responsibility as providers, the women also possessed the courage to dream about the future:

I want to fulfill this dream with the help of Annapurna . . . I will not give up. Whatever money I get, I will keep on saving and I will to buy my own house one day. I want my daughter to continue her further studies. That is the main purpose. I have no one else except for my daughter. Whatever I do, I will do it for her.

Many discussed plans to purchase a better house or start a new business, including one woman who currently makes a living sorting through trash at the landfill. For these women, Annapurna provides not only hope but a feasible pathway toward a better life.

Theme 2: Economic Empowerment

Aside from instigating changes to women's psychosocial well-being, the loans disbursed through Annapurna's microfinance project help to increase women's access to capital assets, improve financial management skills, and reduce both household and individual vulnerability. Though all of the respondents continue to live in poor, densely populated urban areas and work in the informal sector, their stories indicate reduced levels of poverty and signs of long-term stability:

Our financial situation was very bad, we did not even have enough food . . . but after becoming a member of Annapurna our business has grown, our house is better than before, we don't have any water problems, I even have some bank balance now.

The pattern of loan use described by respondents suggests that women use loans first to stabilize household consumption and make needed household repairs. Reflecting on her first lending interaction with Annapurna, one woman explained:

I told them that I have some personal loans to repay . . . I did not tell them that it is for the water line. But then instead of paying the debt I bought a waterline because you cannot live without water right! For me the best thing was that I could buy water line/tap using the money I borrowed from Annapurna. Water is so necessary and we did not have any at home. We had to go far away to fill water in our buckets for daily use. Now I have water tap near my house thanks to Annapurna.

Poor access to clean drinking water and sanitation is one of the leading causes of ill health in slum communities. When applied to home improvement or household food security, microloans may help reduce disease among borrowers and their families, though further research is needed to confirm this effect for this population. Other services that increase the poor's access to medical care, like the medical reimbursements, health insurance, doctor visits, and health education offered by Annapurna Pariwar, further contribute to improvements in health when combined with microfinance (Leatherman & Dunford, 2010).

After securing their basic needs, study respondents reported using loans to repay debts from other lenders, purchase materials to enhance their current income-generating activities, pay for their children's education, and invest in new businesses. Several women had also begun saving to purchase a new house. To contrast with Annapurna's microfinance practices, many women remarked on the exploitative practices of other lenders and financial institutions that extend loans at exorbitant interest rates with little regard for borrower's ability to pay. Attracted by the success stories of

microfinance pioneers and the prospect of profit, an increasing number of lenders, banks, and financial institutions have entered poor communities and begun to offer loans, sometimes charging interest rates of 100% or more (Polgreen & Bajaj, 2010). Some of the women had taken such loans in the past and used a portion of their new loans to pay off old debt:

This loan facility by Annapurna is very good. Before Annapurna, we used to take loans from rich people (lenders) in the area and unfortunately we had to pay 100% interest to them. For instance, Rs. 30,000 as interest for loan of Rs. 30,000. It was very difficult to repay. We also had to sell our bike for it. But now the situation is much better.

Once immediate financial obligations were resolved, the women were able to focus on fulfilling other personal goals and priorities. The education of children was one oft-cited priority among study participants. Having little to no education themselves, the women desired better lives for their children. During monthly meetings, NGO staff members also reinforce the importance of sending children to school, particularly girl children. Unable to afford higher quality private schools, the women enroll their children in local municipal schools and use loans to purchase books, supplies, and uniforms:

All of my expectations are fulfilled because when my daughter was studying, I enrolled her in a municipality school and she wanted to learn English, so for that, I get help from Annapurna every year for buying books. So I thought to myself, if I am getting all kinds of help, and then why not help my daughter pursue her English language studies. So I feel quite happy about that.

In addition to educating their children, the women aspired to obtain work, improve upon their current income-generating activities, and start new businesses. Because Annapurna Pariwar provides loans to clients irrespective of their prior employment or credit history, women possess varying levels of work experience upon receiving their first loan:

Before Annapurna I was a house wife, but since the past 3 years I have taken up 3 jobs. I work in a school nearby in the morning, in the afternoons I concentrate on my flower business and in the evenings I sell garlands.

Discontent with long hours, poor working conditions, and income instability, many of the women have plans to open a business of their own. With the help of savings and multiple loans, some were able to achieve this goal:

The first time I borrowed 7,000 and the second time I took a loan of 10,000. At that time I bought a sewing machine and an embroidery machine. With this we started our own small business. We hand embroider saris in the house. We have also hired a few skilled workers for it. They decorate the saris with silk called "jari". I also stitch clothes for children. In the future, we plan to expand our business in a workshop but that will require 50,000–60,000 rupees, so let's see how it goes.

Starting a new business or moving into another (more desirable) field of work appears to be more difficult for women who are sole or primary earners, or who possess fewer resources and capabilities. Nonetheless, nearly all of the study participants report higher levels of employment and increased income due to their utilization of Annapurna Pariwar's microfinance services.

According to Moser (1998), "the more assets people have, the less vulnerable they are, and the greater the erosion of people's assets, the greater their insecurity" (p. 3). Poor households in urban slum communities are particularly vulnerable to unsteady and unregulated employment, environmental hazards, and social fragmentation (Moser, 1998). Women's ability to weather such

conditions is further eroded by gender inequality, which limits their mobility and access to assets. By addressing women's particular social and financial needs, Annapurna Pariwar strengthens women's ability to overcome poverty and secure their families against unforeseen risk. While low-interest loans alone are enough to provide short-term stability, the savings provision allows women to plan for the future, invest in longer term endeavors, and handle unexpected expenses without falling deeper into poverty:

The biggest change in my life is that in the beginning I did not have a penny in my savings account but now with God's grace I have been able to save 60,000 rupees. That has also made me a more confident person. I do not waste any money, I pay my dues on time, I save a little bit out of my income and I am capable of providing my family good food and education. In the future I plan to continue my hard work and build my own house one day.

During monthly group meetings, women also learn good financial practices, like budgeting, saving, and investing. This knowledge is invaluable for women with minimal education and little experience managing their own money. Additionally, as part of their monthly loan repayments, the women can pay toward health insurance for themselves and their family members. Through Annapurna's microinsurance program, women receive health counseling; assistance and referral services; financial assistance on events like hospitalization, death, and disability; and awareness training on issues like health and hygiene. A majority of the women cited the health insurance program as the deciding factor in their choice to take a loan from Annapurna Pariwar. When asked why she chose Annapurna Pariwar over other lenders, one woman responded:

Annapurna has other benefits. When my husband passed away they gave me monetary help, which was crucial at that time. They provide for health benefits, subsidized healthcare when needed for a small amount we pay each month.

Collectively, insurance, savings, and improved financial knowledge help to reduce poverty-related stress and enhance women's responsiveness and resilience to short- and long-term risks.

Theme 3: Household Gender Empowerment

Since taking loans, the women did report increased control over household resources and financial decision making, as well as more egalitarian intrahousehold gender relations. All of the women described maintaining control over the use of their loans, though most consult with their husbands when making major financial decisions. Annapurna makes an effort to involve men in the loan-granting process from the beginning, requiring them to be present when loans are disbursed. By keeping men informed and included, the organization attempts to prevent unnecessary tension between women and their partners. In general, the loans appear to reduce stress by decreasing household vulnerability and women's dependence on their husbands' income. Many respondents believe that women are more prudent than men in their financial decisions, spending and saving in ways that better address the needs of their families:

Sometimes men spend lot of money on alcohol but Annapurna offers loans only to ladies. And ladies do not waste their money in this way. In fact they try to save. Many of them work or start a small business. We work hard and set aside the monthly installment. Even if there is a problem the other group members help.

The women who used their loans to improve or expand their income-generating activities also reported maintaining control over their earned income:

I can save some money for my children as well. I do not have to depend entirely on my husband for financial needs. Initially I had to manage on my husband's income but now since both of us are working I can save up for my kids' future.

On the whole, respondents felt as if their influence and control over important decisions had increased, at least concerning their economic contribution and their children's welfare. Most still deferred to their husbands on matters of great importance:

I have a better say in the decisions that are taken in the house. But then again, if anything goes wrong, I am blamed. That has always been so. My husband says that I should think well before a decision is made.

I can make decisions about my children and my work. However, all important decisions are taken by my husband, but we consult each other before making any big decision. We never label the money we earn as my money or his money. It is our money. Otherwise, our relationship could get affected. He doesn't expect me to keep a record of every penny that he spends and so I should not expect the same thing from his as well. If I lose my job one day then he will be the one to help me out.

Some couples likely practiced more equitable decision making even before joining Annapurna. For various reasons, some husbands might be more likely to support their wives' participation in microfinance activities. This is consistent with Ahmed's (2008) research, which demonstrates the way in which divergent models of masculinity influence men's attitudes toward gender empowerment and their wives' participation in microcredit schemes (p. 152).

A few participants noted significant changes in their husband's behavior over the course of their involvement with Annapurna. Before, many of the families were struggling to meet basic needs and were under chronic stress due to income instability. Women who depended entirely on their husband's wages were extremely vulnerable to income fluctuations and violence:

When I had no money, there were many problems. Fights, rages, the husband not bothering and going away without explanations. Everything was a mess.

The women's testimonies establish a pattern in which increased financial assets precipitate a reduction in poverty-related stress and vulnerability, improve long-term security, and result in healthier relationships and more cooperative decision making:

My husband has changed and the children have also noticed that. He used to hit and break things, get very angry etc. but all that has now changed. He is more like a friend now, with me and also with the kids. It is because of the money coming in, for sure. Also, he gets to meet and move around in good company when one is doing better financially. Our house was four wooden posts covered with plastic sheets. It would feel very bad when people would come over to visit. Now it is so much better, and we don't feel ashamed when people come to visit.

This pattern is likely strengthened by women's enhanced self-respect, social competence, and social networks. Though gendered responsibilities remain largely unchanged, the women appear to have increased voice and social standing within personal relationships and in public. On the community level, Annapurna Pariwar helps to sustain healthy families, leading to more positive community functioning with fewer social problems.

Despite the above gains, the women did not experience significant changes in their household responsibilities due to participating in Annapurna's empowerment program. Although many committed more time to income-earning activities since joining the organization, they did not note a subsequent decrease in time spent on unpaid work within the home. It is not uncommon for women

living in urban slums to contribute to household income as well as household maintenance and child care (Gomez et al., 2008). Because most slum residents are migrants or children of migrants, they often do not have the same network of extended family, friends, and neighbors to rely upon for assistance and support. Some respondents mentioned receiving help from parents or other relatives with cleaning or child care; others maintained full responsibility for both. Heavy workloads and a lack of free time were both common complaints among study participants.

Discussion

This research explored women's accounts of personal and collective empowerment through a case study analysis of Annapurna Pariwar's participants. Overall, the women's narratives suggest a gradual process of empowerment characterized by psychosocial, material, and relational changes on the individual, household, and community levels. Results suggest that the social and financial services work in tandem to reduce household vulnerability and improve the capacity of women and families to meet their basic needs and negotiate better relationships in the home and community. In particular, the group model of lending, the combination of savings instruments and loans, and the integration of health care and health insurance into the microfinance model demonstrate the most profound impact on participants' feelings of confidence, solidarity, and security.

For Annapurna Pariwar, empowerment is not considered a solitary endeavor, but a process impelled by mutual support and collective action. As demonstrated in this study, group-based empowerment can strengthen women's social ties, improve their social competence, and expand their extrahousehold network of support. Over time, improved social capital may increase women's access to resources and decrease tolerance for gender-based oppression and discrimination. Additionally, when increased income is combined with other financial assets, like loans, savings, and insurance, women's economic activities can reduce household vulnerability to external risk and improve long-term security. The data suggest that women's use of microloans may lead to improved educational attainment among their children, especially among girls, as well as more equitable decision making in the household, reduced family stress, and in one case, decreased vulnerability to domestic violence. The heightened visibility of women as entrepreneurs and business owners might also instigate a change in perceptions and social relations over time. In discussing the future of women's empowerment in India, New Delhi-based author and columnist Nilanjana S. Roy (2013, ¶ 5) notes, "Given power, women give attention to issues that don't matter as much to their male counterparts—like access to better drinking water. In addition, the presence of women in a visible position of command at the village level has been shown to have a significant effect on the aspirations of young girls, and has also increased general societal acceptance of working women."

While respondents report strong group cohesion, there is little evidence from this study that women were engaged in broader activism or organizing politically to address social injustice and inequality. Within the household, the gendered division of labor also remains largely unchanged, despite women's increased economic contributions and improved interpersonal relationships with partners and other family members. Without changes to the gendered division of labor, women are overburdened with work, limiting the time and energy they have for group meetings, personal care, and collective action against personal and social injustices. By involving men in the loan-granting process and offering health insurance and counseling to all family members, Annapurna Pariwar may avoid some of the tension generated by increasing women's access to resources and public visibility. However, encouraging men to challenge patriarchal gender relations and advocate for the empowerment of women will likely require a deeper and more concerted effort on the part of women's groups to involve men in processes of change.

Due to the contingent nature of empowerment, the outcomes documented in this study cannot be generalized to similar interventions elsewhere. The small sample size ($n = 10$) and selection bias

toward women with the time and availability to participate in the study limit the generalizability of the findings. Women who dropped out of the program were also not considered for participation. Despite these limitations, the narratives documented here represent a crucial first step toward understanding the relationship between Annapurna Pariwar's "Credit-Plus" model of microfinance and women's empowerment. Further ethnographic research inclusive of more varied perspectives, from staff members to family and former program participants, will help to broaden our understanding of "empowerment" in this context.

Conclusion

Despite the widespread promotion of microcredit as a social intervention, resources alone cannot guarantee a change in unequal or oppressive gender relations. Women must be able to recognize and strategically utilize resources in their own interest. Approaches that foster women's ability to recognize and overcome internalized oppression can contribute to the development of agency, or the capacity to make strategic life choices and successfully act upon them. Together, increased access to resources and a heightened sense of agency can impel a process in which women are capable of challenging gender subordination and furthering strategic gender interests. As Kabeer (2005, p. 16) notes, this process can lead to institutional transformation if there is movement "from individual to collective agency, from private negotiations to public action, and from the informal sphere to formal arenas of struggle." Collective action in the social, economic, and political spheres can alter policies and practices in a way that improves women's ability to make strategic life choices, even if they were not involved in advocating for change. Microcredit borrower groups have the potential to become sites of solidarity building and collective empowerment, encouraging new forms of collective action around community or gender issues. Furthermore, access to financial and nonfinancial resources, including insurance, child care and savings, can guarantee security for the most vulnerable and lay the groundwork for future gains in health, education, income, and general welfare. However, group-based microfinance is unlikely to result in a renegotiation of gender relations, collective political action, or changes in sociocultural norms without organizational commitment to a wider empowerment agenda.

While microfinance continues to be accepted as one of the most popular poverty-alleviation strategies throughout the developing world, Vonderlack-Navarro (2010) argues that "these economic interventions should be conducted in conjunction with—not in replacement of—other health, social and educational initiatives" (p. 133). Though it is widely acknowledged that empowerment is not an automatic consequence of women's access to savings, credit, or group formation, this study is a first step in demonstrating how individual, household, and collective agency dynamics change for women who have participated in an empowerment program that strategically combines microfinance with other vital services. Annapurna Pariwar's holistic "Credit-Plus" approach merits further longitudinal study as a relevant empowerment model for social work practice.

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