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Conflicts Over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh

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Summary. — This paper explores the reasons why recent evaluations of the empowerment potential of credit programs for rural women in Bangladesh have arrived at very conflicting conclusions. Although these evaluations use somewhat different methodologies and have been carried out at different points of time, the paper argues that the primary source of the conflict lies in the very different understandings of intrahousehold power relations which these studies draw on. It supports this argument through a comparative analysis with the findings of a participatory evaluation of a rather different credit program in Bangladesh in which the impact of loans was evaluated by women loanees themselves. © 2000 Elsevier Science Ltd. All rights reserved.

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1. INTRODUCTION: CONFLICTING EVALUATIONS OF CREDIT

Microcredit programs for the poor have come to occupy a central place in poverty-oriented strategies in Bangladesh. Such programs have a number of features in common. They are largely targeted at women from the poorest sections of the population; they lend small sums of money to individuals as members of groups and rely on group liability to ensure loan repayment; they subsidize administrative costs rather than interest rates; and loans are repaid in weekly installments. Debates as to the actual effectiveness of these programs in reducing poverty continue. More recently, these debates have been extended to the possible implications of such programs for women's empowerment, with some evaluations claiming extremely positive results while others suggesting that microcredit leaves women worse off than before.

In this paper I want to focus on a number of attempts to evaluate the empowerment potential of loans to women in order to find out why such diametrically opposed claims can be made about the same, or very similar, programs. I will be exploring examples of both "negative" and "positive" evaluations, interrogating them for the methodologies they used, the questions they asked, the findings they reported and the interpretations they gave to their findings. In addition, I will be drawing on the findings of my own evaluation of a rather different credit program in Bangladesh in order to explore the question of empowerment when it is assessed on the basis of women loanee's own testimonies rather than deduced from selected aspects of their behavior.

(a) *Does access to credit "empower" women? the negative verdict*

My first example of a negative evaluation is by Goetz and Sen Gupta (1994). They use a five-point index of "managerial control" over loans as their indicator of empowerment. At one end of their index are women who are described as having "no control" over their loans: these are women who either had no knowledge of how their loans were used or else had not provided any labor into the activities funded by the loan. At the other end are those who were considered to have exercised "full" control, having participated in all stages of the activity funded by the loan, including the marketing of produce. The study found that the majority of women,

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particularly married women, exercised little or no control over their loans by this criteria. Interpreting this as evidence of widespread loss of control by women over their loans to men, Goetz and Sen Gupta go on to suggest three possible repayment scenarios, all with negative implications for women.

In the first, the male family member using the loan takes responsibility for its repayment, a satisfactory outcome from the woman's point of view but one which the authors believe negates the developmental objectives of lending to women. In the second, men are *unable* to supply the requisite repayment funds and women loanees have to substitute funds from other sources, drawing on their savings, cutting back on consumption, selling off utensils and other assets. They have responsibility without control. In the third, men are *unwilling* to repay the loans, leading to an intensification of tensions within the household, often spilling over into violence. In addition, violence against women was also exacerbated by the frustration of husbands at the wives' delay or failure in accessing credit. Facilities to enhance women's access to the market is put forward by the authors "as the single most effective way of enhancing their control over loans, as well as their public presence and their self-confidence" (p. 59). The provision of transportation recommended to take women to the market place along with security measures to protect them against the possibility of male resistance to their presence in the market place are recommended as supportive measures.

In her study, Ackerly (1995) noted that underpinning most credit interventions in Bangladesh was an implicit model of the empowered woman:

> Empowered, the borrower wisely invests money in a successful enterprise, her husband stops beating her, she sends her children to school, she improves the health and nutrition of her family, and she participates in major family decisions (p. 56).

Rather than seeking to measure these outcomes directly, she takes "accounting knowledge" as her indicator of the likelihood of these and other transformative outcomes occurring. Women who were able to report on the input costs for loan-funded enterprise, its product yield and its profitability, were counted as empowered. She found that membership of some credit organizations was more likely than others to contribute to the likelihood of women's empowerment by this criteria. Women who provided labor to loan-assisted enterprise, sold their own products, or kept their own accounts were also likely to be empowered. She too concluded that women's access to the market was the primary route for their empowerment—"knowledge and empowerment come through market access" (p. 64)—and warned against the likelihood of overwork, fatigue and malnutrition were loans used to promote women's labor involvement without also promoting their market access.

Our third example of a negative evaluation of the impact of credit for women's empowerment is by Montgomery, Bhattacharya, and Hulme (1996). Although the evaluation of the empowerment impact occupies only a small section of their more general evaluation of credit programs for the poor, I have included it here because it exemplifies a particular understanding of households and gender relations within the literature on Bangladesh. According to their findings, only 9% of first-time female borrowers were primary managers of loan-funded activities while 87% described their role in terms of "family partnerships." By contrast, 33% of first-time male borrowers had sole authority over the loan-assisted activity while 56% described it as a family partnership. They also found that access to loans did little to change the management of cash within the household for either female or male loanees. Interpreting reports of "joint" management as disguised male dominance in decision-making, the authors concluded that access to loans had done little to empower women. Its main effect had been to increase the social status of loan-receiving women *vis-à-vis* less well-off women rather than *vis-à-vis* men within their household or the wider community.

(b) *Does access to credit "empower" women? the positive verdict*

In contrast to this set of evaluations are others which paint a far more positive picture of the impact of these same credit programs on women's lives. Rahman (1986) found that that loanee households in general, regardless of the gender of the loanee, had higher income and consumption standards than equivalent non-loanee households. Although loans to women were more likely to benefit male consumption standards than male loans were to benefit female consumption standards, women loanees nevertheless did benefit from their direct access to loans. Women who made active use of at least some of their loans had higher consumption standards and were more likely to have a role in household decision-making, either on their own or jointly with their husbands, than "passive" female loanees, and both in turn had considerably higher consumption standards and were more likely to participate in household decision-making than women from male loanee households or from households who had not received any credit.

A study by Pitt and Khandker (1995) explored the impact of male and female membership of credit programs on a number of decision-making outcomes in order to establish the extent to which they were differentiated by the gender of the loanee. The outcomes included the value of women's nonland assets, the total hours worked per month for cash income by men and women within the household, fertility levels, the education of children as well as total consumption expenditure. These authors also concluded that households receiving loans were largely better-off than those not receiving loans. In addition, the findings that the gender of the loanee did influence the pattern of household decision-making outcomes was interpreted as evidence that women's preferences carried greater weight in determining decision-making outcomes in households where they had received a loan compared to households where either men received the loans or in households where no loans had been received.

A third example of a "positive" verdict is by Hashemi, Schuler, and Riley (1996). They explored the impact of credit on a number of indicators of empowerment: (i) the reported magnitude of women's economic contribution; (ii) their mobility in the public domain; (iii) their ability to make large and small purchases; (iv) their ownership of productive assets, including house or homestead land and cash savings; (v) involvement in major decision-making, such as purchasing land, rickshaw or livestock for income earning purposes; (vi) freedom from family domination, including the ability to make choices concerning how their money was used, the ability to visit their natal home when desired and a say in decisions relating to the sale of their jewellery or land or to taking up outside work; (vii) political awareness such as knowledge of key national and political figures and the law on inheritance and participation in political action of various kinds; and finally, (viii) a composite of all these indicators.

They found that women's access to credit was a significant determinant of the magnitude of economic contributions reported by women; of the likelihood of an increase in asset holdings in their own names; of an increase in their exercise of purchasing power; of their political and legal awareness as well as of the value of the composite empowerment index. In addition, BRAC loanees tended to report significantly higher levels of mobility and higher levels of political participation while Grameen members reported higher involvement in "major decision-making." When women's economic contribution was used as an independent variable, the effect of access to credit on the empowerment indicators was reduced but remained significant, suggesting that one important route through which women's access to credit translated into "empowerment" was via their enhanced contribution to family income.

The study also found that access to credit appeared to be associated with an overall *reduction* of the incidence of violence against women. Regression analysis suggested that older women, women who had sons and women with education were less likely to have been beaten in the past year (Schuler, Hashemi, Riley, & Akhter, 1996). These findings are consistent with the lower status of young wives who are relatively new in the husband's home, with the prevailing culture of son preference and with the greater agency attributed to women with education (see, for instance, Dreze & Sen, 1995). In addition, they found that membership of a credit program was associated with a statistically significant reduction in violence, but that the magnitude of women's economic contribution did not have any significant effect. They concluded that it was women's participation in the expanded set of social relationships embodied in membership of credit organizations rather than increases in their productivity *per se* which explained reductions in domestic violence.

(c) *Explaining the conflicts: methods, questions, interpretations and models*

These conflicting conclusions about the "empowerment" potential of credit for women are both apparent and real. What appear to be contradictory findings concerning, for instance, the extent to which credit exacerbates or lessens violence against women, enables or fails to enable them to acquire independent assets, is associated with an increase or decrease in their living standards is partly a difference in methodology. It reflects the fact that some studies relied largely on statistical data and significance tests for their findings while others relied on more qualitative, sometimes anecdotal, evidence. Consequently, some of the differences in findings relate to differences in the incidence of empirical outcomes, some findings referring to "average" and others to "nonaverage" outcomes. Thus Hashemi *et al*'s finding that women's access to credit was associated with an *overall* reduction in the incidence of domestic violence is perfectly compatible with the finding that it exacerbated violence in a number of individual households reported both by them (see Schuler *et al*., 1996) as well as by Goetz and Sen Gupta.

Conflicting conclusions about the impact of credit also reflect differences in the questions asked by different evaluations. By and large, the negative evaluations focused on *processes* of loan use while the positive ones focused on *outcomes* associated with, and attributed to, access to loans. The validity of both sets of measures depends on their conceptual clarity and on the validity of their underlying premises. There are, for instance, reasons to question whether some of the process-based measures do indeed measure what they are intended to measure. In conceptualizing the process by which women's access to resources translates into impact, Pahl (1989) had made an analytically important distinction between what she calls "control," the ability to make policy decisions concerning the allocation of resources, "management" which relates to decisions to do with the implementation of policy and "budgeting" which merely involves keeping track of income and expenditure. Ackerly's measure of empowerment is ambiguous because it does not distinguish between women who acquired their "accounting knowledge" through an active involvement in the control and management of their loans, in the way that she appears to assume, or merely through a budget-keeping role of the kind pointed to by Pahl.

Goetz and Sen Gupta's index of managerial control is similarly ambiguous. It essentially conflates "control" and "management," making no distinction between decisions about loan use and decisions related to implementation. But policy decisions about how loans are to be used are separate from, and indeed prior to, decisions relating to the management of the enterprise to which the loan is assigned. Since the authors offer no information on the decision-making processes by which the loans were allocated, we have no way of knowing the extent to which the observed allocations reflected a sound economic calculus on the part of women, the specific individual circumstances of their household or the blatant exercise of male power. Indeed, it is *in principle* possible (though in practice unlikely) that, with the exception of the unknown number of the 22% of women in their "no control" category who did not even know how their loans were used, the remainder (at least 78% of their sample) participated fully in decisions about loan use.

There is also a need to be cautious about the causality implicit in process-based indicators. The possession of accounting knowledge or exercise of managerial control do not, on their own, suffice as evidence of empowerment. To be persuasive as such evidence, we would need to know more about their relationship to other valued achievements, perhaps of the kind outlined in Ackerly's description of the ideal-typical "empowered woman." Indeed, the assumption that managerial control over loan use is a necessary condition for women to be empowered by their access to loans is explicitly rejected by Hashemi *et al.* In their study, they classified all the women loanees in their sample according to the "control" categories developed by Goetz and Sen Gupta and confirmed that large percentages of women loanees in their sample had indeed "lost control" over their loans by this criteria. This did not, however, prevent a significant proportion of them from achieving a range of other valued impacts, although, as we noted, the likelihood of these positive impacts was strengthened if women used at least part of their loans to increase the value of their own economic contributions.

As far as outcome indicators are concerned, their validity depends on how well they capture changes in the structures of gender inequality within the household and community, not merely on how well they capture changes in household living standards or even in children's welfare. One of the strengths of the study by Hashemi *et al.* is that their indicators meet this criteria. They can all be seen as valued outcomes in their own right as well as being linked to the structures of constraint which give rise to gender inequality in Bangladesh. By contrast, the study by Pitt and Khandker is undermined by the absence of any obvious rationale for the particular decision-making outcomes selected for their study. Their findings are consequently not always easy to interpret. The only outcomes with relatively unambiguous theoretical links with women's empowerment are (i) women's ownership of nonland assets, an increase in which could be interpreted as a strengthening of their fall back position, and (ii) the gender gap in education, a reduction in which could be seen as addressing a longstanding gender inequality in the value given to children. Their own interpretations of some of their findings tend to be somewhat ad hoc and open to other equally plausible and very differing interpretations.

This takes us to yet another factor behind the conflicting conclusions we have been discussing which is the proclivity to "read" empirical findings in the light of preconceived notions about loan impact so that the same findings are given extremely contradictory interpretations. Thus, Pitt and Khandker take their finding that loans to women led to an increase in their market-oriented work to indicate an empowerment effect. By contrast, all three negative evaluations warn against the intensification of women's workloads and fatigue. Pitt and Khandker interpret the higher level of household consumption expenditure associated with loans to women as evidence of the greater weight given to women's preferences in household decision-making; Montgomery *et al.* suggest that such findings demonstrate that loans to women are 'heavily compromized by the persisting responsibilities of women to cover the consumption needs of the family' (Montgomery *et al.*, 1996, p. 168). Similarly, the increase in women's welfare levels as a result of their access to credit is linked to their enhanced role in household decision-making by Rahman, but given a much more passive interpretation by Goetz and Sen Gupta who suggest that women give up their loans to men "in exchange for the right to have greater expenditures on their own or their children's clothing and health."

In short, there are differing judgements embodied in these evaluations as to what kinds of changes constitute evidence of empowerment, differences which in turn reflect the differing models of households, and the power relations within them, which these evaluations draw on. While both positive and negative evaluations accept the premise of gender inequality in intrahousehold relations, they vary considerably in the significance and meaning attached to cooperation and conflict between men and women within the household and consequently to autonomy, dependence and interdependence within the household.

By and large, the negative evaluations tend to be negative because they stress gender antagonism within the household and discount the significance of cooperation. Thus, for Montgomery *et al.*, reports of "jointness" in the management of household enterprise and income are merely examples of disguised male dominance; only the exercise of autonomous female authority is counted as evidence of empowerment. Goetz and Sen Gupta's discussion of the circumstances under which the investment of women's loans in the purchase of a rickshaw would, and would not, constitute exercise of "control" also reveals this individualized notion of empowerment. Rickshaw pulling in Bangladesh is a purely male activity so that the purchase of a rickshaw, an extremely common use of loans to poor women, represents investment in an activity to which women are unable to contribute any labor. While such women would automatically be classified in the "little" or "no" control category by Goetz and Sen Gupta's criteria, they suggest that a woman could still be classified as exercising "significant control" if the rickshaw was licensed in her name and if she established a contractual rental relationship with the rickshaw puller. In the context of rural Bangladesh, however, this would constitute extremely anomalous behavior on the part of a woman who had an unemployed son or husband in the family who was able and willing to pull the rickshaw and to take responsibility for loan repayment.

The more positive evaluations, by contrast, are positive partly because they do not privilege individualized over joint forms of behavior. Pitt and Khandker attempt to capture possible increases in the weight given to women's preferences in a series of household decisions following their access to loans, but do not rule out joint decision-making. Both Hashemi *et al.*, as well as Rahman explicitly incorporate some "jointness" on interests within the household into their indicators of empowerment. In the final analysis, the plausibility of one or other set of conclusions about the transformatory impact of credit for women will rest on the credence attached to the models of power which inform the analysis.

Despite their differences, however, both sets of evaluations share in common an absence of testimonies by women loanees themselves as to the impact of credit on their lives. Obviously, in the context of evaluation studies where valued resources are at stake, personal testimonies on impact have to be interpreted with caution, given that there may be a strong incentive among beneficiaries to present impact in a positive light. At the same time, participatory impact assessments can help to enrich academic theorisations of gender subordination by providing important insights into inequality as a "lived experience." In the rest of the paper, I want to report on the findings of my own evaluation of a rather different credit program in Bangladesh in which I sought out the testimonies of 50 female and 20 male loanees as to the impact of loans on their lives. In addition, I also carried a quantitative survey of 700 households to provide basic descriptive statistics on the loanees, their households, their patterns of loan utilization as well as on some of the impacts identified in the evaluation literature. I will be drawing on the loanees' testimonies as a different vantage point from which to contextualize and assess the findings of the various evaluations discussed here as well as to consider what the perspectives of women loanees themselves can add to our understanding of the transformatory potential of credit targeted at women. I will be concluding with some general conceptual and methodological comments on the evaluation of women's empowerment.

2. THE SMALL ENTERPRISE DEVELOPMENT PROJECT: LENDING TO THE NOT-SO-POOR

The SEDP was started in 1990 in Faridpur district in Bangladesh and extended in 1992 to Mymmensingh. It acts as an intermediary between eligible loanees and a special NORAD-funded credit line which is managed by one of the country's nationalized banks. Its primary goal is the promotion of small-scale labor-intensive enterprises, including women's enterprises, in order to enhance income and expand employment. To be eligible, potential borrowers must have at least half an acre of land and some prior entrepreneurial competence. They are identified by project staff and attend a three-day training in basic entrepreneurial skills and social development issues during which they are assessed for their entrepreneurial potential. Loans range from 5000/- takas to 500,000/-. Interest rates are subsidized and vary between 10% and 14% according to loan size, while repayment is generally on a monthly basis. Repayment rates are high at over 90%.

The household survey of male and female loanees found that while male loanees in both districts tended to be better off in terms of land owned and cultivated and education level of loanee, female loanees in Faridpur district were much better off than those in Mymmensingh. Female loanees in Mymmensingh came from the poorest households in the survey sample; they were also more likely to be female-headed than women loanees in Faridpur (14% compared to 7%). They were also given much smaller loans than those in Faridpur and reported correspondingly small rates of return to loan investments. There was nothing in the SEDP rule book to explain this pattern. It appeared to reflect differences in management orientation in the two districts.

The SEDP thus differed from the main poverty-oriented programs in a number of significant ways which are summarized in Table 1. While these programmatic differences mean that the findings from my study cannot not be directly compared to those discussed earlier, they nevertheless provide a useful basis for distinguishing between impacts which appeared to be associated with women's access to credit *per se*, regardless of delivery characteristics, and those impacts which were clearly associated with particular kinds of program delivery. In addition, a tentative degree of direct comparison was possible because of the pervasiveness of the poverty-oriented credit organizations and inevitable contact with their operations in the course of the field work. Where SEDP loanees in my qualitative sample or a member of their family had themselves borrowed from one of these organizations, interviews were extended to cover this experience.

(a) *Female mobility and social status: the contradictions of class and gender*

In terms of impact, the central overall question framing the qualitative component of the evaluation was "What difference did the loans make to the women's lives?" What changes did it bring about and how did women assess these changes? Let me start out by noting that, as in most of the evaluations discussed earlier, there was little evidence of any radical change in the gender division of labor as a result of women's access to loans. Access had increased their *levels*

Table 1. *Differences in goals and organizational practice between SEDP and typical poverty-oriented lending in Bangladesh*

Characteristics	SEDP	Poverty-oriented lending
Goal	Small enterprise development	Poverty alleviation
Role	Intermediary	Direct lending
Loan size (takas)	5000–500,000	1000–5000
Class eligibility	Own more than 50 decimals of land	Landless or less than 50 decimals of land
Other criteria	Prior entrepreneurial experience	No experience required
Gender	Men and women	Predominantly women
Interest rates	Subsidized (10–14% annually)	Nonsubsidized (18%)
Repayments	Monthly	Weekly
Emphasis on	Individual lending	Group-based lending

of economic activity, but not the *range*. The household survey showed that women remained confined to a small number of "female" occupations, with livestock rearing predominating in Faridpur and paddy husking in Mymmensingh. Production of cane and bamboo goods was second in importance in both districts. In addition, a few women invested in poultry raising, home-based tailoring and itinerant hawking. Male occupations were more evenly distributed and over a wider range of activities: "shops" of various kinds, engineering and other workshops of various kinds, seed nurseries, managing power tillers and rice mills as well as farming and livestock rearing.

This gender patterning of the occupational structure suggests that adherence to purdah norms continues to constrain women's public mobility, limiting their choice of enterprise and their ability to carry out transactions in the market place. Given that the resilience of purdah featured so centrally in some of the evaluations, it is worth analyzing what women loanees themselves had to say on this question. Two key insights emerged out of their testimonies. First of all, notions of purdah were closely interwoven with local understandings of class, social status and gender propriety so that behavior expressing gender norms were often simultaneously expressive of class hierarchy and social standing within the community. Conformity with purdah often featured in women's testimonies in terms of a voluntary adherence to status norms rather than as a direct manifestation of male control, as is evident from the following testimonies:

> I do all my work within the house, it is not a matter of fear, it is a matter of izzat (honour). Women who can eat by staying within the home are given greater value. Everyone gives value to women who work within the home, people outside, as well as those in the family. Men work outside, and women inside. Otherwise why have men been made, you could have had only women. I will go without food, but I will not go without izzat (F23).

> It is alright moving around within the neighbourhood, but I have no time to go to the bazaar. Anyway, I am a woman, it is not possible for me to go to the bazaar. Some women go, those without husbands. But I have a husband and a son, I don't go. It is a matter of manshonman (honour). People in the neighbourhood will say, she has a husband, she has a son, how can she go to the bazaar? (F20)

The second point to come out of the women's testimonies was that the distinction between "public" and "private" space was not represented as a simple dichotomy but rather as a continuum of locations in the public domain, ranging from acceptable to unacceptable places for women to be seen. Many of the women in my sample moved around freely within their neighborhoods, were prepared to go into the district headquarters to attend the initial training and subsequently to the local SEDP office to deposit their monthly repayments. Rural markets, on the other hand, the weekly *haat* and the permanent *bazaar*, were located at the other, unacceptable end of the spectrum.

Because the need to adhere to purdah was not equally subscribed to by all women, or by all class groups, and because the decision to adhere to purdah did not impose the same costs, the relationship between women's presence in public activities and their empowerment was not a straightforward one. In this connection, we can distinguish between a number of different categories of women. There were those from better-off households for whom there was a convergence between the economic logic of earning a livelihood and the social logic of maintaining their honor. They owned homestead land and other facilitating assets so that returns to home-based work exceeded the returns to most forms of waged employment available to them. The majority of these women had never sought, or been forced to seek, outside employment. F23 cited above was one such woman.

It was a different story for women from poorer households who, nevertheless, had some social standing within the community. Purdah norms also constrained their mobility even if it carried a high economic cost. Prior to accessing loans, these women had either starved invisibly at home, or opted for badly paid and demeaning domestic labor within the shelter of other people's homes "where nobody would see us." Access to credit was a godsend for this group because it allowed them to feed themselves and their families without the humiliation associated with menial domestic labor in other people's homes.

The poorest women in the sample were least likely to have paid attention to notions of propriety. There were a number of them who had been working the public domain prior to accessing loans, some as agricultural wage laborers in the fields, others as petty traders in local market or by the roadside. Even among this group, however, the prosperity which went with their loans often led to their withdrawal from public forms of activities. In some cases, the decision was on normative grounds. F25's testimony points to the role played by community opinion in her decision to withdraw from public transactions:

> So many people say to my husband, "Your wife goes outside the house, she goes to the field, she has gone bad".... I survive by my own effort, I do not borrow from my neighbours any more, nor do I lend ... There is no dishonour in work. But I don't sell milk in the market anymore. My value has gone up from before, I feel ashamed, people say, she has improved so much, how can she still go and do this work?

More often, the decision to withdraw reflected the conditions which prevailed in the female segments of the labor market. For instance, F33's testimony illustrates why agricultural waged labor in the public domain was unlikely to be experienced as particularly empowering by most women:

> Before the loans, women used to work on other people's fields, cutting lentils, rice, wheat. They got 20/- to 30/- takas a day. That is happening less now because so many women are getting loans, they are raising cows, goats, they can work for themselves so why should they work for someone else. If you can work for yourself, well, look, I am sitting here with you, could I do that if I worked for someone else? They would pay me less. I would pull up lentils, they would give me 20/- a day, this was four years ago. Before women used to clear the irri blocks, they would stand in the water and get leeches on them. Now they don't. Now, with the loans, they have some peace.

By and large, women who remained in outside forms of employment were female household heads, who often had little choice in the matter, and a number of poorer women who had been itinerant traders before their access to loans.

In contrast to this general picture, however, it should be noted that there were a number of women in the sample who gave a positive value to their increased ability to move more freely in the public domain, associating it with the acquisition of "courage" rather than as a source of shame. These women attributed their newly found self-confidence in dealing with local elites, with the police and with others who had previously intimidated them to their interactions with SEDP staff rather than to simply their access to credit *per se*. F29, who came from the poorer end of the economic spectrum, valued the fact that her access to loans had allowed her to move from selling a few vegetables under a tree outside the village bazaar to establishing her own permanent shop within it. She was the only woman in that bazaar, but was now such a familiar sight that she no longer aroused any comment. F50, who came from a poor, but status-conscious, household and had previously gone hungry at home rather than compromise her family's social standing, also valued her new mobility:

> By joining these samities, many women have got the courage of men. Women now have the same rights as men. If a man can go and cut earth, go to the haat-bazaar, to the towns, why can't women? I can go everywhere now, even to the haat. If my husband is not at home, if he has gone to the market, I will go to the laborers' house to fetch them. If I needed to go to the bazaar and my husband was not at home, I would go.

Our analysis thus highlights the ambiguities associated with the use of increased physical mobility, particularly in relation to the market place, as an indicator of empowerment in the context of rural Bangladesh. On one hand, as long as women adhere to norms of purdah and do not participate significantly in market transactions, they will remain dependent on male household members to undertake such activities on their behalf and to that extent their economic agency will be restricted. On the other hand, if empowerment entails the expanded capacity for making choices, for taking actions which express own values and priorities, then it has to be recognized that these values and priorities are likely to be shaped by the values and priorities of the wider community (Kabeer, 1999). The paradox is that in many cases, this leads women to opt for some form of purdah if they can afford to, both to signal their social standing within the community and to differentiate themselves from those women who do not have this choice.

(b) *Enhancing self-worth and perceived economic contribution*

If there had been no radical change in the gender division of labor of the kind considered by many to be a necessary precondition to women's empowerment, what kinds of changes *did* occur as a result of women's access to loans? One important change that featured in many of the women's testimonies related to their sense of self-worth, of bringing something of value to their households. The significance of this has to be understood in the context of the increasing monetization of the Bangladesh economy and the gap that it has opened up between women and men in terms of accessing new opportunities. Men have been privileged by their gender, class and education in gaining such access while the resilience of purdah norms have kept women largely confined to the precincts of their homesteads, dependent on male members of their family for economic provision and social protection.

Most studies on gender relations in Bangladesh have pointed to women's status as dependants, but few have explored what such dependency might mean as a "lived" experience. The testimonies of women loanees made it clear that many found the position of supplicant within the family galling and humiliating, particularly those who were forced to literally plead for money to meet their everyday needs. This was vividly illustrated in F15's comments:

> If I had not gone to that SEDP meeting, had not taken a loan, had not learnt the work, I would not get the value I have, I would have to continue to ask my husband for every taka I needed. Once I had a headache, I wanted *one* taka for a bandage to tie around my head, I wept for eight days, he still would not give me the money. Just *one* taka.

Testimonies such as this help us to appreciate the importance that women like F15 attached to their new identities as bearers of valued economic resources. Nor was it a case of purely passive access to such resources. According to the household survey, the majority of the women in the sample used at least part of their loans to enhance their own productivity. Those who had not been economically active previously were able to start up new activities. Others were able to put pre-existing enterprises on a more secure basis and yet others were able to move into their own home-based enterprises rather than working for others in forms of work they considered demeaning.

Consequently, while most women experienced an increase in their workloads, they did not give it the negative interpretations suggested by some of the evaluations discussed earlier. The distinction that they made between paid and unpaid work helps to explain why. It was not that these women were idle prior to their access to credit. Most were involved in domestic chores as well as in expenditure-saving work, but such activities, as we well know, were generally unremunerated and received little recognition within society or within the home. It was evident from the women's accounts that they too shared the low social value given to these activities. The new uses of their time made possible by their loans brought about an enhanced sense of self-worth as well as giving a new meaning to "work." As F43 put it: Ideas of the mind is everything. If you have money in your hand, you feel joy. If you have no money, you feel pain. My labour has increased, but I don't feel it because the money is also coming in. It doesn't feel like hard work.

Nor was it only in relation to their own activities that women reported a sense of achievement. Their testimonies also highlighted the value they attached to the well-being and dignity of the work engaged in by other household members. There is little space allowed for such impacts, and their possible implications for gender relations, by models of the household which conceptualize it in conflictual terms and fail to recognize the potential for solidarity between household members. Yet many of the women I interviewed pointed to the release of male household members from demeaning economic relationships as one of the valued achievements which they associated with their loans. F27 used her loan to mortgage in land for her husband to cultivate because, as she said, "How long was he going to give labour on other people's land?" For other women, their husband's dependence on moneylenders or wealthy landlords for credit, usually at extortionate rates, had been the most humiliating aspect of their pre-loan experience: My husband now works alongside me. He no longer has to hear harsh words if he does not pay his debt on time (F43).

Greater social inclusion was another impact which was highlighted in the testimonies of poorer loanees, male as well as female. They spoke bitterly of how it had felt to be outside the orbit of community life, to be excluded from its social events and from everyday forms of hospitality. As a result of their loans-related prosperity, they had acquired a new respect in the eyes of those who had previously despised them and position of strength from which to deal with them:

> Before I had to sit under a tree and sell my goods, people would make comments about me, I could say nothing. Now since the loan, they don't know what to say, they are nervous to say anything. After all, I haven't brought a loan just once, I have brought twice, thrice, four times. Now even if people want to say anything, they don't have the courage. Those who never acknowledged me now invite me, I have money, they might need to borrow. Before they looked down on me, never came to my house, I was poor, I could not feed them. And now even in houses where I do not expect to be invited, I am asked. (F29)

> Have things improved for us? Listen, when you have no money, there is nobody, but when you have money, you suddenly have so many friends and acquaintances. Money is all. All that time, when we had no food, nothing to eat, no one wanted to give us anything. And now, day and night, from house to house, it is "have a betel leaf, tobacco leaf, cigarettes, chair, chowki ...." (F37)

While women's own sense of self-worth was enhanced by these various achievements, so apparently was their worth in the eyes of other family members. This was evident in the marked improvement in the quality of family relationships that many reported, particularly in the context of marriage. As primary, often sole, breadwinners for their families, men in poorer households experienced many difficulties in making ends meet. The women I interviewed were well aware of the stress and frustrations involved in this responsibility and the extent to which their own dependency contributed to it. Access to loans helped to reduce the burden for men since women were now able to share some of the responsibility of providing for the family. The result was a reduction in levels of tension and conflict and greater affection from their husbands:

> Before we had scarcity. Suppose we needed 5 seers of rice, and he brought home 4 seers, we would be short of food,. the children's stomach would not be filled, they would cry and he would know why they were crying. I would keep it quiet, but the children would sometimes let it out. Now we sit down to eat together, those tears are gone. We eat properly, systematically now and there is no worry about food. He no longer has to worry about whether we have eaten or not. When he couldn't give the money, there would be words, I would say angry things to him, he would respond angrily: "I don't have it, how can I give it." Now we don't have those words. (F24)

The effects of women's enhanced economic value were particularly marked in households where conflict between husband and wife had deteriorated into violence. The question of domestic violence cropped up sufficiently frequently in the interviews to suggest both that it had been a significant problem in the past and that at least those forms of violence which stemmed from scarcity-related frustrations had been reduced in the wake of women's access to SEDP loans. The link between credit and reduced violence was made directly by a number of women, including F25:

> My husband did not have clean clothes before, now he has, and they know it is because of me. My husband acknowledges this. He does not raise his hand to me any more. Before he used to hit me. What could one do if one's husband hits one ... ? In a house of scarcity, there is more kalankini. If he brought home four annas, and I could not buy enough rice, he abused me. The house where there is no scarcity, there is no abuse. Because of this scarcity, this poverty, the lives of the poor are so troubled.

(c) *Gender, voice and decision-making*

Another impact which featured widely in women's testimonies, and one which derived to some extent from the impacts discussed in the preceding section, related to their increased voice in household decision-making. The study provided both quantitative as well as qualitative evidence on this. The household survey had included separate questions on loanees' roles in decisions related to loan use and loan-funded activities, in order to capture the distinction between management and control noted earlier. As a result of the qualitative component of the field work in Mymmensingh, an additional question relating to decisions relating to the allocation of loan-related profits was included in the Faridpur questionnaire. The results,

Table 2. *Decision-making in loan use, enterprise management and loan income by gender (percentages of loanees)*

	Use of loan		Running of business		Use of profit	
	Male	Female	Male	Female	Male	Female
Faridpur: first loans						
Self	81	47	81	51	79	32
Others	11	8	11	12	11	5
Joint	8	45	8	37	10	63
Faridpur: second loans						
Self	84	41	85	45	83	31
Others	14	9	13	15	11	4
Joint	3	50	2	40	6	65
Mymmensingh: first loans						
Self	88	36	85	34		
Others	6	18	7	25		
Joint	5	45	7	40		
Mymmensingh: second loans						
Self	86	36	83	35		
Others	5	20	8	27		
Joint	8	43	8	38		

reported in Table 2, make it clear that access to credit had not obliterated gender asymmetries in decision-making. Male loanees were much more likely to be primary decision-makers in relation to loan use, enterprise management as well as the allocation of profits than were female loanees who were more likely to report joint decision-making. On the other hand, women's access to credit does appear to have mitigated some of the gender asymmetries in decision-making. In male loanee households, the percentage of women having some sort of say in decision-making did not exceed 20% whereas in female loanee households, the figure varied between 40%, if we look at the exercise of primary decision-making role, and 90%, if we also include joint decision-making. The qualitative interviews with the women loanees suggested some of the reasons for their marginal, joint and primary decision-making roles.

The 10% of female loanees who played very little role in decision-making were made up of three subgroups. In some cases, their lack of voice reflected the straightforward appropriation of their loans by husbands. These women had not usually played a particularly active role in the decision to seek out loans and male appropriation was merely a further manifestation of a pre-existing marginalization within the household which the access to loans had done little to alter. Women who were either ill or had some disability also did not play much of a role in decision-making. Finally there were women who had conceded control over their loans to male household heads in recognition of their responsibility for the collective welfare of the household. As F2 pointed out, "What need do I have to take decisions? Even if I die, my husband will continue to take responsibility for my children.... I keep the money, but it is his responsibility to spend it so it does not stay too long with me."

Around 40–50% female loanees in the sample reported joint decision-making. In some cases, this reflected a taken-for-granted "jointness" of household interests and they saw it as irrelevant that the loan had been granted in their name: As F40 put it, "I may have brought in the loan, but I did it with my husband." For others, "jointness" reflected their awareness of their reliance on male family members to carry out certain stages of production and hence their to need to ensure male cooperation. F40 offered the following explanation of how "separate" and "joint" areas of decision-making were determined within her household:

> We had cows and calves before, but they were my husband's... I have bought cocks and ducks and goats with my second loan and with the third, I bought a cow and also gave my husband some money for his wood business .... My husband takes decisions to do with looking after the cow, but with the goats and poultry, I decide. You see, the cow has to be taken out in the morning and brought back in the evening, and if some man comes to buy the milk, well, I am a woman, I can't go in front of him, my husband has to do the talking and running around. He has a

> role in it. I may get my husband to take my goats to the bazaar for sale, but I make all the decisions about it.

Finally there were those who had been previously been disenfranchised in household decision-making processes. They associated the transformation of their marginal role to one of joint decision-making to their access to credit and the resulting improvements in their earning capacity: "My say has increased now that I know how to earn. I did not used to say much before but now I am malik (mistress) of my own shongshar (household economy)."

The third group of women, those who described themselves as primary decision-makers, were analytically the most interesting from our point of view since they appeared to go against the cultural norm. Here again, a number of different factors were at play. The first and most predictable category in this group were women heads of households whose primary decision-making role occurred by default. A second and less expected category were those who explained their key role in household decision-making in terms of their superior entrepreneurial competence, an opinion that was usually shared by other family members. F11 was an example of this category. She pointed out:

> The money from our business stays with me. When my husband needs it, he asks for it. He is not so good with accounts, so it all stays with me...I memorise the accounts, I can't read or write. 7000/- worth of business is not so much that you need to write it down.. . . My husband knows whatever I do. He will never stop me from doing anything, whatever I say, he goes along with. I take all the business decisions. I keep all the hisab. If I tell him not to go to the bazaar today, he will not go.

An important point to make about the women in this category is that while access to loans may have expanded their sphere of decision-making, many of them were already exercising considerable voice within their own households on the basis of recognized managerial skills. This should not negate the importance of credit in their lives since it allowed them to realize their hitherto suppressed entrepreneurial potential, but it does mean that the extent of voice they exercized cannot be attributed solely to their access to credit.

A final category of women in the primary decision-making category were those who had extremely conflictual relationships with their husbands. While violence within marriage appeared to be a fairly widespread phenomenon, a certain degree of empathy characterized women's accounts of such violence when it was seen as an outcome of household poverty, and of the struggles of the male breadwinner to make ends meet. *Exceptional* violence, on the other hand, differed in that it was not explained in terms of the shared suffering of the poor, but in terms of the husband's character (abusive and foul-tempered) and habits (alcohol and drugs). There were three women out of the 50 in our qualitative sample who reported being married to such men. They had not left their husbands, but had effected a form of "divorce within marriage," using their loans to create a parallel economy for themselves which gave them considerable financial independence of their husbands.

F48 had used her loans to set up her own livestock business and then to purchase a rickshaw which she registered in her own name but which her son pulled. She was on her fourth loan when we interviewed her. By this time, she was managing the household budget, her relationship with her husband had improved and she had used her current loan to set him up in his own transport business. Here was how she described the changes in her relationship with her husband:

> My husband is working well now, he gives his earnings to me. Before he did not used to give it to me regularly. Now he doesn't drink any more and he has even reduced his biri smoking. I have cut it down, I have said I don't want to see you smoking, But he steals a little money and still smokes a bit, he can't do without it. And he used to drink in the beginning but not now . . .. And he has not raised his hand to me for the past 3 or 4 years. Not since the loan. His anger has subsided. Scarcity creates a lot of problems . . .. If womankind has no money in her hand, mankind tolerates her less. When I had no money in my hand, he gave me no regard. Now he sees the woman has money in her hands, so that now if anything happens to me, it is *his* head that hurts. That is how it seems.

In F29's case, her husband's violence toward her had diminished when he had lost his legs but not his abusiveness. While she used some of her loan money to improve his business, her relationship toward him remained antagonistic and it was in her son that she invested most of her affection and efforts. She related with satisfaction her ability to ignore her husband's abuse and go her own way, now that she was economically self-reliant:

> Now I am eating out of my own effort, I don't have to go to him for a single paisa... If before I said, we need money, he would get angry, now he can't. If he gives me money, then he gives it and if he doesn't give it, then he doesn't. It is all the same to me. My son is now doing his training in Dhaka so I don't have to cook for him at present. If my husband gives me money for the bazaar, I will cook for him, if he doesn't, I won't.

As a footnote to this discussion, I should point out that the in-depth interviews with the 20 male loanees confirmed that women were far more marginal to household decision-making in their households and also helped to illuminate why. They reminded us that men did not rely on female family labor input in their enterprises in the critical way that women relied on men. In any case, men could take women's assistance in certain activities associated with their enterprises for granted on the basis of their authority as household heads: cooking for extra workers; adding the finishing touches to a garment; assistance with pottery or weaving. Consequently, they had neither practical nor normative imperative to take steps to ensure women's cooperation. Male loanees saw themselves as the primary and usually sole breadwinners of their families. Many were not only against their wives taking up income-earning activities but had explicitly forbidden them to take out their own loans. By and large, this group gave fairly unequivocal descriptions of male dominance within their households:

> I take the decisions about the business, she does what she understands, she doesn't get involved in extra jhamela (hassle). She has neither hisab or kitab (literacy or numeracy).. I take all the decisions around the house.

Once again, however, there were exceptions in that a number of male loanees did report making decisions jointly with their wives. A common factor appeared to be women's ability in these cases to make a contribution beyond that prescribed by the traditional gender division of labor. In some cases, women in male loanee households had taken out loans of their own, from organizations such as Grameen Bank or BRAC so that we were observing the effects of *their* access to credit on household decision-making. In others, it was their education which allowed them to assist their husband in keeping household accounts, particularly in cases where the husband was himself poorly educated.

(d) *Transformatory investments: assets and education*

The increase in women's voice in household decision-making processes was important in its own right for those who had been previously disenfranchised. It had an added significance in a context where access to loans had led to an increase in household income. While it proved difficult to calculate precise returns to loan-funded activities, [1] what can be said with confidence is that most loanees reported satisfactory levels of profit—less than 5% reported a loss—and repayment was not generally regarded as a problem. The finding that access to loans generally increased levels of household income, and that women's access to credit enhanced their voice in household decision-making, also supports similar findings reported by some of the evaluations cited earlier, giving credence to the idea that expenditure patterns within the household were differentiated by the gender of the loanee. By and large, we found that male loanees were more likely than female to reinvest part of their profits in their businesses, that better-off women loanees (in Faridpur) were more likely to invest in some form of savings and that poorer ones (from Mymmensingh) were most likely to spend their profits on purely consumption needs.

Here I would like to focus not so much on gender differences in allocational priorities *per se* but on those which had the potential for addressing some of the inequalities which underpin women's subordinate status. My findings reaffirmed the finding, reported by both Pitt and Khandker (1995) and Hashemi *et al.* (1996), that women's access to credit had allowed a number of them to accumulate assets of their own. Table 3 reports on savings patterns of male and female loanees while Table 4 looks at patterns of owned and purchased homestead land. It will be seen that "secret" savings, a longstanding practice by which rural women in Bangladesh ensured some degree of economic autonomy for themselves, persisted among women loanees. It will also be seen, however, that women loanees in both districts, but particularly the better-off ones from Faridpur, were also engaging in the less traditional practice of opening bank accounts in their own names.

Table 4 offers both direct evidence that women's exclusion, at least from homestead land, was beginning to break down, and indirect evidence that women were using their loans

Table 3. *Saving patterns by gender (%)*[a]

	Faridpur		Mymmensingh	
	Male	Female	Male	Female
Cash at home	18	16	17	23
Bank account	25	20	20	9
Saving society	13	18	3	4
Lent on	–	1	–	6
Secret saving	–	12	–	6
No saving reported	44	45	61	54

Table 4. *Acquisition and registration of homestead land (%)*

	Faridpur		Mymmensingh	
Acquisition	Male	Female	Male	Female
Inherited	67	61	54	56
Purchased	29	34	34	31
Both	2	2	9	10
Registration in own name	74	19	64	29

to purchase homestead land in their own names. Homestead land has a particular significance for women given the home-based nature of their enterprises. [2] Although women are entitled to half their brothers share of parental property under Islamic law, most have not claimed land, waiving it voluntarily (as well as involuntarily) in favor of their brothers so as not to alienate their support should their marriages break down. Given the greater likelihood of male inheritance of land, the greater percentage of male loanees in the sample who reported that some or all of their homestead land was registered in their names is to be expected. But women loanees were as likely as male loanees in each district to report the purchase of some or all of their homestead land and, furthermore, 19% of those in Faridpur and 29% of those in Mymmensingh reported that some or all of it was registered in their names.

There are understandable reasons why women have not generally sought to assert individual property rights within the family in the past. There is also a broad cultural association between men and property. Morever, given men's collective responsibility for household welfare, including the welfare of women, investment in male assets can be seen as an investment in the most widespread form of social capital available to women, their familial networks. In addition, certain assets such as rickshaws, irrigation pumps and tractors tend to be considered "male" because they are almost invariably used by men. For a woman to register such an asset in her name, particularly when she had a husband, meant going against the grain of local notions of masculinity. As F13, who had purchased a rickshaw with her loan money, explained, He told me to put it in my name, but the thing is that the rickshaw has a signboard with the owner's name and if people see it has a woman's name, they will say, "look at that fellow, he pulls a rickshaw but it is in a woman's name." I found that shameful.

Whatever the rationale, it remains the case that the investment of women's loans in assets registered in men's names did little to alter customary gender asymmetries in the distribution of resources. For the purposes of our analysis, therefore, the more interesting cases were those where women's investment strategies did represent a departure from past practice and consequently evidence of the exercise of new kinds of choices. It was most often in conflictual marriages that women sought to separate out their asset holdings. In such cases, the practice of clandestine savings became a covert declaration of independence rather than an attempt to retain some control over purchasing power. These savings were no longer the traditional minuscule amounts, the residual income after basic needs had been met, or the fistful of rice accumulated painstakingly on a daily basis, but substantial sums of cash. F29, for instance, kept her finances separate from her husband's and chose not to let him know about her various savings:

> I have two DPS accounts in the bank and I save with our market samity (society). I also have saved 60,000/-, my husband knows nothing about that. I lend it to other business men and I get 50/- for 1000/-monthly. We are ignorant people, our money does not earn in the bank, but if I lend outside, I earn 250/- in 5 months for every 1000/- I lend.

It was also in situations of conflict that women were registered "male" assets in their own names. Both F15 and F48, who had suffered extreme violence in the past at her husband's hands, registered the rickshaws they purchased with their loans in their own names. F15 hired out her rickshaw in return for a daily rent while F48 registered it in her own name "so that no one could sell it off," but gave it to her son to pull and took a daily contribution from his earnings. F4, whose husband had moved out to live with his second wife, registered her rickshaw in her own name—"I bring in the loan, I will be the one to make the repayments"—but handed it over to her son to run as his business and collected her repayment money from him.

In other cases, it was a sense of generalized insecurity which led women to invest in some assets of their own. This motivation tended not to be openly discussed because it appeared to cast doubts on the reliability of family networks. F39 was one the few female loanees who referred explicitly to the insecurities which underpinned her desire to save in her own name. She had adopted a two-pronged strategy of investing in "joint" assets (life insurance policy and mortgaged-in land) in her husband's name but also in a second life insurance account in her own name, both safeguarding family loyalty but also creating an independent resource for herself:

> I have saved what I could and made a life insurance policy, it is in his name and I am the nominee. That was for 50,000/-. I also took some mortgaged land with the loan money for 15,000/-. That is in my husband's name. Now I have raised 30,000/-, they have given 20,000/-. I put some in my own life insurance. It is for 30,000/-. Women have to look after themselves, can a husband and son do everything for them? These days, the left and right hand must work separately, they can't work together. Suppose something happens in future, where will I go? I don't want to have to suffer. Understanding this has determined my actions. He knows about the second account, but it is in my name. I didn't take the mortgage in my name, I have a husband, I have children, won't they be upset if I put it in my name. They will say, look we work to feed and clothe our mother, and she puts the land in her name.

It is also worth noting that while the registration of land in women's names can be seen as an important strengthening of their fall-back position, most women tended to explain it as a decision taken on their behalf by their husbands as an act of love and gratitude. But, its other significance was explicitly acknowledged by one of the male loanees we interviewed, a man who had registered one acre of the four acres he had purchased in his wife's name, both as recognition of her labour contributions to the household economy, but also to strengthen her bargaining position in the future, when he was no longer around:

> We have both worked hard. That is why I have put some of the land in her name, she has struggled along with me. If I die, my sons may not look after their mother or when they marry, their wives might misbehave with her. Now my sons will know she has property, their wives will know that their mother-in-law has property, they will give her importance. They will say, come and eat with us ....

Along with material assets, the other form of investment reported by women loanees which had the potential for transforming gender relations in the long-run related to girls' education. In many cases, children, particularly those with educated parents, were already attending school prior to loanees' access to credit. It was also clear, however, that access to loans, and the enhanced income levels which it generated, made education affordable for many households who could not previously have afforded it. This sometimes introduced a birth-order factor in educational differentials: education levels tended to be lower among older children whose school-going years coincided with the pre-loan phase of the household life-cycle and higher among younger children who reaped the benefits of credit access.

Of greater significance from the point of view of this paper is the fact that loan access also introduced a gender dimension to the decision to invest in children's schooling. Table 5 reports on mean "gross enrollment rates," measured as boys and girls aged 6–18 within a household currently attending school as a percentage of boys and girls aged 6–18 present in that household. In both districts, gross enrollment rates for boys were higher on average than for girls among male loanee households than female (although the difference was negligible in Mymmensingh) while in both districts, gross enrollment rates for girls were consistently higher than for boys in female

Table 5. *'Gross enrollment rates' for children aged 6–18 (in percentages)*

	Faridpur		Mymmensingh	
	Boys	Girls	Boys	Girls
Male loanee households	77	69	79	78
Female loanee households	71	77	55	62

loanee households. It is worth noting that a similar pattern was reported by Pitt and Khandker (cited in World Bank, 1995, p. 36). Not only should such results be welcomed in the light of the longstanding gender gap in education in Bangladesh but also on the grounds of the various transformatory effects attributed to female education by a wide-ranging body of academic findings, and also by the female loanees themselves.

Many of the rationales given by the women loanees for wanting to educate their daughters reflected a change in attitudes that appeared widespread and were often also expressed by male loanees: the idea that education enabled girls to marry more educated, and hence better-behaved, husbands, that less dowry would be asked of an educated bride, that husbands would respect a working woman; that it was no longer acceptable for women to be uneducated. There was also evidence, however, of a gender-specific rationale in the particular stress that women loanees put on the need for women to "stand on their own two feet," both within marriage or in case the marriage failed. This was often based on their own bitter experiences of what it meant to be totally dependent on husbands for their every need, particularly at a time when marriage was no longer a very secure option. [3] Some women made a very explicit equation between female education, greater self-reliance within the marriage and reduced likelihood of abuse and violence: I will educate my daughter as far as is within my means. The reason is that these days if you don't educate girls, you marry them off to some no-good boy who will beat them. Why should I get my daughter beaten? This belief does of course receive some statistical backing from Schuler *et al.* finding cited earlier that women with some education were less likely to report having been beaten. [4]

(e) *Program-specific impacts*

It will be seen that there were many convergences between the impacts reported for the SEDP and those described in relation to poverty-oriented micro-credit interventions, suggesting that certain impacts can be attributed to access to credit *per se* rather than to specific models of credit delivery. At the same time, it is important to highlight two important divergences in findings which appeared to reflect specificities of organizational practice. First of all, there was general agreement among SEDP loanees, including those who had previously borrowed from BRAC and Grameen, that there were greater stresses and strains associated with repayment of loans from poverty-oriented programs. These often spilt over into conflict, sometimes between husband and wife, as noted by Goetz and Sen Gupta, sometimes between "irresponsible" loanees and other group members worried about their future creditworthiness (this was also noted by Montgomery *et al.*) but most often between loanees' families and program officers seeking to recover repayments. The testimonies of the loanees pointed to some of the programmatic differences between SEDP and poverty-oriented organizations which they believed accounted for the difference.

First, SEDP tended to target women and men with some prior entrepreneurial experience. Many of the tensions reported in connection with poverty-oriented lending occurred between program staff and loanees who were having trouble meeting their weekly repayments because of the failure to use loans profitably. Second, the larger size of SEDP loans also made a difference. As one woman said in relation to Grameen lending: "They only give you 1000 takas, what can you do with that?" SEDP loans were large enough for women to invest in their own enterprises, hence enhancing the value of their own contributions to the household. and still be able to share them with male household members, thereby reducing potential resentment and ensuring joint benefits. [5] Finally, and perhaps most important, SEDP loans were given on easier terms: subsidized interest rates, monthly repayment and possibility for postponement of repayments in times of trouble.

The discipline built into poverty-related lending, which gave rise to the stresses remarked on by the loanees, reflected a concern with loan recovery and with long-term sustainability on the part of these programs. SEDP could afford to run a more relaxed lending regime because a concern with sustainability had not been built into program design while its loan recovery efforts were backed up by the perceived authority of a government bank. It was one of the constant ironies thrown up by the fieldwork that relatively well-off households could access loans at subsidized interest rates with greater flexibility built into their repayment schedules while all around us, poverty-focused credit organizations were lending far smaller sums of money to much poorer sections of the population at much higher interest rates with far more inflexible weekly repayment schedules. Indeed, the pressures of meeting weekly repayments was mentioned as the *single most important source* of the tensions generated by poverty-oriented lending. As F18 said bitterly, having experienced the repayment discipline imposed by Grameen Bank:

> If you take say, 1000/- from Grameen, you have to repay 10/- takas a month or the members of your samity will have to make it up for you. The cashier refuses to get up and says to you, Until you have given your repayment, I will not leave. With SEDP, they allow you to give it 2 months late. In Grameen, your samity members will come and sell whatever is in your house to repay your loan. Grameen says, even if your husband or your son has died, even then you will have to make sure that you have made your repayment.

What was missing from the testimonies of the SEDP loanees was the kind of political awareness and mobilization documented by Hashemi *et al.* in the context of BRAC. This is not surprising since, aside from a brief initial training which covered both social and economic issues, SEDP did not set out explicitly to "empower" women in the way that some of the other credit programs did. Most of its practices, including its training, were geared to enterprise development. The difference between the lessons offered by SEDP training and those offered by a local, explicitly feminist development organization was spelled out by F46 who had experience of both:

> Training is good for women... Before I joined Saptagram, you could say I was stupid... I was like a child. Saptagram taught me to think for myself. With SEDP training,I also learnt something new, how to do business... Which is better? Both are important.

But there was little evidence among SEDP loanees of a concern with wider political issues or with challenging the larger structures of gender subordination. Indeed, the practice of some of the loanees of lending out the profits from their loans to other sections of the community at the kind of usurious interest rates that the SEDP had rescued them from, while a sound use of their money from the micro-perspective, raises questions about the possible widening of the gap between those who were able to borrow from these organizations and those who could not.

3. CONCEPTUALIZING AND EVALUATING EMPOWERMENT: SOME LESSONS

Evaluations are attempts to document, assess and weigh up the social and economic significance of changes attributed to a particular intervention. Which particular changes are given significance in an evaluation will depend on the intervention in question but also on whose understanding of reality is given priority. My own evaluation of the SEDP prioritized the understandings of the loanees themselves and consequently used their testimonies as the basis of the analysis. This stress on personal testimonies should not be taken as a negation of other more objective forms of data. The quantification of findings plays a valuable role in providing some idea of their incidence and magnitude, helping to distinguish between those which are widespread and those which are relevant only to a minority. Qualitative methodologies can be used to place personal testimonies in their larger context. I chose to rely on personal testimonies because empowerment contains an irreducibly subjective element, but I sought to interpret my findings on the basis of my understanding of this larger context and to support with quantitative evidence, either from the household survey or from the secondary literature.

The first part of this paper discussed the very contradictory conclusions arrived at by a number of evaluations which set out to explore the empowerment impact of credit to women. Although these various evaluations, including my own, were conducted at different points in time (from the mid-1980s to the mid-1990s) and represent somewhat different models of credit delivery, I would suggest that the differences in their conclusions do *not* reflect either differences in timing of evaluation or in specifics of program delivery. Indeed, conflicting conclusions were evident for evaluations of the same set of programs carried out within a year or two of each other. Conversely, my own evaluation, while relating to a different model of credit delivery than the rest, nevertheless converged with some of their findings. Instead, I suggest that the main reasons for these conflicting evaluations lie in the questions asked, and the interpretations given to the answers, both of which reflect the underlying model of intrahousehold relationships which underpin these evaluations.

Some of the evaluations prioritized structural aspects of intrahousehold relations, the norms of female seclusion, and the gender division of labor which they legitimized. Others focused on more individual aspects, such as welfare outcomes and decision-making roles. Some evaluations conceptualized households as sites of gender conflict while others tended to stress their cooperative aspects. The particular model of gender relations which emerged out of the testimonies of the loanees interviewed in my study drew attention to the relations of *unequal interdependence* which underpined the specific configuration of "cooperative-conflict" [6] which characterized intrahousehold relations in the Bangladesh context. *Interdependence* within the household was partly emotional. Family members who have shared adversity and faced the humiliations of poverty together, who were working toward common goals, are likely to develop ties of affection and loyalty toward each other. Interdependence also had a material basis, deriving from the division of roles and responsibilities within the family. Cooperative endeavor was a logical outcome of such interdependence. Interdependence within the family was also highly *unequal*. Gender asymmetries in relation to resources and opportunities made women far more dependent on men than men were on women. It gave them a much stronger stake in strengthening cooperation, and minimizing conflict within the family, than men and hence less able to bargain for their own needs and priorities.

Unequal interdependence within the family, and women's greater vulnerability outside it, explain why the women loanees sought greater *equality* within the family as a result of their access to credit rather than greater *independence* from it. It explains, for instance, the significance they invested in their ability to bring a valued resource into the household and to contribute directly to household income. It also explains the value they attached to improvements in the quality of family relationships as a result of the increase in their perceived economic contribution to the household. Some experienced this change as an increase in the affection, love and consideration that they received, others as a reduction in the tensions and violence within the household which arose out of men's frustrations at their inability to fulfill their obligations as primary breadwinners. As women took on a greater share of this responsibility, they also reported greater "voice" in household decision-making, sometimes in the context of joint, sometimes individual, decision-making.

While these changes reflected cooperative solutions to household inequality, women's attempts to strengthen and democratize household relationships, a different pattern of behavior was reported those in exceptionally conflictual marriages, conflicts which were often associated with male irresponsibility as breadwinners and hence the partial breakdown of interdependence. These women utilized their loans, not so much to leave their husbands whom they continued to rely on for social protection, but rather to effect a form of "divorce within marriage." They separated out their finances, made decisions about loan use independently of their husbands, although generally to the benefit of their children, and they retained control over loan-assisted activities. They were more likely to report independent decision-making and to register assets, including traditionally male assets, in their own names. Thus individualized forms of behavior often signalled greater conflict within the household rather than greater "empowerment" for women. Nevertheless it was women's *independent* access to loans that allowed new forms of both cooperative as well as conflictual solutions to emerge.

The first key point that emerges out of the discussion in this paper is therefore the need to ground the conceptualization of empowerment in an understanding of the relationships of dependence, interdependence and autonomy which characterize gender relations in different cultures, the structures of risks, incentives and opportunities which they generate and therefore the particular trajectories which processes of empowerment are likely to take. A second important point is that, even within the same context, empowerment is a complex, rather than a simple, phenomenon. It has multiple dimensions and can occur through a multiplicity of routes. By way of illustration, I have summarized below the various impacts attributed to credit by the various evaluations discussed in this paper, making a rough distinction between those which relate to process and those which focus on outcomes (Table 6).

By and large, "process"-related changes are the hypothesized pathways through which empowerment is believed to occur, while "outcome"-related impacts relate to those achievements associated with access to credit which have transformatory implications for gender relations. There is however, no straightforward cause-and-effect relationship between process and outcomes. Nor is it always clear when a change is cause and when effect, when process and when outcome. Some impacts are means to valued ends, others are valued ends in themselves but also a necessary precondition for achieving yet other valued ends. Some outcomes may be conditional on hypothesized prior processes while others occur independently of them. Thus women were still able to achieve valued impacts in their lives as a result of their access to credit, regardless of who managed their loan-funded activities or who kept the accounts. We also saw that where women used at least part of their loans to enhance their own productivity, they were more likely to experience such impacts. At the same time, a growth of women's self-confidence, in their knowledge of their rights, their willingness to participate in public action and even the reduction of domestic violence may have occurred as a result of women's participation in the new forms of social relationships embodied in credit organizations; they bore little relationship to the productivity of their loans.

The third point, which is an extension of the second, is the importance of avoiding narrow, unidimensional conceptualizations of empowerment which feed into dichotomous models of change: women are judged to be either empowered or not empowered on the basis on how closely they conform to a particular indicator. If instead we see empowerment as an *expansion in the range of potential choices* available to women so that actual outcomes reflect the particular set of choices which the women in question value, it becomes possible to make sense of what appear at first sight to be rather contradictory findings in my study. It becomes possible, for instance, to reconcile the finding that many of the women who subscribed most strictly to notions of purdah as a matter of family honour and female propriety were also some of the most successful entrepreneurs in my sample, women who not only managed and made a financial success of their enterprises but also described themselves as the main decision-makers in their households. It also allows us to make sense of women loanees who registered assets purchased with their loans or with their hard-earned incomes in their husband's rather than their own names and yet displayed enormous physical courage and initiative on occasions when their property was under threat. [7] It also explains why women who had previously ignored the norms of gender propriety, working as agricultural labor in the fields or taking their own goods to the market withdrew from these public forms of activity as soon as their increased prosperity allowed them to and opted instead for self-employment within the confines of their homes.

This suggests, as a fourth point, that we need to make a distinction between forms of change which have been prioritized in the feminist or in the developmental literature and forms of change valued by those whose lives an intervention is seeking to transform. Many of the impacts reported by the women and men in my

Table 6.

Process	Outcomes
Decision to access loans	Enhanced sense of self worth
Access to loans	Increase in perceived economic contribution
	Enhanced role in minor decisions
Decisions about loan use/repayment	Enhanced role in major decisions
	Exercise of purchasing power
	Mobility in the public domain
Decisions about loan-funded activities	Political participation
Labour contribution in loan-funded activities	Reduction of domestic violence
Marketing of loan-funded products	Increase in women's savings and assets
Accounting control	Reduction of gender gap in well-being
	Reduction in gender gap in education
Training	Greater social inclusion
Group participation	Self-reliant livelihoods

study were also identified by "etic" approaches to the evaluation of loan impact: the reduction in domestic violence, increased voice in decision-making and enhancement of their asset base. There were some aspects highlighted in the women's testimonies which were not reflected in these other evaluations, while others were given a significance not shared by the women themselves. The stress that women placed on their own sense of enhanced self-worth as economic actors, of being able to make a contribution to household livelihoods and the value they attached to both their own as well as husbands' ability to move out of demeaning forms of waged labor into their own enterprises, all of these are forms of social change with implications for intrahousehold inequality which had no place in the evaluations cited earlier. Indeed, the women appeared to give a very different interpretation to the increase in their work associated with their access to credit to that given by some of the external analysts. The fact that this increase was a product of their enhanced ability to contribute to household livelihoods and the consequent mitigation of their status as dependants led many to describe it as a valued transformation of the meaning of work rather than an intensification of their work burdens.

On the other hand, they did not attach quite the same degree of value to individualized forms of control over resources that featured in some of the evaluations cited earlier. Although most did seek to utilize some part of their loans themselves, sharing their loans with husbands and sons did not necessarily carry connotations of loss of control. It was the ability to participate in making decisions about how loans were used and how the income from loans was to be used that mattered; this ability was valued whether exercised jointly or individually. As far as the ability to move around freely outside the home was concerned, the picture was mixed. Most women did not see this as a particularly valued aspect of change in their lives. The value they gave to working in a self-employed capacity on their own homesteads is not hard to understand when we consider the pittance that they earned as agricultural wage laborers and the arduous and demeaning conditions under which they worked. There was also near-unanimous antipathy among women loanees to the idea of marketing their own produce in rural bazaars or haats because of what such action signalled to the rest of the community. Consequently, the idea that women are excluded from the market place, and need transport and protection to overcome this exclusion, misses the point that many women exclude themselves from this arena and that they do so on the basis of what people *might say* rather than what men *might do*. Such self-imposed exclusion is likely to continue as long as the alternative is equated with poverty and with the absence or failure of male protection.

The final point to make is a variation on one often made by feminist scholars. Women are *not* a homogenous category. While this point is generally made to highlight the relevance of class, caste, race and culture in differentiating women's needs and interests, I want to make it here in relation to women as individuals. There is no reason to expect women, even those from the same class, to respond identically to new opportunities. Our understanding of the processes of empowerment needs to bear in mind the important distinction between women as a socially subordinate *category* and women as a highly diverse group of *individuals*. We have to allow for the fact that different women will experience and act on new opportunities in ways that reflect some combination of their structural positioning and their own unique individual histories. On the one hand, this means that even the best planned intervention is unlikely to be automatically empowering for all women. At best, it can create the kind of environment or provide the kind of resources which are most likely to help as many women as possible to empower themselves. But there are always likely to be some women who will not, or are not permitted to, take up the possibilities on offer. What we are likely to observe at any point are distributions of responses to these different possibilities.

On the other hand, however, the individuality of women also means that not all evidence of empowered behavior on their part can be ascribed to a particular intervention. The tendency to do this rests on a version of the dichotomous model of empowerment noted earlier where it is assumed that prior to the intervention, the women in question were cowed, fearful and mute while after it, they became articulate, entrepreneurial and active. Interviews with both men and women in my sample made it abundantly clear not all women had been passive or silent actors within their households prior to the arrival of SEDP. Indeed I found many examples of women who were already exercising considerable entrepreneurial initiative and playing key roles in managing their households Some of this can be traced to their recognized individual competence relative to male household members. In addition, it can also be traced to some of the major social changes in Bangladesh in the past decade or so which have effected what has been called a "quiet revolution" (Chen, 1983) in the ideas and practices of gender relations. The greater availability of such loans for women, and women's willingness to take them up, can be seen as both an effect of this revolution as well as contributing to further changes. Here is F18's account of these larger changes:

> We village girls, we understood less before, we never went into the town or city. Before this area was idle, there was very little education. It was jungle here, there was no decent road. But when the CNB road came, people became smarter. Before you could not sell a marrow here for 2 or 3 takas. Now since the road, you won't get less than 20 or 25 takas. This is how we have prospered .... I want both my son and daughter to study till IA. I hope she can get a job in family planning .... Many girls even in the villages are working now, they become cashiers with samities (cooperatives), they get paid. Before women did not go out of the house because people might say something. Before we were idle, now if there is money to be made, we are no longer idle .... Since independence women in towns got more opportunities, but since the first woman prime minister, women in the countryside are also getting more opportunities.

4. CONCLUSION

Let me conclude by making a general point about microfinance and women. While the recent questioning of the empowerment potential of loans to women helps to counter the earlier, somewhat single-minded preoccupation with "repayment rates," the recommendations which come out of the more negative evaluations cited in this paper carry the danger of overloading microfinance organisations with empowerment-related goals to the extent that their ability to deliver effective and sustainable financial services is likely to be seriously undermined. This point is made more generally by Rutherford (2000) who suggests that many NGOs promoting microcredit in the South Asian context have failed to develop effective financial services for the poor "because they are not primarily interested in financial services but in much wider social issues" (p. 9).

There are multiple rationales for lending to women, apart from empowerment. The fact that women are much more likely to share their loans with male household members than men are with women, in my view, merely strengthens the argument for lending to women. The entire family is much more likely to benefit economically, and women are much more likely to benefit personally and socially, when loans are directed at women rather than men. Loans to men do little to challenge the internal gender inequalities of households, and indeed appear to reinforce them by giving men an affordable base from which to prevent their wives from engaging in their own income-earning activities.

There are other arguments as well. It is one of the injustices of the way that society is organized in Bangladesh that extremely able women, even those from better-off households, are unable to realize their entrepreneurial potential because their gender acts as a barrier to gaining access to the necessary resources. Men, even poor men, have always had more choices in terms of accessing economic opportunities than women from an equivalent class. Women's higher repayment records do not merely reflect their socialized compliance in the face of the instrumentalist authority of NGO or government officials, as the more negative evaluations tend to suggest, but also the compliance which comes with having few choices. If purposive interventions can help to direct resources to women, thereby overcoming past barriers which have led to the suppression of their entrepreneurial potential, then they must be welcomed on grounds of efficiency and equity. If greater efficiency and equity help to lay the grounds for women to tackle other aspects of injustice in their lives, then we will have found a different and perhaps more sustainable route to women's empowerment.

NOTES

1. Clearly, impact was likely at least partly to reflect returns to loan-related investment, but these proved extremely difficult to calculate. Loanees were at different stages of their loan cycle and loans were often repaid from sources other than the loan-funded enterprise so that profit calculations required calibration between costs and returns to more than one enterprise see Kabeer (1998).

2. A nationwide participatory poverty assessment by UNDP (1996) found ownership of homestead land the second most important priority identified by rural women, second only to productive opportunities.

3. I found a similar value attached daughters' education as a route to greater self-reliance by women workers in the garment industry who I interviewed in the context of a study exploring the impact of wages on women's empowerment (see Kabeer, 2000).

4. It is also supported by studies from other parts of the world, see Kabeer (1999).

5. Schuler *et al.* (1996) found that while access to credit by itself appeared to have some effect in diminishing violence against women, women's economic contribution appeared to only start to have an effect once it had reached a certain level. The significance of loan size also crops up in the study Goetz and Sen Gupta: they found that while very few women in their sample received loans greater than 4000/-, those that did were much more likely to make some use of their loans themselves.

6. See Sen (1990).

7. For instance, was one of the women who had registered the rickshaw purchased with her loan in her husband's name and refused to let him write his land over into her name despite his desire to do so. Yet she, together with another woman, had sat guard, with machetes in their hands, over this land all night for several nights while her husband was away because she feared that their newly planted rice might be run over by a tractor by another family which was disputing their claim to the land. She told us: "Afterwards my husband wanted to register the land in my name but I said, it is your father's property, what will people say. But he said, you have struggled so hard for it. I said, it is enough for me that you want to register it in my name but as long as I have a husband, the land will be there and if I don't have a husband, what use is the land to me?"

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