

# **Female Empowerment and Gender-Based Violence: An Investigation into Microfinance Beneficiaries in a Patriarchal Societal Structure**

## **ABSTRACT**

The concept of microfinance has spread rapidly particularly in the developing world, and, one of the central ideas that have emerged is that microfinance aides empowerment of women. This has resulted in widespread implementation of microfinance programs specifically targeted towards female beneficiaries. Consequently, this phenomenon has created a lot of discussion among the intelligentsia. And, one important conclusion that has been largely reached is that female empowerment as a result of increased access to microfinance lowers the incidence of domestic violence. Although, this has been refuted on the grounds that since women do not actually control their loans, the incidence of domestic violence does not fall, or even rises. This paper attempts to show that, in a patriarchal societal background especially that of a developing nation, gender-based violence may also be viewed as a backlash against potential initially rising empowerment, resulting from increased access, which eventually causes the level of empowerment to fall. The study that yielded this result was conducted in 2012 by interviewing 167 female microfinance beneficiaries residing in two of the largest urban underprivileged areas on the immediate outskirts of the metropolis of Kolkata (Calcutta), India.

JEL Classification: C73, G21, J12.

Keywords: Gender-based violence, microfinance, empowerment, patriarchy, developing nation.

Microfinance has been hailed globally as an effective tool that helps poverty alleviation by providing financial access to the poor who did not have much or any access to funds. This access opens up avenues through which the poor can employ themselves in an income generating activity which, in turn, gives them some amount of financial independence. Another idea that has emerged, essentially through the Grameen Bank experience, is that microfinance especially empowers poor women in developing and underdeveloped nations. These ideas have helped in a rapid propagation of microfinance programs through the developing world. And, an obvious propensity towards programs targeted towards women has been noticed among Micro Finance Institutions (MFIs).

Now, there exists a whole literature, and a lot of debate, on microfinance and empowerment of women. Some notable studies finding in favor of empowerment include Hashemi, Schuler and Riley (1996) that find that participation increases mobility, decision making, political awareness and activism thus empowering women. Kabeer (2001) too supports this idea by showing that participation raises confidence and courage in women, and helps raise their voice in household decision making. It is also found to promote increased social inclusion and help the women create secret savings and asset accumulation.

Participation raising courage and confidence is also seen in the study in Osmani (2007). Mahmud (2003) concludes that participation in microfinance programs causes increased participation of women in household decisions which leads to their empowerment. Baylugin (2008) conclude that being a member of a Self Help Group (SHG) that is necessary to participate in a microcredit program provide women with the opportunity to band together and fight for a cause or challenge authority and even engage with local politics, thereby, empowering them politically. Pitt, Khandkar and Cartwright (2006) studied villages in Bangladesh and developed an empowerment model consisting of ten factors, including women's mobility, decisions on fertility, purchasing decisions, resources and husbands'

attitudes. From this, they concluded that presence of a microfinance group in a village has a significant effect of eight out of ten factors, implying, participation in microfinance empowers women.

Again, notable studies finding against empowerment have mostly centered around control of loans. Goetz and Sengupta (1996) and Karim (2008) have shown that mere participation does not empower as most women are forced to yield control of their loans over to the male members in the household. Although, Aslanbeigui, Oakes and Uddin (2010) have questioned this line of thought suggesting that control over assets resulting from loans is more important than control over the actual loan. Rahman (1999) and Cons and Paprocki (2010) have additionally asserted that women's positional vulnerability makes them easy targets for loans for reasons of profit of the Microfinance Institutions (MFIs).

Moreover, there has been some discussion on the effect on incidence of domestic or intimate partner violence resultant to access to microfinance. And, there are studies finding both in favor of and against reduction of domestic violence with increased access. Hashemi, Schuler and Riley (1996) have found that reduction in incidence of domestic violence is one of the factors behind rising empowerment. Pitt, Khandkar and Cartwright (2006) found change in husbands' attitude (that is, reduction of domestic violence) to be one of the eight significant factors out of ten that helped conclude that participation in microfinance programs empowers women. Rahman (1986) observed that incidence of domestic violence against participating women tends to fall as they start having a higher income and resultant larger decision-making roles. Kabeer (1998, 1999, 2001) has also reached similar conclusions, although she has observed that increased domestic violence is not an indicator of failure to empower women, but rather, a positive long run change to gender relations, and that conflict happens when male authority has been challenged to its furthest. She even states that absence of conflict indicates extreme inequality.

On the other hand, Goetz and Sengupta (1996) found that domestic violence rose as a result of increased access in cases where the women were not able to retain control over their loans. Jewkes (2002) and Koenig et al (2003) have asserted that participation actually increases domestic violence, albeit in the short run, as that causes women to challenge conventional gender roles, but, this dissipates in the long run. Steele, Amin and Naved (2001) state that women may in fact join microfinance programs as a result of prior domestic violence as a protective measure against marital insecurities, not the other way around. Studies like Jewkes (2002) and Kishor and Johnson (2006) even refute the computation of correlation between participation in microfinance and incidence of domestic violence citing the reason that the target group for microcredit is already a group vulnerable to domestic violence because the poor have higher levels of stress and fewer resources to combat it causing them to turn to violence to act as a stress reliever. Bajracharya and Amin (2010) assert that existing evidence makes effects ambiguous. They further conclude, after conducting Propensity Score Matching on the data from Bangladesh Demographic and Health Surveys 2007, that, evidence of increased violence may not be due to participation, but rather, due to selection bias in such studies conducted.

Now, the ideas explored and assertions made in this paper are resultant of another study I conducted exploring whether microfinance truly empowers women in a patriarchal society where women are so tied up by familial and societal honor codes that they do not have any real exit option from an unfavorable household/marriage. In this paper, I attempt to show not only how incidence of gender-based violence may actually rise with a rise in access to microfinance, but also, elucidate how that might be used as a weapon for intimidation and prevention of empowerment of women such that increased violence may be viewed as a backlash against rising levels of empowerment. Next, I try to show how the level of female empowerment may actually spiral down with increased violent backlash, thereby concluding

that increased access to microfinance might eventually end up reducing the level of female empowerment, via the route of gender-based violence. These are ideas that, to my knowledge, I have not seen rigorously explored or formally modeled elsewhere. Thus, they may serve to extend existing literature.

Also, most of existing literature deals with domestic or spousal/ intimate partner violence predominantly. But, that is not the only type of violence women are subjected to in traditional, closely-knit patriarchal societal structures. In such societies, women are subjected to violence inflicted by their entire communities as well. Ample evidence exists in the form of honor killings, acid throwing, threat-laced sexual harassment, eve teasing, molestation and statutory rapes targeted towards intimidation, all from non-familial sources. So, only looking at the connection between access to microfinance and domestic violence seems to be an incomplete analysis of the problem. Therefore, here, the term ‘gender-based violence’ is used in lieu of ‘domestic violence’ to indicate a summation of acts of domestic and societal violence.

## **1. METHODOLOGY**

The context of this paper is set in India, which has been classified as a classic patriarchy by Kandiyoti<sup>1</sup>, who classed all Asian and African economies as patriarchies. This implies that Johnson’s<sup>2</sup> definition of patriarchy holds true here. This definition mainly stresses on four characteristics of patriarchal societies. First, such societies are male dominated, that is, the most powerful roles in most sectors of society are held by men and least powerful roles are

---

<sup>1</sup> Kandiyoti, Deniz. 1988. “Bargaining with Patriarchy”. *Gender and Society* 2(3): 274-290.

<sup>2</sup> Johnson, Allan. 2005. *The Gender Knot: Unraveling our Patriarchal Society*. Philadelphia: Temple University Press.

typically held by women. Secondly, they display an obsession with control and presume that men have an ability to exert control while women need men's supervision and protection. Thirdly, they are male identified, meaning, highly valued personal and societal attributes are associated with men, and devalued attributes are typically associated with women. Finally, such societies are male centered where men occupying the center and women being pushed to the margins are the norms.

Now, the original study was conducted, in 2012, by interviewing 167 female microfinance beneficiaries residing in two of the largest urban underprivileged areas in North 24 Parganas district, immediately adjoining the metropolis of Kolkata (Calcutta), India. The women were between 19 and 62 years of age. Underprivileged areas were chosen because an overwhelming majority of urban participants in microfinance programs hail from these areas. Being in West Bengal, most of the women belong to the Bengali community. And, this very fact adds a new dimension to the implications of the study. The Bengali community is not only a subset of the Indian societal structure, but is also considered to be among the more liberal communities in India with comparatively less incidence of gender-based violence. This helps estimate that the situation faced by women of the more orthodox Indian communities and/or religious groups is graver. Further, this study may also serve as a point of reference for studying the case of female microfinance beneficiaries in other patriarchal societies.

The interviews were conducted by me, the author, in verbatim Bengali, and Hindi (for the few non-Bengali women). The above mentioned areas were chosen since many of the women residing there are personally known to me giving me the benefit of using local social networks. These women brought their female relatives, friends and acquaintances to participate in the study. The fact that I was personally known to them induced them to be mostly honest, which helped immensely to reduce biased or incorrect responses. Personal and

prior experience had taught me that women in traditional societies are psychologically conditioned, from a very early age, to not discuss sensitive issues with unknown people.

The interviews were more of the nature of a free-wheeling chat, rather than a Q&A session, centering on the women's experience with microfinance. This was done because, again, prior experience has taught that such women tend to voice their real opinions and share anecdotal evidence from their own lives more freely in a relaxed atmosphere, as opposed to a more serious Q&A setting, where they tend to give stereotypical responses and say only what they are 'supposed to say'. The reason behind this paradoxical phenomenon is that in traditional patriarchies, women are always pushed to the periphery and there exists a very skewed notion of honor. Entire responsibilities of upholding familial and societal honor are vested in women, so much so, that even dishonorable behavior by a man is forcibly portrayed to be the woman's fault, thus, shifting the entire blame on women. This fear of shifted blame even made most of the women object to audio recording of the conversations, although they did not object to taking handwritten notes.

Now, as mentioned earlier, the original aim of this study was to investigate whether access to and participation in microfinance programs truly empowers women beneficiaries, in the light of a severe lack of exit options from an unfavorable household, in a classic patriarchal society<sup>3</sup>. But, an interesting, even paradoxical, phenomenon noticed while listening to the women talk was a common sentiment of resignation to their 'fate'. Almost all the participants of this study said they were fed up of having to face 'trouble' connected to their participation in microfinance programs, at least once in the course of conversation; 'trouble' meaning incidence of gender-based violence, ranging from mild to severe forms. This sentiment was even echoed by women who reported to be earning a good amount of

---

<sup>3</sup> I have explored this idea exclusively in another of my papers and thus am not elaborating on it in this paper.

income from their microloan funded ventures, contradicting existing literature<sup>4</sup>. And, not many exuded enthusiasm to keep fighting this ‘trouble’. The general sentiment was that if this ‘trouble’ went beyond a certain limit, they would most likely just give up and go back to being quintessential Indian housewives. They seemed to prefer a dependant and disempowered status to independence and empowerment, even after they had tasted the latter two. On being specifically asked why they were not too willing to fight for their independence, these women kept mouthing a Bengali proverb, “*Shukher cheye shoasti bhalo!*” (Peace is better than prosperity). They also recounted events from lives of their family, friends or acquaintances where women had preferred to opt out of microfinance programs due to rising gender-based violence, so much so, that at times entire SHGs had ceased to exist because all the members had opted out of the programs<sup>5</sup>.

These observations made and anecdotal evidence collected, from essentially the lives of these 167 women, presents a paradox that triggered off this particular investigation. And, they form the basis of the formal analyses contained in the ensuing sections.

## **2. MODEL**

The premise of this model is the idea that increased access to microfinance for women implies that women who had previously had no / negligible access to any financial or productive resources, start getting access to such resources via micro loans that the women themselves control. This, in turn, causes them to become more valued members of their

---

<sup>4</sup> Rahman, Aminur. 1986. “*Impact of Grameen Bank on the situation of poor rural women*”. *BIDS Working Paper*, No. 1, Dhaka.

<sup>5</sup> Since I had not expected to encounter such paradoxical observations, I had only included women that were currently participating in microfinance programs in this study.

communities, and, therefore, they experience increased levels of empowerment. The women participating in this study did say that they are also able to take independent decisions while purchasing small household items and small necessary items for their children, although, for bigger decisions, they still have to depend on their male family members.

The phrases ‘increased access to microfinance for women’ and ‘women taking control of the loans’ are used interchangeably as, in the literal sense, access to microfinance can be considered to be truly effective only if the loanee takes control of the loan. And, since generally, increased access is said to cause empowerment, we may assume through transitivity, that, women taking control of their loans signify increased empowerment.

Two games are used to analyze the premise. The first game presents the first contention, that is, gender-based violence may be also viewed as a backlash against rising levels of empowerment of women. Here, a classic Signalling Game is used and the pay-offs to the players are expressed in discreet numbers, although they can be expressed through variables. This is done to keep the model tractable and to arrive at a definitive solution. The second game presents the second contention, that is, increased access to microfinance might actually reduce the level of female empowerment. A standard Sequential Imperfect Information Game is used to prove this idea.

The rationale behind using a game theoretic approach is that the issue under examination here is of a very qualitative nature. This paper is based on microfinance beneficiaries, and, the amount of microloans is indeed a quantitative entity. But, this paper is not concerned with that amount. Rather, it analyzes a certain behavioral pattern, at the societal level, of people towards women who potentially or actually are microfinance beneficiaries. And, this behavioral pattern is based totally on ideas, beliefs, norms and

traditions, all of which are non-quantifiable entities. Thus, game theory, with its structure of strategies and actions, seems to be better equipped to tackle such qualitative issues.

Of course, the entire analysis done is of an approximate nature. But, given that the study deals with qualitative issues, arriving at precisely calculated conclusions is not possible. Also, imputing cardinal values for utility gained or lost means that the first game uses a cardinal utility approach. And, all the criticisms associated with the cardinal utility theory are applicable here. An important critique is that utility cannot be measured numerically. But, in this model, usage of non-cardinal variables would have over-complicated the analysis and potentially may have diverted the focus away from the real issue being analyzed.

While conducting the survey, I could observe two kinds of attitude exuded by the women. Some women were the gutsy kind and not easily intimidated at all. They were aware of the problems they might face if they asserted their decisions and were ready to put up a fight, if needed. They were also not scared of the consequences in case they did put up a fight. Others seemed to be much meeker and much easier to intimidate. Although these women wanted to assert their decisions too, they were scared of putting up a fight. These women were afraid of both the problems they might face if they asserted themselves and the consequences if they did put up a fight. In fact, these were the women who kept citing the Bengali proverb, "*Shukher cheye shoasti bhalo!*" (Peace is better than prosperity). Now, this instance of polarized attitudes is a very important factor while examining whether gender-based violence is a backlash against rising empowerment. So, it needed to be included in the analysis. Thus, to capture this kind of attitudinal differential, a signalling game is used. This is because, a woman who is gutsy will not go around declaring that she is gutsy. Her willingness to put up a fight in the face of all odds will be the signal that she is, in fact, gutsy. Similarly, a woman's unwillingness to put up a fight will act as the signal that she is meek.

In the second case, the interaction happens between the woman and the MFI. Now, the representative MFI may be a true one or a pseudo one, and the representative woman is unaware of the exact nature of the MFI. But, the woman knows that the MFI may or may not be true. And, the exact nature of the MFI is decided before interaction with the woman starts. This means that the information regarding the nature of the MFI is of a historical kind. Thus, an imperfect information game is used instead of an incomplete information game. Also, since the exact nature of the MFI is decided before interaction with the woman starts, the flow of information and action is sequential, necessitating the use of a sequential game structure.

## **2.1. Signalling Game**

The Players are:

- i) A Representative Woman (W) – sender of the signal.
- ii) The traditional and patriarchal society (S) – receiver of the signal.

(The entire society is considered to be a composite individual player so as to account for both domestic and societal violence and to justify usage of the term ‘gender-based violence’.)

Sender’s strategies :

- i) Take Control of the loan (TC).
- ii) Do Not take Control of loan (NC) relinquishing control to male family member.

Signals sent :

- i) Bold Woman ( $\theta_1$ ), i.e., willing to put up a fight to try to take control of loan even in the face of violent opposition; not easy to intimidate.

ii) Meek Woman ( $\theta_2$ ), i.e., unwilling to put up a fight in face of violent opposition; easily intimidated.

Receiver's strategies :

- i) Do Nothing (N).
- ii) Use Violence (V) as instrument of intimidation.

Probability of woman being bold is  $\rho$  and that of being meek is  $1-\rho$ . Those associated with society's strategies if woman takes control of loan are  $\lambda$  and  $1-\lambda$ . And, if woman does not take control of loan, then associated probabilities are  $\gamma$  and  $1-\gamma$ . All probabilities are of course within the closed intervals of 0 and 1.

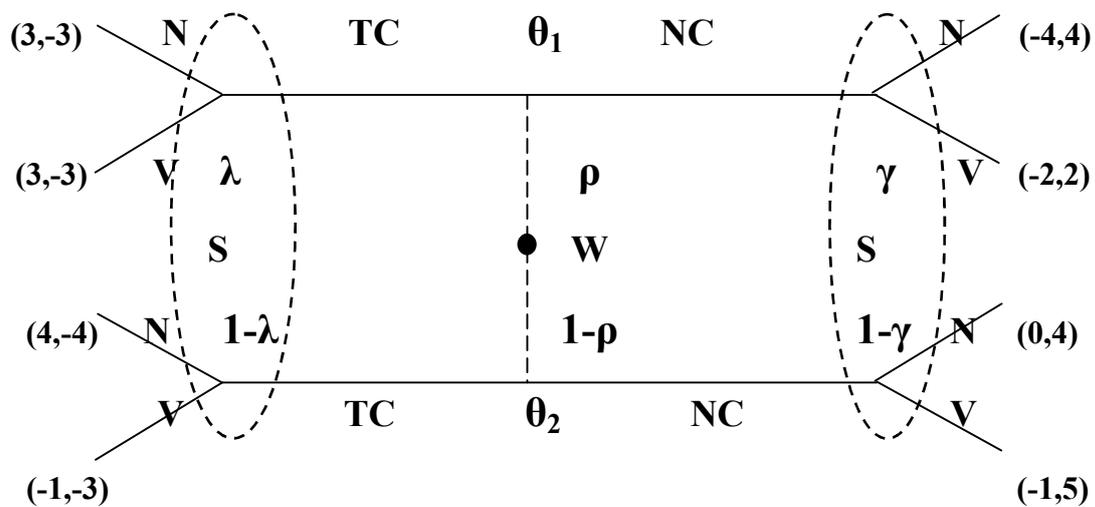


Figure 1: Diagram representing the Signalling game.

The pay-off structure is being explained herein below. Equal weight is assigned to each utility / disutility pay-off point and it is assumed that each utility point carries a pay-off of 1 and each disutility point carries a pay-off of -1. Attempts have been made to account for

all possible avenues through which both players might get pay-offs so as to make the pay-off structure as complete as possible.

When the Bold Woman takes control of the loan without any violent societal opposition, she gains utility points from taking control of loan, resulting self confidence and not having to face opposition. When she faces opposition and yet takes control, she gains double points from that and one from its resulting confidence. She gains a point from the fact that she has to put up a fight, but loses one as she has to suffer the impact of societal opposition. When she does not take control despite lack of opposition, she loses double points there, and two more from not even having to resist and resulting disappointment. Finally, when she has to give up control of loan due to opposition, she loses a couple from that and resulting disappointment and one from having to take the impact of opposition, but gains one for putting up a fight nonetheless. Society, on the other hand, gains when the woman loses and vice versa.

When the Meek Woman takes control without having to face any opposition, she gains from taking control of loan, resulting self confidence, not facing opposition and taking control inspite of being unwilling to resist. Society loses on exactly these counts. When she takes control despite opposition, she gains from that and resulting confidence, but loses triple utility points because she has to resist although she is unwilling to do that and because she has to suffer the impact of societal opposition. Society loses utility points when this woman gains and loses a couple more due to her resistance and her taking control despite opposition, but gain one consolation point that they at least tried to prevent empowerment. When she does not take control of loan despite no opposition, she loses a couple for that reason and resulting disillusionment, but she also gains a couple from not facing any opposition and not having to resist. Thus, her pay-offs balance out. Finally, when she has to give up control of loan due to gender-based violence, she loses a couple of utility points on that and resulting

disappointment and one for being a victim of violence, but, she gains two points for not having to resist and relinquishing control of loan on opposition. In the latter two cases, society gains on all counts, irrespective of whether woman loses or gains.

Next, looking at the four possible concepts of equilibria, it is seen that here three break down leaving only one possible equilibrium for the game.

Pooling on NC, expected pay-off of S if playing N is  $4\gamma + 4(1-\gamma) = 4$ , and, that if playing V is  $2\gamma + 5(1-\gamma) = 5 - 3\gamma$ . This implies, S plays (V,V) if  $\gamma > 1/3$ . Here,  $\theta_1$  has complete incentive to move to TC because no matter what S plays, she will get higher pay-off than if she plays NC. Thus, Pooling on NC breaks down.

Under Separating (TC,NC),  $\theta_1$  plays TC and  $\theta_2$  plays NC and there is complete Bayesian Updation, i.e.,  $\lambda=1$  and  $\gamma=0$ . Now, when S gets signal that W is of type  $\theta_2$ , it will play V, and in the other case, S will be quite indifferent between strategies. Now, although  $\theta_1$  does not have any incentive to deflect,  $\theta_2$  does as if she deflects, the worst would be that her pay-off remains unchanged. But, since S is indifferent if W plays TC,  $\theta_2$  stands a chance of being made better off. Therefore, Separating (TC,NC) also breaks down.

Under Separating (NC,TC),  $\theta_1$  plays NC and  $\theta_2$  plays TC and there is complete Bayesian Updation, i.e.,  $\lambda=0$  and  $\gamma=1$ . Now, when S gets signal that W is of type  $\theta_1$ , it will play N, otherwise it will play V. Here, both types of W have complete incentive to deflect as they will get more pay-off if they do, causing Separating (NC,TC) to break down too.

Pooling on TC, expected pay-off if S plays N is  $-3\lambda + (-4)(1-\lambda) = \lambda - 4$ , and, that while playing V is  $-3\lambda + (-3)(1-\lambda) = -1$ . Here, S will play (V,V) if  $\lambda - 4 < -1$ . And, since,  $\lambda \in [0,1]$ , this condition will hold.  $\theta_1$  does not have any incentive to deflect and  $\theta_2$  is indifferent as her

pay-off will remain unaltered even if she does. This implies Pooling on TC exists and this is the only Perfect Bayesian Equilibrium in this game.

The solution of the game shows that if women show signs of wanting to take control or do take control of loans, optimum reaction of society is to try to prevent that using gender-based violence and intimidation tactics. This proves the contention that gender-based violence may also be viewed as a backlash against rising levels of empowerment of women.

## **2.2. Sequential Imperfect Information Game**

The Players are:

- i) A Representative Microfinance institution (MFI)
- ii) A Representative Woman (W)

The woman has two options. She may or may not choose to take control of her loan, and, these form her strategies in the game. A MFI may be of two types, namely, pseudo and true. Probabilities associated with the two types are  $\mu$  and  $1-\mu$  respectively;  $\mu \in [0,1]$ . And, this is an incomplete information game as the woman does not definitively know the type of MFI.

True MFIs are those that target women with the desire of truly empowering them. They typically provide a number of allied services and training alongside giving loans so as to ensure that the women are able to utilize loans effectively. Also, they do not pressurize repayment of loans using the positional vulnerability of women in the societal structure. On the other hand, Pseudo MFIs are those that target women mainly to cut the cost of program delivery. They mostly conform to patriarchal norms and prefer recruiting men as they consider women to be incapable and inefficient. They typically do little beyond giving out

loans and tend to exploit the positional vulnerability of women while pressuring them for repayment<sup>6</sup>. Thus, we consider both types of MFIs while constructing our model.

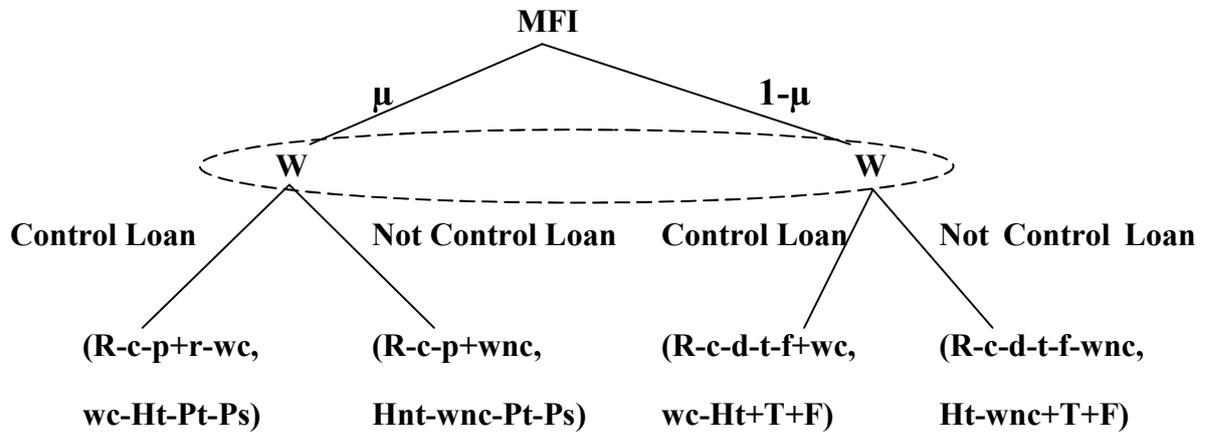


Figure 2: Diagram representing the Sequential Imperfect Information game.

The pay-off structure, expressed purely in terms of utility or disutility received by both players, is detailed as follows :

Cost of sanctioning loan for MFI (both types) =  $c$ ; disutility to MFI.

Revenue from repayment of loan for MFI (both types) =  $R$ ; utility to MFI.

Cost of adopting pressure methods by pseudo MFI to force repayment =  $p$ ; disutility to MFI.

Revenue from achieving almost perfect repayment rates by pseudo MFI =  $r$ ; utility to MFI.

Loss of revenue due to default in repayment for true MFIs =  $d$ ; disutility to MFI.

Cost of providing allied training by true MFI =  $t$ ; disutility to MFI.

<sup>6</sup> Rahman, Aminur. 1999. *Women and Microcredit in Rural Bangladesh: Anthropological Study of the Rhetoric and Realities of Grameen Bank Lending*. Boulder: Westview Press.

Cost of providing allied facilities by true MFI =  $f$ ; disutility to MFI.

Woman when controlling loans =  $wc$ ; utility for woman and for true MFI and disutility for pseudo MFI.

Woman when not controlling loans =  $wnc$ ; disutility for woman and for true MFI and utility for pseudo MFI.

Threat to woman of being at receiving end of pressure tactics by pseudo MFI =  $Pt$ ; disutility to woman.

Resulting social ostracization / violence to woman =  $Ps$ ; disutility to woman.

Access to allied training for woman provided by true MFI =  $T$ ; utility to woman.

Access to allied facilities for woman provided by true MFI =  $F$ ; utility to woman.

Power tussle at home (society) when woman tries to take control =  $Ht$ ; disutility for woman as it entails resistance on part of woman.

No power tussle at home (society) when woman does not try to take control =  $Hnt$ ; utility for woman as it does not entail resistance on part of woman.

Next, expected pay-offs received by the representative woman only is computed as our aim is to see what happens to the level of female empowerment.

Expected pay-off to W if she takes control of loan

$$= \mu (wc - Ht - Pt - Ps) + (1 - \mu) (wc - Ht + T + F)$$

$$= wc - Ht + T + F - \mu (Pt + Ps + T + F)$$

Expected pay-off to W if she does not take control of loan

$$= \mu (H_{nt} - w_{nc} - P_t - P_s) + (1 - \mu) (H_t - w_{nc} + T + F)$$

$$= H_{nt} - w_{nc} + T + F - \mu (P_t + P_s + T + F)$$

From this follows, W will take control of loan if

$$w_c - H_t + T + F - \mu (P_t + P_s + T + F) > H_{nt} - w_{nc} + T + F - \mu (P_t + P_s + T + F)$$

$$\Rightarrow w_c - H_t > H_{nt} - w_{nc}$$

This implies that as  $H_t$  rises, expected pay-off to woman taking control of loan falls.

And, we have already seen in the previous model that if representative woman take control of loans then it is optimum for society to try to prevent that using gender-based violence.

Additively, as more and more women take control of loans, it is optimum for society to react with increased levels of gender-based violence. Therefore, if  $H_t$  levels are sufficiently high, then the woman gets more pay-off if she does not take control of loan, which signifies decreased level of empowerment, in accordance with our transitivity assumption.

This proves the second contention that with increased access to microfinance, depicted by more women taking control of their loans, gender-based violence against them inflicted by society tends to rise, and that, in turn, causes them to get more pay-off if they relinquish control of their loans which signifies falling level of empowerment via the transitivity phenomenon.

This result is also reflective of the way women are conditioned psychologically in a traditional patriarchy, in reality. The subordinate and peripheral position assigned to women in such societies psychologically conditions women to phenotypically feel more natural and comfortable in a dependent and disempowered position. This phenomenon has been observed in the course of this study, and can be observed more generally too.

### **3. DISCUSSIONS AND CONCLUSIONS**

Summarizing, the above elaborated ideas suggest that increased gender-based violence does not necessarily signal low levels of female empowerment. It can also be viewed as a backlash against increasing empowerment of women and a kind of intimidation tactic to stop this rising empowerment. And, this intimidation tactic has the potential to not only stop rising empowerment but also to make it spiral down further. This paper investigates only in the context of female microfinance beneficiaries, but this pattern of gender-based violence holds true for other women too. Among Indian communities, the Punjabi, Haryanvi and Rajasthani communities are poster children for such intimidation oriented incidences of gender-based violence with occurrences getting reported via national and local news media almost every day.

The central results reached in this paper directly contradict a significant portion of existing literature on microfinance and its resultant gender empowerment. Important studies like Hashemi, Schuler and Riley (1996), Pitt, Khandkar and Cartwright (2006), Rahman (1986) and Kabeer (1998, 1999, 2001) have found that high levels of gender-based violence is typically associated with low levels of empowerment and incidences of such violence tends to fall with rising empowerment. But, in this paper, it is found that increased gender-based violence does not necessarily signal low levels of female empowerment. The first result, that is, gender-based violence can also be viewed as a backlash against increasing empowerment of women, stands as a contradiction to this branch of literature. Of course, this paper does not try to assert that rising levels of empowerment does not cause gender-based violence to fall at all. Such violence does get reduced and such instances can be found in real life too. This paper only asserts that that result is not the only absolute one. Increased empowerment does not absolutely guarantee decreased incidence of violence. It can also lead to increased

violence in the form of a backlash, a possibility, and in fact a reality, not explored much formally.

Some work has been done on analyzing this phenomenon of violent backlash. Studies like Jewkes (2002) and Koenig et al (2003) have looked at this phenomenon. But, they have concluded that this violent backlash is only a short run phenomenon as it causes women to challenge conventional gender roles, which is initially difficult to accept for their families and the society. But, in the long run, as empowerment levels rise and people get more used to the new roles assumed by the women, incidence of such violence falls. This paper, on the other hand, shows that incidence of such gender-based violence actually causes empowerment levels to spiral down eventually, such that even if some amount of empowerment had happened due to increased access to microloans, incidence of this kind of gender-based violence causes it to fall back down and, sometimes, fall even lower. Again, here, attempts are not being made to totally nullify the conclusions reached by previous studies. This paper only tries to show that it is not necessarily true that all societies will eventually adapt to the new roles assumed by women. Some societies that are of a more traditional or orthodox kind may never want to accept any kind of significant change or reversal in gender roles. People in such societies, especially those that are traditionally assigned central societal positions, generally value tradition above all else. They may, and in many instances, do go to any extent to maintain it.

Now, there is no quick and easy solution to remedy the behavioral pattern behind this kind of gender-based violence against female microfinance beneficiaries, or otherwise. India is a country where a very popular quote is “*Nari, shoishobe pitar bosh, joubone swamir bosh ebong bardhokye putrer bosh*”. This is the Bengali<sup>7</sup> transliteration of the original Sanskrit

---

<sup>7</sup> Bengali is my native tongue resulting in me first hearing this quote and even learning it first in Bengali.

text, which in English translates to “Woman, is under the control of her father in childhood, is under the control of her husband in youth, and, is under the control of her son in old age”. It is originally a *shloka* (chant) in Sanskrit, but, has been translated into as many languages as there are in India and has become integrated into the Indian way of life over centuries. And, it is known by almost everybody, literate or otherwise.

The sustaining popularity of this *shloka* in everyday life in India, centuries after it was originally composed, signal the extent to which there exists a tendency to push women into the periphery of life; economic, social and political; and how much it is desired that women remain subordinate to men. As a result, obviously there will be societal backlashes against attempts to bridge the gender gap and bring women into the mainstream. And, as long as such ideas remain inculcated within the national mindset, intimidation-oriented gender-based violence will not really dissipate in the long run, contrary to scholarly literature concluding to this end<sup>8</sup>.

One immediate plan of action, especially with regard to female microfinance beneficiaries, against this gender-based violence may be for the Central Bank (the Reserve Bank of India in this case) to mandate that all MFIs have to provide women with information about legal remedies available to them and some paralegal training as part of allied services and training. Introduction of honor specific programs would make women realize that there is no dishonor in reporting their family or community members on incidences of gender-based violence. But, these do not seem to be foolproof measures. First, it is extremely difficult to break the centuries-old concepts of women being the sole custodians of familial and societal honor, even among the women. This is because, these ideas of honor are among the first

---

<sup>8</sup> Jewkes, Rachel. 2002. “Intimate Partner Violence: Causes and Prevention”. *The Lancet* 359(9315): 1423-1429.; Koenig, Michael Alan, Saifuddin Ahmed, Mian Bazle Hossain, and Khorshed Alam Mozumdar. 2003. “Women’s status and domestic violence in rural Bangladesh: Individual and community level effects”. *Demography* 40(2): 269-288.

lessons a woman learns as a child. Most girls learn these ideas even before they learn alphabets. Thus, women would not want to report their family or community to legal forums. Secondly, explicit introduction of programs like those mentioned above may result in a lot of women not being allowed by their families to participate in microfinance programs at all. A way around that may be to introduce such programs implicitly, as part of other training and service programs. Thirdly, the majority of Indian legislators are men. This results in an intrinsic bias away from women while formulating laws. And, finally, although there are quite a few laws safeguarding women in India, there exists a huge caveat in implementation. When women do go to report incidences of violence, there always is a chance that they will get turned away by the people in charge of enforcing law and order. A very common question encountered by women who are not accompanied by a male is “Guardian *koi*?” (“Where is your guardian?”); Guardian meaning an adult male family member.

Thus, there does not appear to be any foolproof solution to this problem that may be applied immediately and remedy the situation. Though, the idea of mandating inclusion of implicit honor specific programs and legal training programs within the structure of allied training and services provided by MFIs may serve the purpose somewhat. Probably the only way to stop intimidation-oriented gender-based violence, against any woman, is a holistic change in the way women are viewed in society that can only be effected by a much more widespread propagation of not just literacy, but rather real education and knowledge. True education would teach children, and adults, that a real man is one who respects and treats a woman as his equal, and, a real woman is one who does not believe herself to be born inferior than any man. This might sound like a utopic concept, but, this idea has recently gained a lot of popularity and momentum among the youth using social networks. And, just like the ripple

effect described by Appiah<sup>9</sup>, that people practice an idea only as long as it is considered to be honorable by the society and discard it once it comes to be considered dishonorable, educated youngsters in India are now seen quoting this idea, having started off with simply ‘sharing’ posters inscribed with this idea. Thus, if this ripple effect phenomenon can be noticed among the social network using youth, it can also be created among the rest of the society. Of course, changing the way a traditionally patriarchal society views women is a long and difficult path, but it can be achieved, just like foot-binding disappeared from our neighboring Chinese society within a mere generation after having been practiced for centuries.

Disclaimer: All personal information that would allow the identification of any person or person(s) described in the article has been removed.

## References

Afshar, Haleh. 1998. “‘Disempowerment’ and the Politics of Civil Liberties for Iranian Women”, in Haleh Afshar, ed. *Women and Empowerment: Illustrations from the Third World*, pp. 117-133. Great Britain: Macmillan Press Ltd.

Al-Amin, Md., and Tayub Chowdhury. 2008. “*Women, Poverty and Empowerment: An Investigation into the dark side of Microfinance*”. *Asian Affairs* 30(2): 16-29.

Appiah, Kwame Anthony. 2010. *The Honor Code: How Moral Revolutions Happen*. New York: W.W. Norton and Company.

---

<sup>9</sup> Appiah, Kwame Anthony. 2010. *The Honor Code: How Moral Revolutions Happen*. New York: W.W. Norton and Company.

Aslanbeigui, Nahid, Guy Oakes, and Nancy Uddin. 2010. "Assessing Microcredit in Bangladesh: A Critique of the Concept of Empowerment". *Review of Political Economy* 22(2): 181-204.

Bajracharya, Ashish, and Sajeda Amin. 2010. "Poverty, Micro-credit Program Membership and Domestic Violence in Bangladesh: A Study using Propensity Score Matching". *Preliminary Draft prepared for the 2010 Annual Meeting of the Population Council of America, April 2010*: 0-35.

Banerjee, Abhijit, Esther Duflo, Rachel Glennerster, and Cynthia Kinnan. 2010. "The Miracle of Microfinance? Evidence from a Randomised Evaluation". *BREAD Working Paper No. 278*: 0-52.

Bardhan, Kalpana, and Stephen Klasen. 2000. "On UNDP's Revisions to the Gender-Related Development Index". *Journal of Human Development and Capabilities* 1(2): 191-195.

Basu, Jyotish Prakash. 2006. "Microfinance and Women Empowerment: An Empirical Study with special reference to West Bengal". *Mumbai, India: Indira Gandhi Institute of Development Research*: 1-29.

Basu, Kaushik. 2006. "Gender and Say: A Model of Household Behavior with Endogenously Determined Balance of Power". *The Economic Journal* 116(511): 558-580.

Baylugen, Oksan. 2008. "Muhammed Yunus, Grameen Bank and the Nobel Peace Prize: What Political Science Can Contribute to and Learn From the Study of Microcredit". *International Studies Review* 10(3): 525-547.

Brydon, Lynne. 1989. "Gender, Households and Rural Communities", in Lynne Brydon and Sylvia Chant, eds. *Women in the Third World: Gender Issues in Rural and Urban Areas*, pp. 47-68. England: Edward Elgar Publishing Ltd.

Chant, Sylvia. 1989. "Gender and the Urban Household", in Lynne Brydon and Sylvia Chant, eds. *Women in the Third World: Gender Issues in Rural and Urban Areas*, pp. 134-160. England: Edward Elgar Publishing Ltd.

- Cho, In-Koo, and David Kreps. 1987. "Signalling Games and Stable Equilibria". *The Quarterly Journal of Economics* 102(2): 179-221.
- Cons, Jason, and Kasia Paprocki. 2010. "Contested Credit Landscapes: microcredit, self-help and self-determination in rural Bangladesh". *Third World Quarterly* 31(4): 637-654.
- Dhruvarajan, Vanaja. 1990. "Religious Ideology, Hindu Women, and Development". *Journal of Social Issues* 46(3): 57-69.
- Djabari, Leila. 1998. "The Syrian Women: Reality and Aspiration", in Haleh Afshar, ed. *Women and Empowerment: Illustrations from the Third World*, pp. 110-116. Great Britain: Macmillan Press Ltd.
- Editorial. 2013. "Marriage and Rape". *Economic and Political Weekly* Volume 48, Issue 12.
- Engineer, Asghar Ali. 2004. *The Rights of Women in Islam*. New Delhi: Sterling Publishers Pvt. Ltd..
- Goetz, Anne Marie, and Rina Sengupta. 1996. "Who takes the Credit? Gender, Power and Control, over loan use in Rural Credit Programs in Bangladesh". *World Development* 24(1): 45-63.
- Hashemi, Syed, Sidney Ruth Schuler, and Ann Riley. 1996. "Rural Credit Programs and Women's Empowerment in Bangladesh". *World Development* 24(1): 45-64.
- Heise, Lori. 1998. "Violence against Women: An Integrated, Ecological Framework". *Violence Against Women* 4(3): 262-290.
- Hussain, Rokeya Sakhawat. 2012. *Oborodhbashini* (in original Bengali). Kolkata: Adorn Publication.
- Jejeebhoy, Shireen. 1998. "Wife-Beating in Rural India: A Husband's Right? Evidence from Survey Data". *Economic and Political Weekly* Volume 33, Issue 15.
- Jewkes, Rachel. 2002. "Intimate Partner Violence: Causes and Prevention". *The Lancet* 359(9315): 1423-1429.
- Johnson, Allan. 2005. *The Gender Knot: Unraveling our Patriarchal Society*. Philadelphia: Temple University Press.

- Kabeer, Naila. 1998. "'Can buy me love'? Re-evaluating the empowerment potential of loans to women in rural Bangladesh". *IDS Working Paper*: 1-89.
- Kabeer, Naila. 1999. "Resources, Agency, Achievements: Reflections on the Measurement of Women's Empowerment". *Development and Change* 30(3): 435-464.
- Kabeer, Naila. 2001. "Conflicts over Credit: Re-Evaluating the Empowerment Potential of loans to Women in Rural Bangladesh". *World Development* 29(1): 63-84.
- Kandiyoti, Deniz 1988. "Bargaining with Patriarchy". *Gender and Society* 2(3): 274-290.
- Karim, Lamia. 2008. "Demystifying Micro-credit, The Grameen Bank, NGOs, and Neoliberalism in Bangladesh". *Cultural Dynamics* 20(1): 5-29.
- Kishor, Sunita, and Johnson, Kiersten. 2006. "Reproductive Health and Domestic Violence: Are the Poorest Women Uniquely Disadvantaged?". *Demography* 43(2): 293-307.
- Koenig, Michael Alan, Saifuddin Ahmed, Mian Bazle Hossain, and Khorshed Alam Mozumdar. 2003. "Women's status and domestic violence in rural Bangladesh: Individual and community level effects". *Demography* 40(2): 269-288.
- Kreps, David. 1990. *Game Theory and Economic Modelling*. New York: Oxford University Press.
- Leslie, Julia. 1989. *The Perfect Wife: The Orthodox Hindu Woman according to the Stridharmapaddhati of Tryambakayajyan*. New Delhi: Oxford University Press.
- Mahmud, Simeen. 2003. "Actually how empowering is micro-credit". *Development and Change* 34(4): 577-605.
- Maududi, Abulala. 1939. *Purdah and the Status of Women in Islam*. Lahore: Islamic Publications Limited.
- Mayoux, Linda. 1998. "Participatory Learning for Women's Empowerment in Microfinance programs: Negotiating Complexity, Conflict and Change". *IDS Bulletin* 29(4): 39-50.

Mayoux, Linda. 2006. *“Women’s Empowerment through sustainable microfinance: Rethinking ‘Best Practice’*. Discussion Draft February 2006: 1-25.

Ministry of Women and Child Development, Government of India. 2010. *Study on Impact of Microfinance in Reduction of Domestic Violence against Women* (sponsored by the Ministry).

Morduch, Jonathan. 1999. *“The microfinance promise”*. *Journal of Economic Literature* 37(4): 1569-1614.

Ngo, Thi Minh-Phuong, and Zaki Wahhaj. 2008. *“Microfinance and Gender Empowerment in Kyrgyzstan”*. Prepared for the World Bank – Agriculture and Rural Development Department (ARD).

Ngo, Thi Minh-Phuong and Zaki Wahhaj. 2012. *“Microfinance and Gender Empowerment”*. *Journal of Development Economics* 99(1): 1-12.

Osmani, Lutfun N. Khan. 1998. *“The Grameen Bank Experiment: Empowering of Women through Microcredit”*, in Haleh Afshar, ed. *Women and Empowerment: Illustrations from the Third World*, pp. 67-85. Great Britain: Macmillan Press Ltd.

Osmani, Lutfun N. Khan . 2007. *“A breakthrough in women’s bargaining power: Impact of microcredit”*. *Journal of International Development* 19(5): 695-716.

Pandey, Divya, and Veena Poonacha. 2000. *“Responses to Domestic Violence”*. *Economic and Political Weekly* Volume 35, Issue 7.

Pande, Mrinal. 2003. *Stepping Out: Life and Sexuality in Rural India*. India: Penguin Books India.

Pickup, Francine, Suzanne Williams and Caroline Sweetman. 2000. *Ending violence against women – A challenge for development and humanitarian work*. Great Britain: Oxfam Publication.

Pitt, Mark, Shahidur Khandkar, and Jennifer Cartwright. 2006. *“Empowering Women with Micro Finance: Evidence from Bangladesh”*. *Economic and Development and Cultural Change* 54(4): 791-831.

- Rahman, Aminur. 1986. "Impact of Grameen Bank on the situation of poor rural women". *BIDS Working Paper*, No. 1, Dhaka.
- Rahman, Aminur. 1999. *Women and Microcredit in Rural Bangladesh: Anthropological Study of the Rhetoric and Realities of Grameen Bank Lending*. Boulder: Westview Press.
- Rahman, Sayma, P.N. Junankar, and Girijasankar Mallik. 2009. "Factors influencing women's empowerment on microcredit borrowers: a case study in Bangladesh". *Journal of the Asia Pacific Economy* 14(3): 287-303.
- Reddy C.S., and Manak Sandeep. 2005. "Self-Help Groups: A Keystone of Microfinance in India – Women Empowerment and Social Security". *Mahila Abhivruddhi Society*, Andhra Pradesh.
- Rowlands, Jo. 1998. "A Word of the Times, but What Does It Mean? Empowerment in the Discourse and Practice of Development", in Haleh Afshar, ed. *Women and Empowerment: Illustrations from the Third World*, pp. 11-34. Great Britain: Macmillan Press Ltd.
- Sanghera, Jasvinder. 2007. *Shame*. Great Britain: Hodder and Straughton.
- Sanghera, Jasvinder. 2009. *Daughters of Shame*. Great Britain: Hodder and Straughton.
- Schuler, Sidney Ruth, Syed Hashemi, Ann Riley and Shireen Akhtar. 1996. "Credit Programs, Patriarchy and Men's violence against Women in Rural Bangladesh". *Social Science and Medicine* 43(12): 1729-1742.
- Schuler, Sidney Ruth, Syed Hashemi and Huda Badal. 1998. "Men's Violence against Women in Rural Bangladesh: Undermined or Exacerbated by Microcredit Programs?". *Development in Practice* 8(2): 148-157.
- Sen, Purna. 1998. "Violence in Intimate Relationships: A Research Project in India", in Haleh Afshar, ed. *Women and Empowerment: Illustrations from the Third World*, pp. 134-154. Great Britain: Macmillan Press Ltd.

Senthilir, S. 2013. "*Acid is Not the Answer to Anything*". *Economic and Political Weekly* Volume 48, Issue 13.

Steele, Fiona, Sajeda Amin, and Ruchira T. Naved. 2001. "*Savings/Credit Group Formation and Change in Contraception*". *Demography* 38(2): 267-282.

Strassman, Diana. 1993. "*Not a Free Market: The Rhetoric of Disciplinary Authority in Economics*", in Marianne Ferber and Julie Nelson, eds. *Beyond Economic Man: Feminist Theory and Illustrations*, pp. 54-67. Chicago: The University of Chicago Press.

Swain, Ranjila Bali, and Fang Yan Wallentine. 2009. "*Does microfinance empower women? Evidence from SHGs in India*". *International Review of Applied Economics* 23(5): 541-556.

Thapan, Meenakshi. "*Images of the Body and Sexuality in Women's Narratives on Oppression in the Home*". *Economic and Political Weekly* Volume 30, Issue 43.

United Nations Children's Fund (UNICEF). 1994. "*The Women's Equality and Empowerment*". University Press.

United Nations Children's Fund (UNICEF). 2008. "*Domestic Violence against Women and Girls*". Innocenti Digest 6.

Welsh, Alexander. 2008. *What is Honor? A question of moral imperatives*. New Haven: Yale University Press.

World Health Organization. 1996. "*Violence against women*". WHO Consultation.

Yahia, Md. M. Haj. 2005. "*On the characteristics of patriarchal societies, gender, inequality and wife abuse: The case of Palestinian society*". *Adalah's Newsletter* Volume 20, November 2005.

Zakar, Rubeena, Muhammad Zakria Zakar, and Alexander Kramer. 2011. "*Spousal Violence against Women in the Context of Marital Inequality: Perspectives of Pakistani Religious Leaders*". *International Journal of Conflict and Violence* 5(2): 371-384.