



Urban Credit Schemes Need a more Holistic Touch

by Lamis Hossain

DRESSED in their Friday finery, with their shawls tightly wrapped for warmth, Yarusnessa, Noorjahan and Amina Begum are among the 500 women attending the annual Women's Credit Workshop of Manabik Shahajya Sangstha on December 23.

The audience listening attentively to the speeches delivered on the occasion are beneficiaries of the Women's Credit Programme (WCP) which extends loans to the urban poor. The scheme started in 1989 has so far disbursed Tk 49.10 million to about 800 families in 100 different slums in Dhaka.

Although WCP is a straightforward replication of the Grameen model, it operates in the more uncertain urban context. Slum dwellers in temporary residential arrangements live under the constant possibility of eviction. A Grameen Bank evaluation of the scheme also noted that slum dwellers were floating and mobile as there was a tendency to migrate from one slum to another. This makes it difficult to maintain the unity and networking important to the Grameen model. However, despite problems of loan setbacks due to evictions, the WCP scheme has a nearly 100 per cent recovery rate.

Yarusnessa was the first loan recipient from the BNP Bazar area in Agargaon West. "When the credit people came, we thought they were going to convert us to Christianity," she reveals. "We weren't very educated and relatives were whispering things like 'As offsprings of Muslims, we can't become Christian now, can we?' But everything was fine after the programme was explained." Noorjahan shared an initial apprehension about the scheme as well. "But I told myself that I knew the Koran so if anyone said anything different, I could always leave."

Yarusnessa has taken out six loans so far. "In my first year, I took out Tk 3,000. Then Tk 4,000, and Tk 5,000. My latest loan is Tk 5,500." She has paid back all her previous loans. Thanks to the money, Yarusnessa has been able to open a shop in her home, and take care of her unemployed and sick husband. "I've also been able to get my daughters married," she adds. Yarusnessa would like to go back to Barisal, although her family left their village a long time ago. "My father lived in Dhaka, but we have no land or links here," she says. "I can't build a house in Dhaka or buy land for Tk 2-3 lakhs, can I? If I can improve on my present situation then I could get some land in my village, and grow crops." Her savings currently hover around Tk 1000 - Tk 2,000.

If the savings made through the WCP programme does enable Yarusnessa and others like her to leave Dhaka, it may dispel many people's fears that helping slum people only encourages greater migration to the city. As it stands, slum residents are seen by many Dhaka

residents as responsible for the deterioration of the city, which encompasses the increase in sidewalk hawkers, rickshaws, crime and garbage. Urban credit programmes can help slum dwellers to save enough money in the city to enable them to eventually live and build a better life in the villages.

That, however, would be the ideal situation. A successful

majority of women use these loans to buy a rickshaw (17.98%) which is said to be high profit yielding and the easiest to start. However, in the long term this should be discouraged. First of all, buying a rickshaw does not provide the women with any skills. Secondly, there is a lack of close interaction with the investment. Thirdly, the husbands are more likely to benefit from the loan. Lastly, leaving aside the merits of the rickshaw as a mode of transporta-



Jalura Begum with her sewing machine

credit scheme does not guarantee that all its members will wish to leave the city like Yarusnessa does. Noorjahan's family left their village when she was only three years old. She has grown up in Mirpur's Shalbagh slum and is now raising her children in the same place. "I want to stay in Dhaka," she says. "There is no one that I know left in my village."

Noorjahan has taken out her sixth loan of Tk 5,500 this year. Her husband had a well-paying job in Iraq but was forced to come back during the Iraq-Iran war. She also has a partly crippled son whom she needs to take care of. "I was the first loan recipient from Mirpur so I am now given the responsibility to look after different kendras," she says. Noorjahan supports her family by doing handicrafts work at home, such as vests for Aarong and by distributing milk.

Even if she did wish to return home, Noorjahan would not be able to do so. Despite taking out six loans and doing two jobs, she has not been able to set aside enough money. "I have not been able to make any savings yet," she reveals. "And most of my husband's savings have been used to look after my disabled son." However, Noorjahan has enrolled her son in school. He can now eat and write with his left hand and help her out at home.

Twenty-four-year-old Amina Begum, wearing a bright pink saree and embroidered shawl, is too young to be bitter. She has grown up in Hazaribag's Golar bosti and has married there too. Her husband is not doing well in his bushi busi-

ness. She received her first loan two years ago and started a saree business. "I bought sarees from Bangobazar and Gulistan and sold them here," Amina Begum reveals. "A lot of people do this business. But the police once confiscated the sarees so I started doing embroidery work instead." She has bought a Tk 3,500 sewing machine with her latest loan. She has even opened an ac-

count at Janata Bank which she says she had no problem doing. "The atmosphere in the slums is not good," Amina says. "It would be nice to leave. But she wants to stay in Dhaka. At the moment Amina spends Tk 700 on rent. "If I want to move out I won't find anything below Tk 1000. How will I manage that?" Unfortunately she has been unable to keep more than Tk 200 in her account at any one time.

Although Yarusnessa, Noorjahan and Amina Begum's lives have improved due to the loans, they have not escaped the vicious cycle of slum life. They have been unable to make enough savings. These women are certainly street wise and economically active, but they are not empowered. They are forced to work because of their husband's inability to do so and end up bearing the disproportionate burden of poverty.

Current urban credit schemes need a more holistic approach to empower the women instead of just doling out cash. WCP already has a legal awareness component to impart essential knowledge to its members. In its third phase, the scheme also hopes to allow women to cultivate leadership skills and increase their literacy. These efforts are necessary and commendable. But most of the women participating in the scheme tend to use their money in the same sort of low skill, traditionally "female" ventures: cloth/sari trading (15.65%), grocery shop (14.62%), getting a milch cow (12.54%), or buying a sewing machine (5.88%). More worrying is that the

fact is that the city is already overrun by them. The last thing a credit programme should do is encourage migration from the countryside in the hopes of making a quick profit (relatively speaking) as a rickshawallah. The Grameen Bank's evaluation of the scheme also recommends, "Loan for investments in rickshaws may be given at first but must be avoided in the second time and afterwards."

Credit programmes should try to create new lucrative areas of employment or at least impart these women with productive and valuable skills. Without such a step, the women may be perennially stuck in cycle of poverty. Urban credit schemes also need to be more widely implemented than they are now.

All things said, the credit programme has definitely improved the lives of its members. Whether they want to stay here or leave the city, the three women agree on this point: the money has allowed them to place their children in education, achieve a sense of self worth through employment and learn from the experiences of women in their kendra. The repayment rate also proves that, as MSS puts it, "Women are productive assets, not economic burdens." Most importantly, the scheme teaches women the importance of controlling their own lives. Noorjahan speaks for all of them when she says, "When we look at what our men are doing, we realise that we women need to take responsibility on our own." Amen to that.

S A Women's Caucus and Regional Platform of Action

Goal: The goal of SAWC is to continue beyond Beijing and to implement the Platform of Action.

Vision: The vision of the South Asian Women's Caucus is to develop a comprehensive networking of issues, groups and strategies leading to bilateral and regional action plans.

Objectives: The overall objective of the SAWC is to retain the momentum of the global movement and strengthen regional movement towards gender equity, development and peace. The specific objectives are:

1. Advocating and lobbying; at national, regional and international levels
2. Dialogues with policy makers and leadership, with government and non-government agencies
3. Creating pressure to enforce national, SAARC and UN conventions and declarations, especially those pertaining to gender and development
4. Monitoring and follow-up on implementation of the SAWC's Platform of Action.

Statement of SAWC: During the workshop, the members of the SAWC developed a Regional Platform of Action by identifying major trans-national issues affecting women, of which five were dealt-with

at length. The Statement of SAWC encapsulates the main issues of the Platform of Action.

1. Economic and Environment: Self-sufficient, self-reliant and bio-diverse South Asia with surplus has been depleted of its natural resource as a result of colonization, economic policies and financial mechanisms geared towards growth and benefit of the north. This has taken place at the cost of detrimental consequences for the poor of the South, with women being doubly disadvantaged. SAWC calls for protection from further economic and environmental degradation.

2. Political Empowerment: Women stand for clean and green politics. Women stand for empowerment of the people.

In South Asia, women's unequal access to political power is reflected in their socio-economic position. Fundamentalism, criminalisation and increasing flow of money are the biggest barriers to women's entry into politics. Women as a constituency are largely unrepresented and have little or no impact in the political arena.

3. Violence against Women: Violence against women permeates the social fabric

ranging from the home to the state. It is manifested in the form of sexual violence and social-economic-political discrimination that is further aggravated by fundamentalist and communalist forces.

4. Trafficking of Women: Trafficking of women and children is an invisible, unacknowledged and unaddressed issue having cross-border implications. Forced prostitution is an outcome of trafficking. SAWC calls for a comprehensive, standardized definition of trafficking, and enactment and enforcement of stringent legislation, both at the national and regional level.

5. Religious Fundamentalism and Ethnic Chauvinism: Religious fundamentalism and ethnic chauvinism is a manifestation of identity crisis, political discrimination, deprivation and uneven development that victimize the vulnerable - particularly women. SAWC calls for legal reforms protecting and ensuring gender equity.

The workshop recognized other critical areas such as health, education, culture and media that will be dealt with in follow-up meetings of SAWC. The article was prepared by Tahera Yasmin, Convener, Ishrat Shamim, Co-convener, Farah Kabir, Member, South Asian Perspective Group - Bangladesh National Preparatory Committee Towards Beijing-NGO Forum '95.

Blood of Liberation Flows through Her Vein

FIVE to six years ago, there was nothing but poverty and scarcity all around me. The situation was so severe that the entire family survived with a meagre hand to mouth earning. My husband, with his utmost effort, managed some-how to maintain the family. The days were undoubtedly very tough for us.

We got a small piece of land in the slum area from the government, where we built the dwelling but, in spite of hardships we kept all the imposed taxes clear from the beginning. But an undesirable situation occurred due to the presence of some musclemen and drunks in the slum area. The miscreants used to disturb and harass us every now and then. Even, they used to threaten us with the intention to evict us forcibly and thus occupy our land illegally. During those bad days nobody from among the neighbours did come forward to help us. There was an utter crisis of unity among the slum dwellers. This led us to spend every moment in anxiety and uncertainty.

In such a situation, Khaleda Jafrin, ASA worker, came in this slum and stood beside us. She talked about different issues of family life with the poor women. She, especially, emphasized on their unity. Being impressed, we sometimes sat for a discussion with the neighbours to find out the way of removing poverty. With the passing of days we formed a group and named it as 'Sonali Landless Women's Group'. At the beginning, the group activities were confined in development education and savings only. Saving, meeting, learning did proceed on in due course. One day, we applied for loan to ASA with the help of Khaleda Jafrin. At that time, we discussed with her about the credit related questions as "Why do we want it? What would we do with it? How would we repay?" etc. One day, we heard about the expected news that credit was approved for our group.

I got an amount of Tk 500 as my first credit. I purchased rejected fire wood from the Saw Mill where my husband did work and began to sell it in the local market. But I could not do well in the business with such a small amount. In spite of that I earned Tk 15 to Tk 20 per day. After depositing weekly instalments nothing could be done with the

Amena Khatun (37) wife of a carpenter with five children is a member of Sonali Landless Women's Group formed by Association for Social Advancement (ASA) Patgudam, Mymensingh Sadar and runs a modest furniture business. She describes her case of achievement:

rest amount. Yet, I used to console myself with the feeling that at least I tried to increase the family income. After one year when the full credit amount was repaid through instalments, I again got Tk 1,000 as credit from the organization. I became hopeful that this time I would be able to do something.

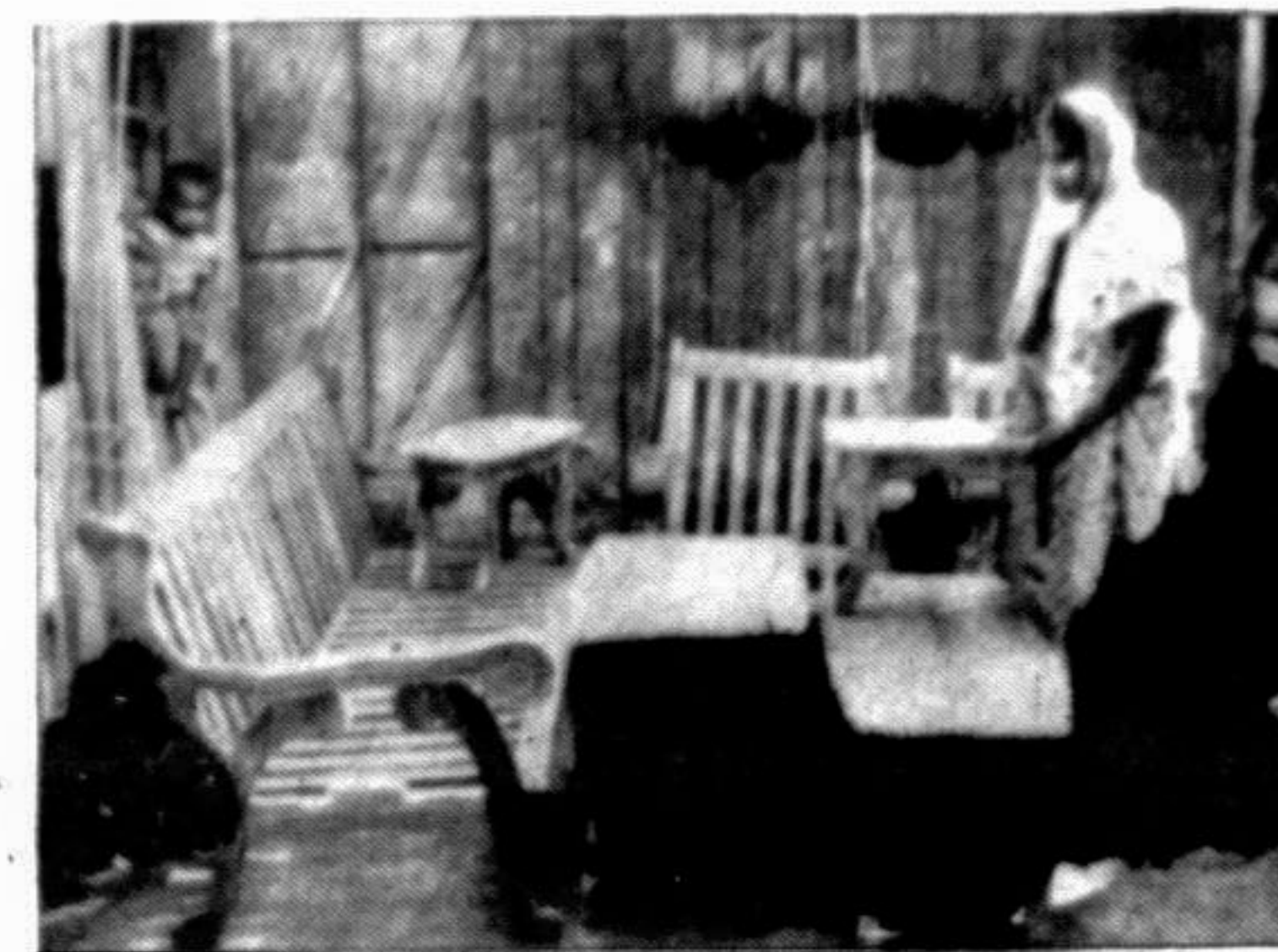
On receiving Tk 1,000 I purchased 24 maunds of rejected wood at the rate of Tk 40 per maund. A total amount of Tk 960 was required to buy wood and Tk 40 for its transportation. I invested the full amount of credit in my business. It needed one week to sell the total quantity of wood and through selling it at the rate of Tk 50 per maund I received Tk 1,200. From this I made a profit of about Tk 200. At that time, I used to refund my credit through weekly instalment along with 15 per cent service charge (Tk 23) and deposit weekly savings at the rate of Tk 4. After depositing instalment Tk 177 remained in my hand. The business could not be continued through the whole year. Specially, during rainy season the fire wood business remains

almost closed. Moreover, my business remained suspended for some time due to family problems. Practically, I could avail about 40 weeks of the year. Excluding the instalments I made a profit of about

Tk 7,000 in the last year. With the income of my husband I also contributed Tk 15 per day to the family expenditure from my own income which stood at about Tk 4,500. At the end of the year when I received credit for Tk 2,000, money in my hand was Tk 1,600. As I had to deposit weekly savings, at the end of the year my saving became Tk 200. That is, excluding the savings amount Tk 1,400 remained in my hand.

The system of refunding credit through weekly instalment is suitable for me. I can deposit the instalment amount at ease from the profit of my business. All the members of our group make regular payment of instalments. There is no defaulter in the group and hence, immediately after repayment of the total amount of credit everybody gets credit for the next term without delay.

However, having received the amount of Tk 2,000 my capital became Tk 3,400 and I invested the total amount in my business. This time as my capital increased I purchased 40 maunds of fire wood with Tk 1,600 and went on selling



Amena Khatun at her furniture shop

it in the house and also in the market. I did not spend the rest amount because of the fact that my first daughter's marriage was settled and I had no other saving for that. In her marriage the neighbours were

invited and required formalities were observed. Keeping the credit amount of Tk 2,000 in tact her marriage was completed with my last years' savings from profit.

I have already said that on getting Tk 2,000 I purchased 40 maunds of fire wood with Tk 1,600. Also Tk 100 was needed for carrying cost. I kept Tk 300 in hand as I should not face difficulty in time of need. I got Tk 2,000 after selling all fire wood within a week. I could be able to make a profit of Tk 300 in the last week. In the whole year - I had a profit of Tk 12,000 in average. From this I made repayment of the credit with 15 per cent service charge (Tk 2,300) through 50 weekly instalments. Excluding all the expenditure my profit was Tk 9,700. I deposited weekly savings in my group at the rate of Tk 4 and also spent Tk 20 per day as family expenditure. Excluding the family expenditure from the total profit I saved Tk 2,400. Through deducting the total amount of weekly savings of the year money in my hand remained Tk 2,200. Adding the money kept for meeting emergency need, my cash in hand was finally Tk 2,500.

After that, ASA again provided me with a credit of Tk 4,000. Now I am running my business as before and as my credit amount increased considerably, I started furniture business. I sell chair, table, alna, etc. for the time being. In future I hope to invest the total amount in the furniture business only.

In addition to financial improvement my family also witnessed development in various ways. I have learnt about many things through the discussions held in the weekly group meetings. I always keep my house neat and clean. Now a days diseases no more disturb us. All of my children now go to school regularly. The joint income of my husband and that of myself brought happiness in our family.

We the inhabitants of the slum are not separated now. Among us the sense of unity has increased considerably. The musclemen do not come to evict us. They came to realize that the poor oppressed people are capable to resist them unitedly. We would seek shelter of the law enforcing agency against such oppression. All of us here know that every one is equal in the eye of law. - ASA

Kazibwe's Rise Earns Criticism and Kudos

Crespo Sebunya writes from Kampala

SHE has earned a place in history as Uganda's first woman vice president, but Dr Specioza Wandira Kazibwe still has a way to go before she has the respect of critics who cannot accept a woman in power.

Kazibwe is a medical doctor, a mother of four and experienced politician who served as Minister of Women's Affairs and Deputy Minister of Industry before rising to Vice-President on November 23.

But she has faced a hostile reception at her new office and chauvinist criticism from some media and political opponents.

Some, like journalist Hajji Hussein Njuki, say they consider her docile and an opportunist who will not be able to stand up against President Yoweri Museveni.

"Kazibwe can be easily cowed," claims Njuki, adding: "You know Museveni is like those men in the village married to many many women - men who don't expect any resistance from their spouses."

One newspaper, The People, even ran an outrageous cartoon suggesting she had won the post through sexual offers, rather than merit. Although its editor later admitted the item was in bad taste, the damage had already been done.

Others suggested she would follow the lead of other powerful women and forget the plight of downtrodden women, now that she has achieved power. "All they are after are those elitist jobs," wrote Otono Opwondo of the government-owned New Vision newspaper.

And the Monitor newspaper carried a column that commented on her celebratory beer drinking and dancing at a Kampala nightclub and an editorial that criticised her record as Minister of Women's Affairs.

After taking over the post in 1990 she fought a losing battle to increase the women's ministry's meagre budget of 50 million shillings and had to depend on donations from the Danish government's aid agency.

But women have celebrated her appointment as vice-president. In Kumi, 200 kilometres northeast of Kampala, women led a spontaneous parade around the town, praising her with banners reading: Long Live Specioza.

"She is quite an intelligent woman," says Mayanja Nkangi, Minister of Finance, Planning and Economic Development. She has earned the respect of her colleagues and some have suggested she could ultimately become president.

The 40-year-old Kazibwe was born to a devout Catholic peasant family living 80 kilometers east of Kampala. She pursued medical studies and later became one of the administrators at Mulago Hospital, Uganda's largest. She married an engineer and bore four children, including one set of twins.

She entered politics as a member of the Democratic Party, vocally campaigning in the 1980s for an eminent economist who was jailed for

treason after he criticised then-president Milton Obote.

Later, she was elected to local council and from there, entered parliament as a Kampala's women's representative. When she realised the Democratic Party's male-dominated leaders would not let her rise higher, she joined Museveni's National Resistance Movement.

In 1988 she became Deputy Minister of Industry and two years later, Minister of Women's Affairs. And when she vied for a seat in the 280-member constituent assembly, which is discussing the country's new constitution, she beat five men to take the job.

During her political rise, she retained the image of a down-to-earth person. She maintained a rather dingy office and she could be seen walking the streets of Kampala, rather than riding in government cars. She faced death threats after campaigning against the Federalists, who support local autonomy (including the re-instatement of kingdoms) over a strong central government.

Kazibwe said she would fight them, where ever they are, because in the federal system no woman can rise to a position of leadership. Yet, after the threats, she pulled back and confused many observers by failing to criticise the restoration of a tribal chief in her own home region of Busoga.

She also caused a stir at the funeral of a government minister who was Muslim, when she allowed her way to the grave. Mullahs and other believers who consider it a serious breach for a woman to be near a grave, threatened to remove her but she did not budge.

Despite the initial criticism, Kazibwe has been careful. She has not retaliated against the newspapers, which have ridiculed or criticised her.

"I always thought I would be a housewife, tending to my family," Kazibwe once said. Instead, she is now tending to the needs of the country.



Dr Specioza Wandira Kazibwe: Down to earth

— Gemini Netus
The writer is news editor of The Business World in Kampala.