



Summary

Credit with Education Impact Review No. 1: Women's Empowerment

Founded in 1946, Freedom from Hunger is a pioneer in the integration of microfinance with complementary non-financial services to help the poor achieve sustainable family food security. Credit with Education is our best-known model for delivering these services. Through Credit with Education, local partners—including microfinance institutions, credit unions, rural banks and non-governmental organizations—offer groups of poor women the opportunity to access small loans and deposit regular savings while gaining practical information to protect their children's health, run a small business and manage family finances. With increased income, greater health and financial knowledge and skills, and enhanced self-confidence and status, women are equipped to permanently improve their families' nutrition and access to food. To prove and improve Credit with Education's impact, Freedom from Hunger and its partners conducted a number of multi-year studies in Ghana,ⁱ Bolivia,ⁱⁱ Burkina Fasoⁱⁱⁱ and Thailand.^{iv} While these studies provide compelling partner-specific results, Freedom from Hunger's Impact Reviews draw from all four studies to summarize findings and present key learning in the areas of women's empowerment,^v economic capacity and security^{vi} and children's nutritional status.^{vii}

Empowerment broadly refers to an individual's or group's increased "power." In the context of development, it refers both to "internal" change in an individual's sense of self and autonomy and "external" change in social status and basic power relationships in society. For Freedom from Hunger, women's empowerment is both a goal and a critical component of Credit with Education's conceptual framework—supporting desired economic benefits and behavior change.

In Impact Review No. 1, the authors explore key microfinance and empowerment literature, detail the challenges and successes Freedom from Hunger encountered in defining and measuring women's empowerment, and examine evidence of Credit with Education's impact. Specifically, impact is examined in terms of 1) status and networks in the community; 2) status and bargaining power within the household; 3) self-confidence and vision of the future; and 4) other locally meaningful empowerment indicators.

Overall, the authors find that there is evidence that Credit with Education brought about change in women's empowerment at the community, individual and household levels.

- ***At the community level***, Credit with Education participants' degree of civic involvement and strength and variety of social networks beyond the family improved in all study areas. As a result of involvement in non-kin groups, participants were also more likely to become a proactive resource for others, helping friends with their work and passing on business and/or health advice. In terms of local indicators, participants in Ghana were more likely to have attended and contributed money to non-kin funerals. In Bolivia, participants were more likely to be running for and holding offices in local governing bodies, to travel to the capital and to host a community festival. And, in Burkina Faso, there was anecdotal evidence of collective action and an improved sense of solidarity and organizational capacity among women, which enabled them to contribute to the funding and implementation of village improvement projects. While these results are quite encouraging, the authors caution that the degree of solidarity women achieve likely depends on the specific group of which they are a member and how well it functions, and that the public roles women achieve are likely linked to their level of success with the Credit with Education program.
- ***At the level of the household***, fewer significant changes were evident than at the community level, but gains were still seen. In the area of intra-household decision-making, Ghana participants reported greater "say" in whether or not their children went to school, while those in Bolivia reported greater "say" in how much to spend on house repairs. During discussion

groups and in-depth interviews, some participants also said that their husbands appreciated their increased economic contribution, that they were proud to contribute more to the family's expenses (Bolivia) and that their husbands respected and listened to them more than before they joined the program (Ghana). The authors share, however, two cautionary points. First, concern remains that women's income-related increase in "say" comes as a result of men withdrawing or decreasing their support and women taking on added responsibilities. (Questions addressing this issue showed husbands of Ghana participants more likely to offer help to their wives, but not so in Bolivia.) Second, measuring subtle changes in these types of social dynamics is difficult and the scale approach used in the studies may not have been sufficiently sensitive to capture changes.

- ***At the individual level***, measuring attitudes such as self-confidence proved to be a challenge as well. In Bolivia, concepts did not translate easily into the local language, women found it difficult to understand the line of questioning, and they were uncomfortable with the self-rating approach. In Ghana, however, the approach worked well and participants rated themselves as significantly more confident that they would be able to earn more in the following year, prevent their children from becoming afflicted with diarrhea and illnesses, and feed their children the good foods they know they need. Additionally, in Thailand, 75% of participants stated that they had "more" or "much more" self-confidence. Yet, the authors caution again that whether women feel more self-reliant and confident about their future is likely linked to whether or not they enjoy economic success in the program.

In conclusion, the authors find that Freedom from Hunger's impact studies provide encouraging results but also echo challenges voiced in the literature. First, empowerment's complexity makes change difficult to detect and measure. Second, it cannot be assumed that access to financial services will automatically lead to empowerment. In fact, the process of empowerment may present both new opportunities and new threats to women. Therefore, the authors suggest that if development and microfinance organizations are to achieve desired empowerment goals, they must 1) incorporate empowerment into the design of their programs; 2) listen to their clients and offer the most appropriate service package to enhance client success; 3) take advantage of the opportunities group-based lending offers empowerment while minimizing threats; and 4) offer non-formal education in addition to financial services.

ⁱ MkNelly, Barbara & Christopher Dunford. *Impact of Credit with Education on Mothers and Their Young Children's Nutrition: CRECER Credit with Education Program in Bolivia*. Davis, CA: Freedom from Hunger Research Paper No. 5. 1999. <<http://ffhtechnical.org/resources/research-and-evaluation/impact-studies/Bolivia%20Nutrition%20Impact%20Study%202012-99-eng.pdf/>> (October 1, 2006).

ⁱⁱ MkNelly, Barbara & Christopher Dunford. *Impact of Credit with Education on Mothers and Their Young Children's Nutrition: Lower Pra Rural Bank Credit with Education Program in Ghana*. Davis, CA: Freedom from Hunger Research Paper No. 4. 1998. <<http://ffhtechnical.org/resources/research-and-evaluation/impact-studies/Ghana>> (October 1, 2006).

ⁱⁱⁱ Kevane, Michael. Qualitative Impact Study of *Credit with Education* in Burkina Faso. Freedom from Hunger Research Paper No. 3. 1996. <<http://www.ffhtechnical.org/resources/research-and-evaluation/impact-studies/Burkina%20Faso%20CWE%20Qualitative%20Impact%20Study/>> (October 2, 2006).

^{iv} MkNelly, Barbara, Chatree Watetip, Cheryl A. Lassen and Christopher Dunford. Preliminary Evidence That Integrated Financial and Educational Services Can Be Effective Against Hunger and Malnutrition. Freedom from Hunger Research Paper No. 2. 1996. <<http://www.ffhtechnical.org/resources/research-and-evaluation/impact-studies/Integrated%20Services%20Effective%20Against%20Hunger/>> (October 2, 2006).

^v MkNelly, Barbara and Mona McCord. *Credit with Education Impact Review No. 1: Women's Empowerment*. Freedom from Hunger. October 2001. <<http://www.ffhtechnical.org/resources/research-and-evaluation/impact-studies/Womens%20Empowerment%20Impact%20review/Womens%20Empowerment%20Impact%20Review%202010-01-eng.pdf/>> (October 2, 2006).

^{vi} MkNelly, Barbara and Mona McCord. *Credit with Education Impact Review No. 2: Economic Capacity and Security*. Freedom from Hunger. 2002. <<http://www.ffhtechnical.org/resources/research-and-evaluation/impact-studies/Economic%20Capacity%20and%20Security%20Impact%20Review/Economic%20Capacity%20and%20Security%20Impact%20Review%202009-02-eng.pdf/>> (October 2, 2006).

^{vii} MkNelly, Barbara and Mona McCord. *Credit with Education Impact Review No. 3: Children's Nutritional Status*. Freedom from Hunger. 2003. <<http://www.ffhtechnical.org/resources/research-and-evaluation/impact-studies/Childrens%20Nutritional%20Status%20Impact%20Review/Childrens%20Nutritional%20Status%20Impact%20Review%202010-03-eng.pdf/>> (October 2, 2006).