Does Microfinance Empower Women?
A Case Study of Rajasthan, India

Meenakshi N. Dalal
Emeritus Professor, Wayne State College, Wayne, Nebraska

The author wants to sincerely thank Mr. Kalyan Chaterjee, General Manager of Jaipur Thar Gramin Bank, Rajasthan, for making necessary arrangements for the field study and data collection. Mr. Chatterjee has also provided valuable insights and important references for NABARD and Rajasthan economy.

Introduction

Microfinance movement is built on two pillars of promises – eradication of poverty and empowerment of women. Poverty traverses along various social fault-lines; such as, race, religion, caste, ethnicity, tribal affiliation etc. and assigns lower social status for certain groups. Worse yet when one or more of these dimensions overlap each other and become the sole basis of systematic hierarchy and unequal distribution of … income, wealth, power or prestige (Chaudhry, 2013). Gender inequality is observed along different levels of stratification of a society (Kabeer, 2005). In traditional families men are responsible for providing and protecting the family members and women are responsible for household duties including care of children, sick and old. In non-monetized societies women may be involved in subsistence activities of family farm, or other family enterprise, in addition to their household responsibilities of cooking, cleaning and child-care. However, as most of women's subsistence and household work is without pay, perceived contribution of a woman is undervalued by family members, society and even herself. As a result the intra-household "entitlement" of distribution of food, healthcare, education etc. diminishes for women (Sen, 1990). Such unequal distribution not only reduces the well-being of women of one generation, but perpetuates the condition in future generations through a "feedback transmission" mechanism. Sen (1990, p. 137) writes, "The asymmetries of immediate benefits sustain future asymmetries of future bases of sexual divisions, which in turn sustain asymmetries of immediate benefits."

The process of socialization also perpetuates the unequal status of women within the family as well as in society. Older women impose unequal entitlement and status of younger women. "Having done so adult women confirm their complicity with a way of life marked by inequality. It is this complicity that is the sign of successful "secondary socialization," for it also marks the adult woman's acceptance of the fact that she sees no alternatives. She settles for "the honor of voluntary deference" as the only path … open to her." (Papanek, 1990)

Microfinance initiatives mostly target poor women with the hope of reducing poverty and empowering women to break the gender barrier and enhance their status within the household and in larger society. It is argued that women's financial contribution, from her independent economic activities, to her family will enhance her social position and bargaining position within the household. Her access to credit and consequent money income from microenterprise will enhance her choices and control over her own life. The purpose of this paper is to assess if the social position of women has increased within the family due to their engagement in microfinance. This study is based on the data collected by a survey of 254 women who are involved in microfinance in Rajasthan, India. The data was collected in Dec. 2009-Jan. 2010.

Empowerment of Women

With its social, psychological, political and cultural dimension empowerment is difficult to measure. Sen (1999, pp.189-203) advocated the notion of a woman's "agency" in the context of economic development. Microfinance is supposed to enhance the material well-being of poor women and their families along with enabling them to change their social and psychological position to enhance capacity building which improves their status within the family and in public sphere. According to UNIFEM, "gaining the ability to generate choices and exercise bargaining power," "developing a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life" [1] are important elements of women's empowerment (Chester & Kuhn, 2002). It is a process by which marginalized individuals or groups gains power and ability to make choices to change their lives. It is the power structure of the society that keeps some groups in disadvantageous position. Family is the microcosm of larger society; choices available to women are directly related to the structure of power within the family and society at large (Mayoux, 2001).

Microfinance in India has expanded in depth and breadth in recent years. The National Bank for Agriculture and Rural Development (NABARD) began its experimental pilot project of linking 255 Self Help Groups (SHGs) to banks in 1992. By the end of fiscal year 2009-10, ending March 31, 2010, an estimated 97 million households, who had no access to the formal financial sector, benefitted from microfinance. Microfinance mobilizes savings of its clients and provides them access to credit. According to NABARD (2009-10) 6.95 million SHGs savings are linked with banks and 4.85 million SHGs are linked with credits. In 2009-10, there were 27 public sector commercial banks, 19 private sector commercial banks including foreign banks, 81 Regional Rural Banks, 318 Cooperative banks and 1 Small Industries Development Bank of India were engaged in microfinance. Collectively these banks provided Rs. 144.5 billion in loans in 20109-10. The total amount of outstanding loans to SHGs at the end of the period was Rs.280 billion, a growth of 23.6% over the previous year. The SHGs total savings as on March 31, 2010 was Rs.62 billion. The average loan per SHG was Rs.57,795; and the average loan amount per member was Rs. 4,128 about $90)[2]. Loans are generally extended using two different models: the SHG and Bank linkage model, plus Microfinance Institution (MFI) and Bank linkage model. As of March 31, 2010 outstanding bank loans to MFIs were Rs.101.5 billion, a 102.6% increase from previous year. Total nonperforming assets were 2.94% of the outstanding loans amounting to a recovery rate of about 97% (NABARD 2009-2010, p. i-x).

Poor people are poor because they do not own productive resources. They own very little or no land, physical capital or human capital. Due to their low incomes and little or no ownership of productive assets, they also lack access to formal sources of credit or financial capital. Moreover, not only do the poor have low income, often their income stream is irregular or uncertain. A crop failure, a family sickness or any other natural disaster may pose an existential threat to poor families. In such predicaments, the poor traditionally turn to local loan sharks, moneylenders or friends and families for loans and have to pay exorbitantly high rate of interest. Such credits often push them further into the depth of poverty. Landless rural poor are also subject to many levels of monopolistic and monoposonistic exploitation. Loan sharks or moneylenders often control the buying of outputs from, and selling of inputs to the poor villagers. For example, some poor families make bamboo baskets and sell them for their living. They need money to buy bamboos. The moneylender lends them the money, often at an exorbitant rate, 120% annual interest is not unusual. Not only that, these families can buy bamboo only from the moneylender, who charges monopoly price. After the baskets are made,

---

[1] UNIFEM, Progress of the World's Women(New York: UNIFEM, 2000)

[2] Using exchange rate of $1 = Rs.46. However using PPP$ the amount would be approximately $250. Purchase Power Parity conversion factor is the number of units of a country's currency required to buy the same amounts of goods and services in the domestic market as the US $ would buy in the U.S. LCU (Local Currency Unit) Int'l $ = Rs.16.5 (World Bank)

these families can only sell it to the moneylender. Being the single buyer, the basket makers only get lower than the competitive market price. This is the monopsonistic exploitation.

Background of Rajasthan

Rajasthan is geographically the largest state in India. It has a population of 56.5 million,[3] of which 76.6% live in rural areas, and 23.4% live in urban areas. Scheduled Caste constitutes 17.2% of the population and Scheduled Tribes 12.6%.[4] The literacy rate for seven years and older in Rajasthan is 60.4% a little below the All India rate of 64.8%. Agriculture contributes to 20% to the economy, with the industrial sector producing 30% and the Service sector producing the remaining 50%. Agriculture is heavily dependent on rainfall, which is scanty and irregular. Food production in Rajasthan remains susceptible to rainfall. Government of Rajasthan (2009-10) reports that food production declined by a third in 2009-10 due to drought. A larger proportion of women remain tied to uncertain agricultural production as men leave for other non-farm activities, including mining, construction and other employment away from home. Animal husbandry contributes nearly one-fifth of state GDP of Rajasthan and income from livestock accounts for 1/3 to 1/2 of the income of rural poor. Animal husbandry is also a major source of employment as compared to agriculture or other sectors.

Literature Review

Various non-profit organizations and non-governmental organizations (NGOs) came to the scene with the objective of helping the poor climb out of poverty. Once Muhammad Yanus, (2003) who won the Nobel Peace prize and popularized the benefit of microloans, donor countries and international charitable organizations were eager to help, if millions can help themselves to escape poverty. It has usually been argued that microfinance not only provide access to financial services but also empowers women (Chen 2008, Edward and Olsen 2006). Many impact studies of microfinance raise the possibility of selection bias (Goldberg 2005, Kabeer 2005). It is possible that more empowered women join the microfinance program rather than microfinance programs enhance empowerment of women. Hashemi, Schuler, and Railey (1996) study analyzed the participants in Grameen Bank and BRAC (previously Bangladesh Rural Advancement Committee) and showed that MFIs had positive effect on women's decision making power within the family. In India CYSD (Center for Youth and Social Development) study (Kabeer 2005) found that SHG membership of women did not have much impact on household decision making pattern, however, she reports that further careful comparison with other welfare support program of PRADAN revealed that SHG membership "significantly strengthened women's decision making role on a wider range of different decisions, including children's schooling, choices of livelihood activity, use of loan, purchase and sale of assets and visit to natal family."

---

[3] This figure is according to 2001 census.

[4] Indian Constitution of 1950 lists the groups and subgroups that were historically disadvantaged due to caste based discrimination or some other social practices. There are two such listing, one Scheduled Castes and the other Scheduled Tribes. Affirmative actions are in place to promote education, government jobs and other benefits to ensure economic opportunity for these groups.

With a study of microfinance in Tamil Nadu, India, Holvoet (2005)[5] reported that group based lending to women had greater effect on household decision making compared to individual lending to women. It is not just the length of membership, but the strategies used in group formation, frequency of meeting and more intensive training all contributed to such empowerment. A case study in Thailand by Kay (2003)[6] reported that women's status has increased within household as well as in community. SHGs were formed among Muslim women to produce batik and embroidered items. Some of the members of SHGs were engaging in local community management structure and issues. Based on 59 microfinance group in West Bengal, India, Sanyal (2009)[7] found that economic connections generated through microcredit programs contributed to improvements in women's social capital and their ability to influence social norms. Women were able to undertake collective action which increased their collective empowerment. Ashe and Parrott (2002)[8] studied Women's Empowerment Program (WEP) in Nepal and noted that 68% of women experienced an increase in their decision making power in areas that were traditionally dominated by men, such as family planning, a daughter's marriage, children's education, and buying and selling of property. Microcredit program of Nepal, PLAN (2001) reported that their clients were making joint business investment decisions with their husbands.

Using randomized control trials (RCTs) Banerjee et al. (2009) studied the impact of microfinance in urban slums of Hyderabad, India. The authors found that not all who qualified for loan borrowed from the new MFI branch opening. More new businesses were opened and those businesses realized higher profit. Households who started business increased spending on investment rather than consumption. The households which were less likely to start a business spent more on consumption. Since the loans were not specifically for business purposes, the authors were unable to conclude whether the effect was the direct result of microloan or came from indirect effects. The study was for 15-18 months and could not find any impact on health, education or women's empowerment (Rosenberg 2010).

Summary Sample Survey

This study is based on a sample survey of 254 rural women who are members of 85 Self Help Groups (SHGs) in various parts of Rajasthan and are served by Jaipur Thar Gramin Bank for savings and borrowing. Jaipur Thar Gramin Bank operates under UCO Bank, which is a publicly owned commercial bank. Based on the NABARD scheme Jaipur Thar Gramin Bank is linked to the SHGs in Rajasthan.

The NGOs, also known as Self Help Promoting Institutions (SHPI) are trained to form Self Help Groups (SGHs) of 10-20 women. NABARD provides promotional grant assistance to these promotional institutions (SHPIs). The SHG members are required to save of Rs. 50 –100 per month. The group savings are deposited into the Jaipur Thar Gramin Branch Bank. After the bank has established regular savings relationship with the SHGs (generally six months) the groups can apply for loans from the bank. Initially the bank extends loan to the SHGs with a loan-savings ratio of 1:1, or 2:1 and then gradually increases it to 4:1. The interest rates for the

---

[5] Cited in Kabeer (2005)
[6] Cited in Kulkarni (2011)
[7] Cited in Kulkarni (2011)
[8] Cited in Kulkarni (2011)

loans are 10-12%. NABARD refinances these loans at a lower than market interest rate (Isern et. al. 2007). In other words, NABARD subsidize the loan rate for Jaipur Thar Gramin Bank. The bank loan is to the SHG under joint liability contract. This is the most important part of this microfinance model. Individuals do not have collateral to qualify for loans. The SHG or the group is responsible to the bank for repayment and the bank does not hold individual members responsible for the loan repayment. It is the responsibility of the SHG for collection of repayment from individual members.

After receiving the loan package from the bank the SHG group leader divides the loan amount to its members. Members borrow for livestock, various cottage industries or even home extension and other consumptions. Occasionally members borrow to pay for unexpected medical expenses or for social needs such as daughter's wedding. Under certain circumstances very poor members may borrow just for consumption if the family income is compromised due to crop failure, family sickness or other natural disaster. SHGs meet on a monthly basis, when the members are to repay their monthly installment of the loan. The savings and repayment amounts are collected at the regular meetings, and deposited in the bank. Average recovery rate of these loans for this sample is about 98% as noted by the bank staff. SHGs also provide small-loans to the group members from their group savings (intra-group lending) at an interest rate of 24%. The interest rate differential is the earnings of the SHGs.

Women were interviewed using a survey instrument and the participants responded using recall method. The data were collected in Dec. 2009 – Jan. 2010. The descriptive statistics of the sample is given in Table 1. The age of the 255 women included in the study ranged from 19 years to 70 years. Most of them (71%) are between the age of 30-50 years with 44% in their 30s and 27% in their 40s. The average age of the sample group was 36 years. Sixty percent reported to being illiterate. This number is much higher than the overall illiteracy rate of 40% for the State of Rajasthan. Of course, women have a much higher rate of illiteracy compared to males in Rajasthan. According to 2001 census data female literacy rate in Rajasthan was 43.85%. In this sample 24% had primary education, 8% had middle-level education, 6.7% had secondary level education, and 1.2% post-secondary education. The average level of formal education of this sample was 2.5 years.

In terms of asset holding, 61% owned land, 75% had some livestock, 96% owned their homes, and 59% reported having some jewelry. Ownership of livestock reflects the high percentage of respondents involved in dairy operation (38%) and in raising goats (21%).

Table 1: Descriptive Statistics of the Sample

Age:	Frequency	Percentage
19 or less	1	0.40%
20 – 29	51	20.24%
30 - 39	111	43.52%
40 – 49	68	26.98%

50 – 59	18	7.14%
60 – 69	4	1.59%
70 or more	1	0.40%
Average Age 36		
Education:		
Illiterate (0 yrs.)	151	60%
Primary level (5 yrs)	61	24%
Middle level (8 yrs)	22	8.1%
Secondary (11 yrs)	17	6.7%
Post-Secondary (15 yrs)	3	1.2%
Average Education 2.5 yrs.		
Assets:		
Own land	156	61%
Livestock	191	75%
Own home	249	96%
Own Jewelry	150	59%
Monthly Income (Rs.)		
500 - 1,000	7	2.76%
1,001 - 5,000	135	53.15%
5,001 - 10,000	93	36.61%
10,001 - 20,000	13	5.12%
20,001 - 30,000	5	1.97%
> 30,000	1	0.39%

The average household monetary income of the group was Rs. 6,129 per month, with 56% earning Rs. 5,000[9] or below per month. Thirty seven percent reported having a monthly income between Rs. 5,000 – 10,000. About 6.5% had family income of over Rs. 10,000 per month. Total monthly family income may not reveal the full picture since the extended family structure is still prevalent in India. In many cases, family members included in-laws and multiple wage earners, such as brother-in law or adult children. Per capita income was calculated to understand the family economic status before joining the SHG and what, if any, improvement was made after joining SHG. Per capita income of the sample is given in Table 2 below. Considering World Bank guideline of PPP $1.25 per day as the poverty threshold about 78% of this sample was at or below poverty level before joining SHG and 22% above the poverty level. As per the reported income in this (2009-10) survey, 58% are at or below poverty level and about 42% are at above the poverty level. So, about 20% surveyed pulled themselves out of poverty due to microfinance facilities. Average monthly per capita family income was Rs. 807 before joining SHG and Rs. 1,152.43 at the time of data collection; using the average family size of 5.55 members.

Overall there was an improvement in family income after joining SHG and gaining access to microcredit along with facilities to save with the group. Note, that the group members have access to group lending over and above the borrowing from a bank or MFI. As the graph below indicates the per capita income of the group has shifted to the right indicating improvement in income level. There are a few cases of high income outliers, which probably increase the average a bit more, but overall the microfinance clients in this sample showed improvement in income.

The questions were asked about the amount of loans received and how they used their loans. Table 5 below gives the breakdown of how the respondents used their loans. Out of 255 participants of the survey, 217 used the loans for business enterprise. Some of the respondents (very few) were at a stage where their loan was approved but had not yet received the loan.

Table 2:	**Business Type**	**Frequency**	**Percentage**
1	Dairy	82	37.79%
2	Goat raising	46	21.20%
3	Tailoring	25	11.52%
4	Shop/Retail Bus.	8	3.69%
5	Jari work	4	1.84%
6	Bundhni (Tie-Dye)	7	3.23%
7	Small Production	11	5.07%
8	Pottery	4	1.84%
9	Agriculture	10	4.61%
10	Thread Weaving	20	9.22%
	Total	217	

[9] With the exchange rate of $1 = Rs. 46, Rs. 5000 amounts to approximately $108 of monthly income. However, if PPP$ is used Rs. 5000 is equal to approximately $303/month.

About 26% of the sample used part or all of their loans received for some non-business use, such as school fees, home improvement, wedding or even buying food. As noted earlier the SHG members have access to the loan from the group itself. Each SHG has a bank account and the interest is higher, 24% per year and the interest income goes back to the group account for future lending.

Methodology

This study is a modest attempt to determine if the women involved in microfinance have increased their social status within the family, and what factors contributed most toward empowerment. With that objective an Empowerment Index was developed based on following eight questions.

1. Do you have any role in family socio-economic decision making?
   Yes = 1 No=0
2. Is your opinion valued?
   Yes = 1 No = 0
3. Do you manage family budget?
   Yes (myself) = 2 jointly with husband or others = 1 No = 0
4. Do you visit your parents often?
   Yes = 1 No = 0 Not Applicable = 0
5. Do you own a mobile phone?
   Yes = 1 No = 0
6. Do you watch TV (type of program)/Listen to Radio/Read Newspaper
   No = 0
   Yes (songs/entertainment) = 1
   Yes (serial/drama) = 2
   Listen to or watch News = 3
   Read newspaper = 3
7. Do you make children's education related decision?
   Yes (myself) = 2 Jointly with husband or other members = 1
   No = 0 Not Applicable = 0
8. Has the children's education related expenses gone up?
   Yes = 1 No = 0 Not Applicable = 0

Maximum possible number is 12. Some of the "not applicable" items were problematic and surely do not reflect the level of empowerment of the women I personally interviewed. Using the empowerment index multiple regression analysis was used to estimate the following model.

$EI = f\,(A, E, M, FI)$

Where:
EI = Empowerment Index
A = Age
E = Years of Education
M = Months in SHG
FI = Family Income

$$EI = \alpha_0 + \alpha_1 \text{ Age} + \alpha_2 \text{ Education} + \alpha_3 \text{ Months in SHG} + \alpha_4 \text{ Family Income}$$

Table 3: Regression Result

Empowerment Index

	Coefficients	t-stat
Intercept	6.505*	11.84
Age	–0.008	–0.60
Education	.113*	3.25
Months in SHG	0.01*	2.25
Monthly Family Income	.00005*	2.86
	R^2= .12	N = 254
	F Stat = 8.27	*df = 249*

* Statistically significant at 95% level.

The regression results show that age of SHG members had no statistical significance on empowerment. Level of education has a very small positive influence on empowerment. Increase of education by one year improves empowerment by ten percent and it is statistically significant. Length of membership in SHG is also statistically significant and the estimated coefficient suggests that one year of membership will increase empowerment index by 10%. Increase in monthly income of Rs.2000 increases the empowerment index by 10% and the result is statistically significant. This result is not surprising. Income earning ability of a woman enhances her empowerment along with improved social status within the family. Poorer women will have to get out of the house to earn money and may endure less mobility restrictions, whereas, with a slightly higher income families patriarchic control is exercised with restriction of mobility. Although in this sample there are a couple of young women who are from relatively well to do family. A young woman, whose father-in-law is a retired school teacher, and her husband is enrolled in a graduate program in Education to become a teacher, joined a SHG, got loan and started her own tailoring business. The estimated model was statistically significant at 95% confidence level.

The largest estimated and statistically significant coefficient is the $\alpha_{0.}$ This is the intercept coefficient, suggesting more than 50% of empowerment index is due to factors other than the ones (variables) included in the model. Two possible explanations can be extended. As mentioned earlier, if a woman did not have children, or the children are grown up or not yet of school age, those women were given a “0” in that category. Similarly, the question of restricted visit to natal family was somewhat problematic. For older women the parents may have died (in some surveys it was specifically mentioned) or the woman is poor to afford the transportation cost of frequent visits. In those cases, “No” answer or “Not Applicable” answer received zero point. So, problem of measurement may have shown such result. The other possible explanation may be selection bias. Those who are already empowered sought membership in SHG for microfinance. My personal observations in the field make me think of the measurement error. In the final analysis, membership in SHG had positive impact on women’s empowerment. There are certainly spillover effect when the women attend meetings, understand the democratic process of electing the group leader and make commitments to monthly savings and repayment, observes how meetings are conducted and records are kept, all of these activities enhances empowerment. Specifically those who mentioned of managing family budget jointly and making children's education decision jointly with their husbands or other family members, signify enhanced negotiation or bargaining power within the family. When asked about her freedom of mobility, one respondent mentioned that she has a motorbike and she rides that bike. She was a group leader and is very interested in the news and issues related to microfinance. Such personalities change the image of role of women in the larger society beyond the gender role in family affairs. There are various other economic development related programs sponsored by the Central as well as State Government also contribute to the empowerment of women.

Conclusion

In conclusion based on this case study in Rajasthan it can be argued that microfinance can lead to improved empowerment of the members of Shelf Help Groups involved in microfinance. Although the study has no control group, a few important conclusions can be drawn. Length of membership in SHG, the level of education, and higher level of family income, all have statistically significant positive impact on empowerment of women through microfinance. It is true that Microfinance Institutions put a lot of emphasis on loan recovery rate and financial sustainability of the program, but a few strategic actions to empower women will have a much wider effect of the microcredit program.

References

Ashe, J. and L. Parrott (2002) "PACT's Women's empowerment program in Nepal: A savings and literacy-led alternative to financial building," Journal of Microfinance 4 (2): 137-162

Banerjee, Abhijit; Esther Duflo, Rachel Glennerster, and Cynthia Kinnan. (2009), "The Miracle of Microfinance? Evidence from a Randomized Evaluation." MIT Poverty Action Lab, Cambridge, MA, May.

Chaudhry, P. (2013) **"**Caste as an Institutionalized System of Social Exclusion and Discrimination: Some Evidences," *International Journal of Gender and Women's Studies,* 1(1), June 2013, pp. 56-63.

Chen, Martha A. and Donald Snodgrass (2001) "Managing Activities, Resources, and Risk in Urban India: The Impact of SEWA Bank." Washington, D.C., Assessing the Impact of Microenterprise Services (AIMS) Project.

Chen, Martha. (2008) "A Spreading Banyan Tree: The Self-Employed Women's Association, India," in Alison Mathie and Gordon Cunningham edited *From Clients to Citizens: Communities Changing the Course of Their Own Development*, Practical Action Publishing, Coady International Institute, St. Francis Xavier University, Antigonish, Canada

Cheston, Susy. and Lisa Kuhn., (2002) "Empowering Women through Microfinance," Publication sponsored by UNIFEM www.gamechangenetwork.org/documents/GenderMainstreaming/FinancialServices/GenderImpact/Chestonand Kuhn_2002.pdf

Edward, Peter. and Wendy Olsen. (2006) "Paradigms and Reality in Microfinance: The Indian Case," *Perspectives on Global Development and Technology*, Vol. 5, Issue 1-2, pp. 31-54.

Hashemi, Syed M. and Sidney Ruth Schuler, Ann P. Riley., (1996) "Rural Credit Programs and Women's Empowerment in Bangladesh," *World Development* 24, No. 4: 635-653.

Kabeer, Naila. (2005) "Is Microfinance a 'Magic Bullet' for Women's Empowerment? Analysis of Findings from South Asia," *Economic and Political Weekly*, October 29, 2005.

Kay, T. (2003) *Empowering Women through Self-help Microcredit Programs*, Bangkok: Gender and Development Section, Emerging Social Issues Division, United Nations Economics and Social Commission for Asia and the Pacific (ESCAP)

Kulkarni, Vani S. (2011) "Women's empowerment and microfinance – An Asian Perspective Study," Occasional Papers, Knowledge for development effectiveness, International Funds for Agricultural Development (IFAD)

Papanek, Hanna. (1990) "To Each Less Than She Needs, From Each More Than She Can Do: Allocations, Entitlements, and Value," in Irene Tinker edited *Persistent Inequalities – Women and World Development,* Oxford University Press, New York, Oxford.

PLAN (2001) *International Mid-term Evaluation of Nirdhan*, PLAN Microfinance Program of Nepal, Kathmandu: PLAN International.

Sanyal, P. (2009) "From Credit to Collective Action: The role of microfinance in promoting women's social capital and normative influences," *American Sociological Review* 74: 529-550

Sen, Amartya. (1999) *Development as Freedom,* Anchor Books, A Division of Random House, New York.

Sen, Amartya K. (1990) "Gender and Cooperative Conflict," in Irene Tinker edited *Persistent Inequalities – Women and World Development,* Oxford University Press, New York, Oxford.

Yunus, Muhammad. and Alan Jolis. *Banker to the Poor: Micro-lending and the Battle Against World Poverty*. New York: Public Affairs, 2003