

VICTORIA UNIVERSITY OF WELLINGTON
Te Whare Wānanga o te Ūpoko o te Ika a Māui



Microfinance and Women's Empowerment in Bangladesh: a Study of "Competing Logics" and their implications for Accounting and Accountability Systems



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**Marsden Funded Project-
 Dialogic Accounting: The Challenge of Taking Multiple-Perspectives Seriously**

Objectives:

The over-arching aim of the Marsden project is to develop dialogic accounting theory and methods that can promote the idea of democratic ethos by taking ideological conflicts seriously!



My Project

Context:

- Developing country context
- Bangladesh
- Microfinance

Microfinance

Microfinance programmes connote the extension of financial services (e.g. the provision of small loans, referred to as microcredit) to poor people, mainly women "for income-generating sources, building assets, strengthening crisis coping mechanisms, allowing clients to achieve a better quality of life" (Ahmed et al., 2001, p. 1957).



Microfinance Rationales- WHY WOMEN?

- **Financial self-sustainability-** this rationale is focused on generating economic returns.
- **Poverty alleviation-** the aim of this rationale is to provide the poor with a way out of poverty. There is not only a concern with reaching the poor, but also the poorest.
- **Women's empowerment-** the third key rationale for microfinance, and the **FOCUS** of my PhD is women's empowerment. The underlying concern of this rationale is women's human rights .

Women's Empowerment?



Complex issue....Contradictory Conclusions.....

Microfinance and Women's Empowerment

- **Positive decree studies:** Rahman (1986); Pitt and Khandker (1995); Hashemi et al., (1996); Dowla (2006); Holland and Wang (2011)
- Providing women with access to microfinance leads to increased household income, gives women control over income and assets and also increases their mobility outside domestic threshold.



Microfinance and Women's Empowerment

- **Negative decree studies:** Goetz and Sen Gupta (1994); Rahman (1999); Fernando (2006); D'espallier et al., (2011)
- Much more critical about rationales of microfinance.



Feminisms in development

Cornwall, Harrison and Whitehead

- *"Some of the most contested discursive terrain in today's development discourse is around 'women's empowerment'. As associations with collective action and more radical transformative agendas are sloughed away to make the notion palatable to the mainstream, empowerment has been reduced from a complex process of self-realisation, self-actualisation and mobilization to demand change, to a simple act of transformation bestowed by transfer of money and/or information."*
- *"On the economic front, the myth of women as the most effective anti-poverty agents and the mass-scale creation of women's self-help groups seems to be nurturing a form of depoliticised collective action that is completely non-threatening to the power structure and political order. These groups, forced to focus all their energies on their productive activities, their loan repayments and the survival of their collective, seem to be rendered oblivious to the ideological/political mobilisations going on under their very noses."*

Competing Logics (Economic vs Social)- Microfinance (hybrid) organisations

Studies: Battilana and Dorado (2010); Drake and Otero (1992); Scott and Meyer (1991); Glynn (2000); Heimer (1999)



Women's Empowerment: Competing Logics- Mayoux

Financial Self Sustainability:
economic indicators- income levels, consumption levels, control over assets, repayment rates

Poverty Alleviation: decreased household vulnerability to income fluctuations and crises

Women's Empowerment:
empowerment (similar to the approach taken in critical dialogic studies), is seen both as a process of internal change at the individual level and organisational and institutional change at the macro level

Accountability? The Way Forward?

- Gender and development studies literature (e.g. Rahman, 1993; Magar, 2003; Mayoux (1997-2002); Gueye, 1999) highlight that empowerment as a social change requires the change of BOTH actors and social structures.
- And therefore emphasises the need for understanding the "processes" of facilitating women's empowerment.
- They address the need for promoting "dialogue", "effective communication" and "participation" between parties with unequal power relations as a mechanism of enhancing understandings and creating empowering spaces for promoting "voice".
- Development studies literature (e.g. Kilby, 2006; 2011; Jacobs and Wilford, 2007) has started analysing "participation" and "empowerment" as a development goal via the framework of accountability and refer to NGO accountability literature.

NGO Accountability Literature- Accountability? Competing Meanings?

Kilby (2006); Kilby (2011); Edwards and Hulme (1995); Ebrahim (2003); O'Dweyer and Unerman (2008); Jacobs and Wilford (2007); Edwards and Hulme (1996a,b); Rahman (1999); Morgan (2001); Speer (2000); Costo (1998); Dixon et al., (2006)

Upward Accountability: towards powerful groups such as donors, in the forms of standardised reporting, result-based management and logical framework analysis



Downward Accountability: helps address accountability towards marginalised perspectives via development of concepts such as "participation" and "empowerment"



Problems

- NGO/Microfinance accountability literature highlights the need for developing participatory accountability procedures in order to address the complex issue of poverty and women's empowerment.
- These procedures are however vastly underdeveloped and often leave out the crucial question of accountability completely from the development equation!
- Also, the literature on microfinance accountability is only at its early stages.
- No research still done questioning the relationship between accountability, women's empowerment and participatory development.
- "Accounting and Development" generally is still vastly under researched, as pointed out by critical accounting researchers (O'Dweyer and Unerman, 2004).
- No prior research has explored the connection between competing logics, downward accountability and women's empowerment (as pointed out by SEA commentators- Belal and Owen, 2007; Molisa et al., forthcoming).

Why Dialogic Accounting?

- **Book Chapter:** *'Social and Environmental Accounting in Developing Countries- Challenges, Conflicts and Contradictions'* - Molisa, Vandangombo and Brown
- Discursive barriers between "elites" and "non-elites".
- Power inequalities between different groups.
- For my research this may mean highlighting the discursive barriers between-
 - clients and staff members of a microfinance organisation
 - microfinance organisation and donors
 - power differentials between individual women clients in a microfinance organisation

INTERSECTIONALITY

Why Dialogic Accounting?

- The critical aim of dialogic accounting is to facilitate democratic dialogue among people with different socio-political perspectives.
- Rather than focusing on business, it looks at how accounting might enable expression of other viewpoints.
- It aims to foster new accountings that account for a much wider range of phenomenon than traditional accounting.
- Within the context of my research, I seek to enable marginalised groups, in this case women clients in a microfinance setting, to co-develop accounting that accord to THEIR own political and value standpoints.
- The aim is to foster dialogic accountings that would provide multi-dimensional (financial and non-financial) information for accountability and decision-making purposes in the microfinance context.

Case Study Organisation- Integrated Social Development Effort (ISDE)

- ISDE is a microfinance in Bangladesh.
- Context- Rural Bangladesh (Village- Maheshkhali)
- 50 Semi-structured interviews (some of these have been group interviews designed to contribute to the learning aspects of dialogic methodology)
- 15 PAR sessions with 12 women clients and 4 staff members of ISDE.

PAR

- space for fostering transformation of ideals through exchange of dialogues between parties with unequal power relations.
- promote knowledge production as a contested process.
- It basically tries to promote the notion of learning from each other...
- And consequently it assumes that there is no one universal truth.

PAR

- Range of different group sessions such as “general informal group discussion”, “focus group interviews”, “audio-video presentations”, “participants narrating their life-stories”, “story-telling sessions”, “informal walks across the village”, “showing movies” etc.
- Deep understandings into the lives of the women.
- “This is the first time I have reflected back on my entire life....this has been a beautiful journey....I feel rather empowered.” – Research participant

PAR

- Are women a homogenous group of people?
- ...We are different....we have different life stories...
- We face different structural barriers in society, according to our race, class, culture, religion, educational and family backgrounds, age geographical locations etc....

Current Stage

- Write-up!! 😊
- Hoping to submit thesis by the end of this year.

Questions & Comments 😊

Extra Information- Data Analysis

- “Transformative policy for poor women....a new feminist framework”.... By Bina Fernandez...
- This framework basically incorporates for a feminist policy theory framework- “what’s the problem represented to be-WPR” suggested by Carol Bacchi
- The framework puts a lot of emphasis on why problems are represented the way they are represented....
- It puts a lot of emphasis on how problems are represented... This book basically suggests four themes which I have adapted to these four broad themes:

Data Analysis

- **Governance context-** Through this I aim to highlight the context of my case study organisation, ISDE...and put this within the context of the developing world and Bangladesh
- **Frames and logics-**
 - Key research focus is to flesh out the competing ways of understanding women’s empowerment as concept and how this resonates to existing accounting and accountability systems.
 - The dominant economic logic/framing vs the alternative feminist logic/framing....
 - The idea here is to highlight how the concept of women’s empowerment, accountability and participation are constructed in narrow economic ways, and how such concepts hinder the practice of alternative frames and logics....
- **Practices-**
 - Here the crucial focus is on existing accounting and accountability systems within my case organisation
 - Highlighting the tensions between upward vs downward accountability norms....
 - Highlighting how narrow economic frames gives rise to a particular type of accountability system...hindering the potential of a more downward and dialogic accountability system.
- **Normative critique-**
 - Escape hatches, foreclosures- as in the silences, the official vs the hidden transcript....
 - suggest a way of disrupting the system and introducing a more dialogic, feministic model of accounting and accountability....a system that can incorporate for the concept of women’s empowerment.