



‘Even Though I Get a Loan, My Husband Controls It’: Rhetoric Versus Reality of Empowering Bangladeshi Women Through Microfinance Programs

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Abstract

This study investigates the development intervention of microfinance programs with women borrowers in strong patriarchal communities such as in rural Bangladesh. Using Rahman’s framework (1999) of ‘public transcript’ vs. ‘hidden transcript’, we describe how women’s structural vulnerability is understood and leveraged by the microfinance institutions (MFIs). The findings in this paper is based on data from 331 surveys and 40 in-depth interviews from *Dumuria*, a southern sub-district of Bangladesh. We found that MFIs’ providers largely conceptualized women’s empowerment as increase in financial participation, mobility and household decision-making. Although the MFIs present microfinance programs as successfully contributing to women’s empowerment, we found that the patriarchal gender norm(s) pervasive in rural Bangladesh meant that men controlled and used most of the microfinance loans. We also found that MFI’s do little to monitor or address this issue, instead, they emphasizing high loan recovery rates as evidence of women’s empowerment. Furthermore, MFIs leveraged women’s structural vulnerability apparent in the gendered division of labour, mobility restrictions, and notions of honour and shame to ensure the high recovery rates. We conclude that MFIs obscure the reality of their ulterior profit-making motives with the rhetoric of false narratives of women’s empowerment.

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Résumé

Cette étude examine l'intervention qui vise à développer l'autonomisation des femmes dans le cadre des opérations de microfinance au sein des communautés résolument patriarcales telles qu'on les trouve en zone rurale du Bangladesh. En utilisant le cadre de Rahman (1999) de « transcription publique » contre « transcription cachée », nous décrivons comment la vulnérabilité structurelle des femmes (y compris la division du travail et les restrictions de mobilité) est comprise et exploitée par les institutions de microfinance. Cet article comprend des données provenant de 331 enquêtes et de 40 entretiens approfondis à Dumuria, un sous-district au Sud du Bangladesh. Nous avons constaté que les prestataires des institutions de microfinance ne concevaient l'autonomisation des femmes qu'en fonction de l'augmentation de la participation financière (c'est-à-dire le prêt reçu et remboursé), de la mobilité et de la prise de décision au sein des ménages de la part des femmes bénéficiaires du programme de microfinance. Bien que les prestataires affirment volontiers que les programmes de microfinance contribuent avec succès à l'autonomisation des femmes, nous avons constaté que dans une société patriarcale telle que le Bangladesh, les normes de genre qui prévalent permettent aux hommes de contrôler et d'utiliser la plupart des prêts de microfinance, sans que les institutions de microfinance ne fassent grand-chose pour surveiller ou résoudre ce problème. Au lieu de cela, ces institutions mettent l'accent sur le taux élevé de recouvrement des prêts comme étant une preuve de l'autonomisation des femmes plutôt que de l'associer à la vulnérabilité structurelle des femmes, comme les restrictions de mobilité, la vulnérabilité des femmes dans l'honneur et la honte, que nous avons constatée. En outre, nous concluons que les institutions de microfinance camouflent leurs intérêts lucratifs grâce à de bonnes paroles creuses concernant l'autonomisation des femmes.

Introduction

Microfinance programs have been globally promoted as an aid and development intervention that alleviates poverty and increases women's empowerment (Goetz and Gupta 1996; Chowdhury 2009a). Microfinance refers to a series of financial services provided to poor communities, especially women, who traditionally lack collateral to access money from the formal banking system. The standard micro-loan amount is approximately USD\$ 100, although this varies among countries and MFIs (Khandakar and Danopoulos 2004). In Bangladesh the microfinance industry provides up to USD\$ 5000 and above in the higher loan categories and USD\$ 100–120 as the minimum microfinance loans (Microfinance Regulatory Authority 2021). It is presumed that cultural restrictions on women's financial participation are oppressive (Pomeranz 2014) and microfinance interventions and strategies may assist disempowered poor women and lead them to economic empowerment (Duflo 2012). It is also assumed that microfinance programs lend to poor women



to improve their economic solvency and so that they can invest in income-generating activities (IGAs) (Ackerly 1995).

Many developing nations (including Bangladesh), where patriarchal structures are strong and enduring, implemented 'gender-sensitive development' initiatives, such as credit access, entrepreneurship skills, to better include women in national development programs (Goetz and Gupta 1996; Chowdhury 2009a). To improve poor women's economic condition, new financial models of microfinance were established providing mass access to a collateral-free loan from the 1970s and 1980s (Alamgir 2010; Pitt et al. 1995; Schuler et al. 1996, 1997). During this time, Bangladesh was globally recognized as the home of microfinance (Yunus and Jolis 1998). Microfinance is now considered one of the best economic strategies to enhance women's empowerment around the world (Ahmed 2004; Alamgir 2010; Dowla and Alamgir 2003). Positive outcomes were recorded for microfinance programs in Bangladesh which supported the replication of programs providing women financial access to engage in IGAs and developing entrepreneurship. It was hoped these programs would lead to improved bargaining power in the household, increasing social mobilities and poverty alleviation (Pitt et al. 1995; Khandker 1998; Pitt and Khandker 1998; Schuler et al. 1996, 1997; Hashemi et al. 1996). Positive findings were also documented in recent times where Mazumder (2021) found that microfinance participation in Bangladesh significantly contributes to improved livelihoods, including household income, housing quality, access to healthcare and sanitation facilities. Although data collected in 2014, using a quasi-experimental research design on 100 sample, a quantitative study from Shohel et al. (2020) shows that daughters of microfinance borrowers have more household decision-making power compared to non-borrowing women. Another quantitative study conducted by Jabbar et al. (2010) found that female microfinance receivers have more property rights and ownership than non-borrowers. Today MFIs constitute the dominant program in Bangladesh for women's empowerment and continue to expand. They have lent BDT¹ 1494.4 billion to 91% female borrowers (Microfinance Regulatory Authority 2021).

Apart from the positive outcomes, since the late 1990s, critiques emerged regarding the claims for women's empowerment by the microfinance industry. New research showed the often catastrophic consequences for female microfinance borrowers, including male control of female loans (Ali and Hatta 2012; Chin 2012; Kabeer 1998, 2001), new forms of domestic violence (Murshid 2016a, 2016b; Murshid et al. 2016), increase of female debt, and detrimental loan recovery strategies (such as destroying a house, selling household items, threatening, imprisonment, displacement to create social and mental pressure on borrower women and their family) by the MFIs (Karim 2008, 2011, Rahman 1999). Many researchers, such as Ahmed (2008), Johnson (2005), Karim (2008), (2011), Kabeer (1998, 1999, 2001), Rahman (1998), Rahman (1999) argued it was entrenched patriarchal norms and structure that caused these outcomes and microfinance would not succeed

¹ BDT (Bangladeshi Taka)=Bangladesh Currency (Subject to fluctuate based on international USD exchange rate) currently equal to USD \$0.012 (USD 1 = ± 86 BDT).



unless these broader barriers were addressed. Very recent findings from Shohel et al. (2021) also showed that the mundane patriarchal norms and their practices have culturally legitimate men's control over microfinance loans for decades. Considering the economic impact of financial participation, a recent large-scale study conducted by Goldszmidt et al. (2021) in Brazil showed that there is no significant impact of microfinance on its participants regarding their income, employment generation, access to credit, or business formalization.

With all these findings, it is worth investigating how have been the microfinance industries operating with their loans for decades in any entrenched patriarchy-driven communities such as in Bangladesh. Particularly, the investigation is important to explain how the development interventions of microfinance operate and expand with the rhetoric of women's empowerment, in any concurrent cultural settings, where women's structural vulnerabilities (such as restriction in physical mobility, submissive division of labour, norms and roles, their culturally patterned behaviour) are firm.

The objective of this manuscript investigates the expansion of the microfinance industry in recent years. The increasing loan disbursement rate over the years indicates the continuous expansion of the microfinance industry and growing cohort of beneficiary women in Bangladesh (MRA 2016). Therefore, it is important to understand how the microfinance beneficiaries and microfinance loan providers understand the logic of MFIs' endeavour to empower women through microfinance programs. To answer the research objective, collected data to explore and assess the rhetoric and reality of contemporary microfinance programs and their claims of women's empowerment in rural Bangladesh. This study used both quantitative (331 surveys) and qualitative data (40 in-depth interviews) to achieve our objective. The data collection took place at the *Dumuria* sub-district in the southern region of Bangladesh in two phases between 2018 and 2020.

Literature Review

This section of the literature review consists of reviewing the patriarchy and gender subordination in Bangladesh to understand women's structural vulnerabilities. Then, the literature review will discuss Rahman's theory of '*public and hidden transcripts (1999)*' to understand the contemporary microfinance operation in Bangladesh and how women's structural vulnerabilities are observed by the microfinance industry.

Patriarchy and Women's Subordination in Bangladesh

Patriarchy is a Greek term, which means 'the rule of the father,' where men practice absolute authority in the family (LeGates 2001). Gender roles for men and women are grounded in the family and household to construct the basic foundation of gender relations in broader society [Lerner (1986) cited in Chowdhury (2009b)].



Gender roles and patriarchal relations in Bangladesh are manifested in women's household roles, payments of dowry, men's dominance and economic decision-making in the families, and practice of domestic violence (Shohel et al. 2021; Shohel and Jabbar 2013; Murshid et al. 2016; Chowdhury 2009b; Cain et al. 1979). In Bangladesh, sons are considered to continue bloodlines for a family, while the birth of a girl is bad news for families without sons (Chowdhury 2009b).

Since childhood, girls are nurtured and taught to maintain institutions such as *purdah* (a religious doctrine and cultural practice for females to cover their bodies, less movement outside the home and not to meet or greet unknown people), which leaves women confined and isolated (White 1992; Shohel et al. 2021). In *purdah*, "the gender division of labour is grounded in values of honour (*izzat*) and modesty or shame (*lojja*) expressed in the ideal of female seclusion" (White 1992). Cain et al. (1979) found that patriarchal constraints such as *purdah* expected women to lessen their mobility and social and economic opportunities. They are kept inside within household boundaries undertaking tasks, such as food preparation and processing, household maintenance, animal husbandry and child care, while men work outside the household on large-scale cultivation and agriculture, trading, and transportation which has more potential for economic gain (Cain et al. 1979). A recent study also showed that in the division of labour, women were subject to carry unpaid domestic tasks as reciprocal to their men counterparts, who took paid work responsibilities for the family (Shohel et al. 2021).

Rahman's Theory of Public and Hidden Transcripts

In this paper, we utilize Rahman's (1999) concept, borrowed from Scott (1990), of a 'public and hidden transcript'. Scott (1990) conceptualized 'hidden and public transcript' to discuss power and resistance. He drew attention to describe that dissenting groups or individuals use ideological hegemony² in public to hide disagreement and conflict.

Rahman (1999) employed Scott's framework to analyse his study of the Grameen Bank's strategy of targeting women as borrowers. Rahman concluded that the MFI's used a public transcript of women's empowerment rhetoric which obscured their hidden transcript, or the reality of their operations based on the ulterior motive of profit (rebadged by the microfinance industry as surplus). In this article, we use Rahman's theoretical framework to uncover the rhetoric and reality of MFI's operations in contemporary Bangladesh through conducting research with both microfinance providers and receivers.

The Public Transcript or Rhetoric

The public transcript of the Grameen Bank establishes its social responsibility to the community as poverty reduction of marginal communities (Rahman 1999).

² Ideological hegemony links different set of ideas or beliefs which a group or individuals may uphold to justify their thoughts or arrangement between powers, authority, wealth or status in society.



The Grameen Bank has gradually reduced male borrowers from their microfinance list since the mid-1980s. Grameen Bank's founder, Professor Yunus, established a rationale or narrative for targeting poor, rural women: "targeting women over men in rural Bangladesh is based on the assumption of women's greater contribution to family welfare" (Rahman 1999). Professor Yunus also hypothesized that women spend more of their money on their children and household necessities. Hence, "lending to women and increasing their earning will bring more qualitative benefits to family welfare than earnings of men. In addition, lending to women is perceived as an effective way to assist poor women in attaining socio-economic empowerment in society [Yunus 1994 cited in Rahman (1999)]. By using these social narratives, Grameen Bank produced some social agenda and carried it with their public transcript to target women over men. Grameen Bank provided two objectives in this purpose, firstly, "to give women access to credit for increasing their earning capabilities and bringing faster improvements in the household socio-economic conditions; [and secondly] to organize women into groups for raising their collective consciousness, strengthening their group solidarity through weekly meetings and assisting them in attaining a greater socio-economic empowerment in society" (Rahman 1999).

The Hidden Transcript: Reality

Rahman (1999) next identified the hidden transcript, finding that although Grameen Bank has never formally announced men's exclusion from microfinance programs, the Bank recruited female borrowers only. Grameen Bank officials gave the reason(s) behind this as men's gender characteristics (aggressive behaviour, non-attendance of group meetings and arguing or threatening bank officials if repayment was demanded). However, the main reason for excluding men was their failure to pay loan instalments (Rahman 1999). Professor Yunus (1995), cited in Rahman (1999), argued that ensuring loan recovery with profits is very important for cost recovery and institutional sustainability of the MFIs. They found that lending to women was the best to successfully recover loans and make a profit. Therefore, Rahman concluded that Loan recovery with interest remains the hidden transcript of the Grameen Bank. Women's positional or structural vulnerability in the household underlies this recovery strategy of MFIs (Rahman 1999). Rahman's explains the structural vulnerability of women vulnerability as "women's limited physical mobility, and their culturally patterned behaviour (shy, passive and submissive)" (Rahman 1999). This strategy has led the Grameen Bank to achieve its hidden transcript of higher levels of loan recovery and profit-making.

Bangladesh is known for its strong patriarchal society. Rahman's (1999) study documented women's positional vulnerability in society and this has been utilized by the MFIs to recover loans. Over the last 20 years in Bangladesh, the MF industry has continued to grow and prosper relying on the narrative of women empowerment. However, there remains a gap this study intends to explore by elaborating Rahman's theory of public and hidden transcripts (1999) to explain how contemporary microfinance programs in Bangladesh rely on patriarchal structures and women subordinate gender roles and relations to operate.



Methodology

This study was conducted in locations with at least 15 years of microfinance history in southern *Khulna*, Bangladesh. We purposively selected the *Khulna* district to collect our primary data considering the large eligible sample size within its sub-districts (Bangladesh Government 2018). In this study location, 364 MFIs are operating (Microfinance Regulatory Authority 2018). We randomly pick *Dumuria* sub-district from the 9 sub-districts of the *Khulna* district to specify our field. The data we used in this paper is part of a full Ph.D. project where we used a mixed-method design to collect both our quantitative (331 surveys) and qualitative (40 in-depth interviews) data from the study site. Data were collected in two phases. The first phase of data collection was from August 2018 to May 2019, and the second phase of data collection was from February to March 2020. Monash University's Human Research Ethics (HRE) board approved (Approval ID 11978) this study. In this paper, we used respondents to refer survey recipients and informants to refer our in-depth interview recipients.

This study focuses mainly on microfinance beneficiaries' (including recipients and recipients' husbands) understanding and experiences of microfinance operation, its rhetoric, and realities in rural Bangladesh. Additionally, providers of microfinance also consulted to understand the MFI's perspective of microfinance operation in Bangladesh. It is to be noted that the main analytical part of this paper has used the qualitative data collected from microfinance recipients, their husbands and microfinance providers. However, part of the survey data has been used to provide the background information of the participants.

The present study comprised three stages of data collection. In the first stage, using a simple random sampling technique (confidence interval of 4.93 at 95% confidence level), 331 representative female microfinance recipients were surveyed from a population³ of 2048. In the second stage, 33 in-depth interviews were undertaken who had consented during the survey that they would also be interviewed. Of the 33 in-depth interviews, 26 was undertaken with female microfinance recipients and the remaining seven with their husbands. In the third stage, 7 microfinance providers⁴ also interviewed.

We prepared and used a semi-structured interview schedule in *Bengali* for survey data collection. It includes variables related questions, such as demographic information (e.g. age, sex, family size, income) relating to household structure, the microfinance history (e.g. loan tenure, number of loans, repayment history, loan-related decisions). We tested fifteen interview schedules to minimize inconsistency

³ The research team found no existing population list and therefore manually created a list by using a Researcher Administered Informal Census (RAIC). RAIC includes a set of questions to ascertain our population of this study. The RAIC list (who agreed to take part in our data collection process under condition of securing confidentiality of their identity) identified 2048 eligible informants for our data collection.

⁴ Group of microfinances providing staffs from different hierarchies including director, program manager, program officer, loan management officer and field level staffs.



and maximize the validity and reliability of the instrument before conducting the final survey.

For the qualitative data, which is the core of our analysis, we scheduled in-depth interviews following the surveys took place. We choose data collection location considering the informant's comfort and convenience and to maximize the likelihood of garnering frank and detailed responses. We developed an open-ended and loosely-structured question format for the microfinance beneficiaries, ranging topics from microfinance participation; household gender practices; participants' experience of inter-generational gender norms; microfinance staffs negotiating and recruiting female recipients; access to loan, monitoring and repayment issues. However, for microfinance providers, we developed an open-ended and loosely-structured question format, ranging topics from conceptualizing women's empowerment, negotiating and recruiting female recipients, accessing loan, monitoring and repaying issues.

Informed written or oral consent was secured prior to conducting the survey and interviews after providing participants with an explanatory and confidentiality statement. We used Statistical Packages for Social Science (SPSS V. 21) software to process and analysing our quantitative data. The qualitative data collected from in-depth interviews were originally transcribed in *Bengali* and then translated into English. We used coding to process the qualitative data, and thematic analysis [see Silverman (2014), Brayman (2004)] was used to report the findings. Coding technique (e.g. highlighting word, line, sentence or paragraph and giving it a level) was used to identify and understand the necessary themes for our analysis. We used qualitative data analysis software such as NVivo (V. 12) for our qualitative data processing and analysis part.

Qualitative Informants of this Research

The following tables (Tables 1, 2) provide the detail of the informants who took part in this research.

Findings

This section presents the quantitative data in brief from our field survey, overviewing women's loan history and qualitative data outlining informants' perceptions, understanding, and experiences of microfinance operation, rhetoric, and realities.

Background and Microfinance History of the Beneficiaries: Quantitative Findings

The field survey (please see Table 3) found that the study respondents'⁵ ($N=331$) were engaged with more than fifteen (15) MFIs from our study location. Due to privacy concerns, we are not revealing the name of MFIs in our findings. Presenting

⁵ Microfinance receiving women who were surveyed during our fieldwork.



Table 1 The 33 microfinance beneficiaries

Name	Age (in years)	Loan taking duration since first loan (in years)	Microfinance borrowing generation (Self/Spouse)	Relationship with the MFIs
1 Aklima	45	5	First generation	Female borrower
2 Halima Begum	43	13	First generation	Female borrower
3 Islam Zoddar	60	15	Spouse of first-generation borrower	Husband of female borrower
4 Khadiza Begum	48	20	First-generation	Female borrower
5 Parul	32	10	First-generation	Female borrower
6 Sayera	45	20	First-generation	Female borrower
7 Shiuly Begum	36	13	First-generation	Female borrower
8 Taslima Begum	42	5	First-generation	Female borrower
9 Amena Begum	35	10	First-generation	Female borrower
10 Nur Jahan	48	20	First-generation	Female borrower
11 Momena	40	10	First-generation	Female borrower
12 Rohima	38	15	First-generation	Female borrower
13 Rehena	42	15	First-generation	Female borrower
14 Safiya begum	43	18	First-generation	Female borrower
15 Morjina Begum	39	15	Second-generation	Female borrower
16 Nasima Begum	44	8	First-generation	Female borrower
17 Parvin	40	20	First-generation	Female borrower
18 Monema Begum	41	25	First-generation	Female borrower
19 Romisa	33	5	Second-generation	Female borrower
20 Nazma Begum	45	5	First-generation	Female borrower
21 Salma Khatun	30	12	First-generation	Female borrower
22 Akhter	46	10	Spouse of first-generation borrower	Husband of female borrower
23 Dolu	60	30	Spouse of first-generation borrower	Husband of female borrower
24 Rozina	36	14	First-generation	Female borrower
25 Lipi Bala	48	30	First-generation	Female borrower



Table 1 (continued)

Name	Age (in years)	Loan taking duration since first loan (in years)	Microfinance borrowing generation (Self/Spouse)	Relationship with the MFIs
26 Lokkhi Devi	50	30	First-generation	Female borrower
27 Beauty	36	8	Second-generation	Female borrower
28 Lipika	35	15	Second-generation	Female borrower
29 Nomita Dey	30	5	Second-generation	Female borrower
30 Sumitra Rani	32	6	Second-generation	Female borrower
31 Anik	40	10	Spouse of first-generation borrower	Husband of female borrower
32 Samad Miridha	54	25	Spouse of first-generation borrower	Husband of female borrower
33 Reazur	39	12	Spouse of second-generation borrower	Husband of female borrower

Here in this table, made-up names (*pseudonyms*) were used considering the privacy and confidentiality of the research informants



Table 2 The seven microfinance staffs/providers

Name	Experiences in microfinance operation (in years)	Designation	
1	Mr Kamal	5	Program officer
2	Mr Faruq	30	Deputy Managing Director
3	Mr Anis	25	Program Manager
4	Mr Masud	13	Secretary
5	Mr Monir	21	Program officer
6	Mr Ahamed	26	Field level officer (Loan officer)
7	Mr Shohid	11	Field level officer (Loan officer)

Here in this table, made-up names (*pseudonyms*) were used considering the privacy and confidentiality of the research informants

the background of our study respondents, our survey data showed that most (48.9%) of the respondents were aged between 30–39 years and 25.7% between 40 and 49 years. Around 44.1% undertook formal education up to the primary (Class I–V) level and 32% joined secondary (Class VI to X) level. The majority (71%) of our recipients are first-generation borrowers and 27.2% are second-generation microfinance borrowers. Most recipients (41.1%) started taking MF loans Between 2001 to 2010, 19.6% between 1988 to 2000, and the rest after 2010. Most (42%) of the respondent took 6 to 10 loans and 27% took more than 10. Survey data further showed that although the microfinance loans were formally given to women, the money was used and controlled by men (e.g. husband, son). The Majority (60%) of the loan use (based on first and last loans) and decision-making was made by men (e.g. husband, son) and approximately 80% of the loan was also repaid by men (e.g. husband, son). Men undertook small business activities (e.g. fish farming, crop production, transports) by investing the microfinance loan. However, the money also served other purposes, such as household consumption, repairing house(s), daughter's marriage, or repaying other loans or debt.

Going Deeper: Qualitative Findings

Three major themes with a sub-set of themes have emerged from our qualitative data analysis and interpretation in this section, which are:

1. The rhetoric of MFI's program logic of women's empowerment
2. How do MFIs monitor women's loan use?
3. Why are loans provided to women? The realities

The Rhetoric of MFI's Program Logic of Women's Empowerment

We tried to understand how microfinance providers ($N=7$) understand the concept of women's empowerment and evaluate their program's success through



Table 3 Quantitative findings

Variable (<i>N</i> =331)	Category	Percentage (%)
Age of the respondents	20–29 years	14.2
	30–39 years	48.9
	40–49 years	25.7
	50–59 years	7.9
	60 years and above	3.3
Educational qualification of the respondents	Illiterate	23.0
	Primary level (Class I–V)	44.1
	Secondary level (Class VI–X)	32.0
	Higher secondary level and above (Class XI and above)	0.9
Microfinance generations	1st generations	71
	2nd generations	27.2
	3rd generations	1.8
Loan taking history	1988–2000	19.6
	2001–2010	41.1
	2011–2018	39.3
Loan frequency	Minimum 3 times to 5 times	31
	6 times to 10 times	42
	More than 10 times	27
Loan taking decisions (first loan)	Husband	65.3
	Female borrower	9.7
	Both husband and female borrower	16.6
	Others	8.5
Loan taking decisions (last loan)	Husband	60.7
	Female borrower	10.6
	Both husband and female borrower	24.5
	Others	4.2
Loan repayment (first loan)	Husband	82.8
	Female borrower	7.6
	Both husband and female borrower	5.4
	Others	4.2
Loan repayment (last loan)	Husband	79.2
	Female borrower	7.3
	Both husband and female borrower	9.1
	Others	4.5

empowerment indicators. Providers articulated four major indicators they use to conceptualize women's empowerment and measure success. These are:

- i. Women's financial participation and family contribution
- ii. Loan recovery rate and scale



- iii. Mobility of women
- iv. Participation in household decision-making process

Women's Financial Participation and Family Contribution

All (7) microfinance providers agreed that financial participation of women is one of the key indicators of women's empowerment. The program's logic is that providing women with money would lead them not only to engage in financial activities but also women would also earn money and contribute to household income and well-being. MFI staff, Mr. Monir (21 years' experience) said,

Whoever earns could significantly contribute to family needs. Access to microfinance loans enhances women's economic participation. Hence, borrower women could significantly contribute to their families.

Mr. Ahamed (26 years of experience), a loan management officer, commented that:

Previously, if you asked rural men what assets they have? They would say, I have a cow, a son, or a house or land. But nowadays, they consider women as their asset because of microfinance participation. Women bring money home through microfinance participation.

Loan Recovery Rate and Increasing Scale of the Loan

The second set of indicators that all (7) the providers agreed that if a woman repays a loan, it means that she has control over her finances and earns enough to repay her instalments. Moreover, if a woman requests a larger loan, that would also indicate her empowerment in managing her financial capacity. A young program officer, MR Kamal (5 years of experience) mentioned that "a woman who repays her loan timely and full, is assumed to be a success of the microfinance program. Only a woman who has income capacity can properly repay the loan." All (7) microfinance providers understood that women who repay their loans in time and in full are successful entrepreneurs who earn enough to repay the loan.

Mobility⁶ of Women

The third indicator that all (7) microfinance providers explained as meeting the outcome of women's empowerment is an increase in women's mobility. They mentioned that traditional community norms in Bangladesh such as *purdah* restrict women's mobility outside the home. Most MFIs use the method of group-based lending,⁷ which entails weekly meetings and various training programs. Moreover,

⁶ Here mobility also refers to women's freedom of movement.

⁷ Types of microfinance lending that is provided in a group. Each member is responsible for other's repayment. A member is set as group leader for each group to organize group meeting, assisting timely loan repayment, and monitoring member's microfinance participation with MFIs staff.



entrepreneur women also travel outside of their home either to sell their products in market or to conduct business. A loan officer, Mr. Shohid (11 years of experience), explained that the “group meeting (*uthan boithok*)⁸ under the group-based lending program is very important to increase women’s mobility outside the home.”

Mr. Faruq (30 years of experience) said that “the presence of many rural women in public spaces nowadays is a significant cultural change that microfinance program has made in rural communities.”

Participation in the Household Decision-Making Process

The fourth indicator all (7) microfinance providers identified is women’s participation in household decision-making. They reasoned that the increase in women’s financial participation and income-generation makes them more involved in household decision-making. In addition, access to finance increases women’s value and status in their families. Mr. Faruq (30 years of experience) explained how this happens:

Nowadays, the majority of our female clients earn their husband’s respect in the family. Many of these women have their own businesses and income. I know many husbands who find their wives as an ally to their family finance. In many families, husbands work as an assistant to women’s business enterprises.

All (7) microfinance providers said that credit programs such as microfinance changed the entire scenario of household decision-making process. Women are now engaged in income-generation, contribute to family needs and take part in crucial family decisions.

How Do MFIs Monitor Women’s Loan Use?

Although the microfinance providers mentioned about women’s economic participation, many literatures cited early on in this paper contradicts this and expounded about men’s decisions, control, and use of MF loans. Therefore, two issues are crucial for investigation; first, do the MFIs monitor women’s loan use so that they know and confirm that women’s financial participation is increased; and second, how aware are MFIs of men’s control and use of microfinance loans?

Fifteen microfinance beneficiaries (recipients and recipient’s husbands) and 7 microfinance providers agreed about men’s substantive use and control of microfinance loans. Many (15) microfinance beneficiaries said that MFIs ignore men’s use

⁸ *Uthan boithok* is a Bengali term used to refer microfinance program’s group meeting for female clients. *Uthan* means yard and *boithok* means meeting. In group-based lending program, group members had to meet weekly/fortnightly (depends on MFIs and its lending structure or conditions) for group meeting, where different issues or topic regarding loan, repayment, entrepreneurship, investment or other social consciousness-based discussion take place. Sometimes, many MFIs used this group meeting (*Uthan boithok*) to collect their repayment or disburse their loan to their clients. This meeting usually took place in any of the client member’s yard and the meeting location (client’s yard) also changes over time.



of microfinance loans as long as they were timely repaid. A first-generation female borrower, Rozina (age 36), explained that:

MFIs care about timely repayment (*somoymoton rin shodh*⁹). Their staff knows my husband's use of the money but does not raise questions about it nor inquire about my loan use. To my knowledge, most of the microfinance loans are used by men (e.g. husband, son, father, male kin) in my communities, and the MFIs know this.

These (fifteen) beneficiaries said that instead of monitoring women's investment in income-generation, loan management staff(s) focused more on loan recovery. Hence, the loan officers care less about men's use of microfinance loans. A second-generation borrower, Beauty (age 36), expressed the opinion of many:

The MFI's staff encourage us to invest in income-generation (*ay-rojgar*¹⁰) and discourage to use in family consumption (*khaowa-porai khoroch*¹¹), such as food, clothes or medical purpose. They rarely care if men or women from the microfinance beneficiary's household using the loan money. However, when the MFI's staff visit me, they query if the money has been invested in IGAs (*ay-rojgar*). Sometimes they told us, investment in income-generation (*ay-rojgar*) would return with earning/profit, whereas family consumption will not. If we earn, we will be able to repay the MFIs loan properly (*somoymoton rin shodh*¹²).

All (7) the microfinance providers also agreed their knowing about men's use of the loans. But at least four of them referred to the unofficial documentation (e.g. MFIs organizational documentation shows that loans are provided to and used by women) where the MFIs acknowledged this fact. The official document shows that women used the money. They said that a woman who wants a loan must declare the purpose of her investment in the official paperwork. Mr. Monir (21 years of experience) said that "we know that men are using the money, but our official paperwork document says women as the investor. It is true that many men just use their women to get the loan."

⁹ By *somoymoton rin shodh*, the informant meant timely loan repayment. The Bengali meaning of *somoymoton* means timely, *rin* means loan and *shodh* means repayment.

¹⁰ *Ay rojgar*, this is another Bengali concept that refers to income activities. *Ay* and *rojgar* both means income money. For a person, income money is the main source of his/her income. Involving in income activities requires skill and labour (e.g. construction work, day labourer, van puller, tailoring) or money (e.g. doing business, investing in poultry farm, fish cultivation). As women are culturally restricted from participating in outside work or employment, the MFIs have provided them a solution of investing in business activities, farming or other income generating activities that have less social restriction for women such as tailoring, handicraft, small-scale home-based business. With the money provided by MFIs, women will be able to take part in these types of IGAs.

¹¹ This Bengali term *khaowa-porai khoroch* means expenditure on family consumption. *Khaowa* means food, *pora* means clothing and *khoroch* means expenses. This concept is used as whole to understand family consumption and its expenses of a family.

¹² By *somoymoton rin shodh*, the informant meant timely loan repayment. The Bengali meaning of *somoymoton* means timely, *rin* means loan and *shodh* means repayment.



The microfinance beneficiaries mentioned that the cultural norm supports men to control finance and the MFIs know this. However, as long as men are repaying the money timely, the MFIs rarely investigate women's loan use. Dolu (age 60), husband of a first-generation borrower, explained this:

Our culture does not condone women's financial dealings/participation (e.g. income-generation, investments, business). Moreover, MFIs understand that men's investment in income-generation (*ay-rojgar*) is more secure than women using the money in family consumption (*khaowa-porai khoroch*¹³). If a woman invests the money in family consumption (*khaowa-porai khoroch*), financial return (*lav kora*¹⁴) such as income or profit is an unlikely outcome. However, if men are using the loan money in IGAs (*ay-rojgar*), it more likely to return with income. Therefore, men's investment of loan money has a financial return (*lav kora*), and it ensures timely repayment of MFIs' loan instalments (*somoy-moton rin shodh*).

Admitting to the reality of men's financial control and microfinance use, at least five microfinance providers agreed that the patriarchal gendered division of labour is a harmonious one and part of their cultural system. They explained that women should be credited for bringing the microfinance loan to the household. Mr. Faruq (30 years' experience) said:

Family is an economic entity with a division of labour. Men must conduct IGAs and women take care of household duties. This is a wonderful cultural combination.

Mr. Kamal (5 years' experience) further explained the positive side of the division of labour and men using female loans:

In Bangladesh, if men (i.e. husband, son) are using the money (which, of course, they are using in many cases), MFIs cannot intervene on that. In Bangladesh, it is quite impossible to engage a man in domestic duties such as women. Our gender tradition and norms separate the division of labour for men and women. But the positive side is, instead of staying idle, if men are using women's loans in IGAs, they are not only contributing to their family income but also to the national economy. For this, you have to give credit to women because she brings the loan to men for investment in IGAs.

The findings from microfinance providers make it clear that the gender division of labour in the family is well understood by the industry and men's cultural role in controlling the household's money is well accepted.

¹³ This Bengali term *khaowa-porai khoroch* means expenditure on family consumption. *Khaowa* means food, *pora* means clothing and *khoroch* means expenses. This concept is used as whole to understand family consumption and its expenses of a family.

¹⁴ *Lav kora*, this means making profit. *Lav* means profit and *kora* means making/doing.



Why are Loans Provided to Women? The Reality

The early findings of this study showed that although the MFIs' providers have presented women's empowerment as the rationale for their microfinance programs, there was also a hidden ulterior profit-making motive. In addition, in a firm patriarchal society, men were found to be the substantive users of the loan, and the existing patriarchal norms support these behaviours. Nevertheless, being cognizant of this situation each year, MFIs provide the majority (91%) of their loans to women in Bangladesh (Microfinance Regulatory Authority 2018).

We investigated the rationale behind the provision of the majority of microfinance loans to women, although it is common knowledge that men are the main users of loans. In our investigation, women's structural vulnerability (e.g. mobility restriction, honour and shame, traditional gender roles) came across that MFIs' use to recover their loan. The following findings are divided into two parts; first, the beneficiaries' perspective, and second, the providers' perspective.

Beneficiaries' Perspective

Women's Mobility

Thirteen beneficiaries (recipients and recipient's husbands) said that in rural communities' women have traditional mobility restrictions (e.g. *purdah*, traditional gender roles). They said MFIs provide loans to women because they are easily traceable for repayments, given that women's traditional gender roles (e.g. childcaring, domestic duties) restrict them to their homes.

Momena (age 41), a first-generation widow informant, said that "women rarely could escape the loan as they are traditioned (*riti*¹⁵) to remain at home. This is a reason why I believe MFIs prefer direct lending to women instead of men." Salma (age 30), a second-generation borrower, further added:

Men are hard to find if they hide (*ferar hauwa*¹⁶). They may move anywhere in the village or beyond, for a few days or months. MFIs would struggle to locate men if loans were given to them.

Few (4) women beneficiaries explained that women are responsible for the children on a 24-h basis and cannot just flee without them. This means they are always home when the MFI representatives visit to collect repayments. However, men

¹⁵ *Riti* is a Bengali word means habits. By *riti* rural people in our study referred to everyday work and responsibility one may learn from generation and conduct without establishing any objection. Such as women take care of children and men goes outside for work.

¹⁶ This Bengali concept *ferar hauwa* is used by the informants to refer men's possibility to flee from home or travelling distant places without informing anyone. In trouble such as quarrel, fight, debt, police case, men can easily hide and travel far from home to a safe place he considers. This is not possible for women because of her domestic duties, childcare and mobility restrictions. Men are neither obliged to take care of domestic duties and childcare nor restricted from mobility, therefore, they can easily flee from home and hide themselves in disputes.



simply leave their children at home. Lipika (age 35), a second-generation borrower, said that:

My children depend (*mayer upore nirvor kora*¹⁷) on me. I prepare their food, feed them, wash their clothes, and monitor their schooling or movement outside. I cannot leave my home like my husband does, even if there is a loan/debt I am responsible for. If I flee, my children will be left insecure at home, may starve and get sick. If I cannot repay, I mentally prepare myself to face insult/rude behaviour from the MFI's representative. But leaving my children and home would be a shame on my motherhood (*mayer dayitto*¹⁸).

Women's Vulnerability, Honour and Shame

8 beneficiaries (recipients and recipient's husbands) explained that protecting women's honour is related to family pride. In rural communities, women have a structural vulnerability on protecting their honour and shame if indulged by an outsider(s). If an outsider(s) bullies, teases, or verbally/physically abuses a woman, her community will more likely blame her family for letting it happen or allowing her to go outside alone. The MFIs are well-known of this. The MFI uses shaming strategies in this regard to recover their loans. Women and their families (including husbands) also fear MFI's shaming strategies. If a woman is dishonoured in public by the MFIs, the family would lose its respect in the community and would become a subject of public ridicule. Romisa (age 33), a second-generation informant, said that:

...women need to protect their honour (*izzat*¹⁹) in the communities more so than men. Shaming or insulting (*opoman kora*) a woman in public would

¹⁷ By *mayer upore nirvor kora* the informants mean the children's dependence on mother. Mother usually manage many needs of their children such as cooks, provide food to their children, washes their dirty clothes, monitor their shower. If the children are infant or child, mother had more responsibility to feed them, clean them, wash their clothes, make them clothe and bath. These responsibilities are traditionally assigned on women, men are not obliged to do this. This *mayer upore nirvor kora* restrict women's mobility beyond home in any dispute, looking at their children's necessities.

¹⁸ This Bengali term *mayer dayitto* used by the informants to refer all the responsibilities a mother must carry to her children. As mentioned, all the needs children rely on their *mayer upore nirvor kora* are normalized as *mayer dayitto*. Mayer means mother's and *dayitto* means responsibilities.

¹⁹ *Izzat* is a Bengali terminology used frequently for women's honour in the communities. Scholars such as WHITE, S. C. 1992. *Arguing with the crocodile: gender and class in Bangladesh*, Zed Books. also used this term referring to women's honour in the communities. *Izzat* is an important cultural phenomenon for a woman to uphold and preserve her respect in the communities. Study informants also said that women's honour requires maintaining cultural norms and perceptions assigned to them. Such as maintaining *pardah*, following *Sariah law*, avoiding public spaces (e.g. marketplaces, playground) and men's (considerably outsiders) communication, avoiding situations like harassments, not involve in a romantic relationship before marriage, not allowing people any reason to spread gossip. Furthermore, women are prescribed to staying within home boundary and being obedient to father or husband. *Izzat* is a perception about women which is both physical and abstract. Physical perception denotes women to preserve their honour from being harassed or sexually abused by any man or avoid any consensual intimate relationship before marriage. The abstract perception referred to community perception about a woman's character and personality. If a woman is found not following community norms and regulations assigned for women, she loses her honour in the eye of the communities.



easily degrade the respect (*izzat*) she has in the communities. If an outsider (not a family member) comes and shames (*opoman kora*) a woman for debt, community people will not only blame the woman for bringing such misery (*oshanti*²⁰) to her family but also will accuse her husband, son or father of not protecting her from outsider's bullying and insults (*opoman kora*²¹). Community people will lose respect not only for the woman but also for her husband and family.

Samad Mridha (age 54), the husband of a first-generation borrower, explained how MFIs avoid direct clash against men to recover the money:

MFIs know that men use the loan money. However, they do not lend them directly. Men are aggressive, difficult to manage or induct pressure to repay. However, it is easy for them to shame (*opoman kora*) women. As a husband, I must protect my wife's honour. Otherwise, people will label me as a coward (*vitu purush*²²) who allows his wife to be publicly insulted by outsiders. Thus, by any means, I always arrange repayment on time.

Provider's Perspective

From the microfinance providers' perspective, we found similar perceptions regarding loans disbursed to women. All seven of the participants admitted that the structural vulnerability of women allows them to have a lower risk of repayment default than men.

Most (5) of the microfinance provider(s) used the term "creditworthiness" of women to explain lending to women. By "creditworthiness", they mean women are hard-working, have self-respect, and are competent users of loan money compared to men. As a result, women's credit programs always have higher loan recovery rate than men. Mr. Faruq (30 years' experience) explained that:

If lending to women ensures easy recovery, then what is wrong with that? I see that recovering money relying on women's gender-based structural vulnerability does no harm. Rather this is a wonderful strategy to recover the money.

²⁰ *Oshanti* is another Bengali word that means turmoil/trouble. Informants said that if their husbands are dissatisfied with them, the situation creates lots of tension for their family. No woman wants to dissatisfy their husbands in any issue to ensure harmony in their family. Therefore, they do not want to go against their husband's decisions. Informant said that community practice also encourages women to manage family happiness (*shanti*) by any means. *Shanti* means peace/tranquility, which is the opposite of *oshanti*.

²¹ *Opoman kora* is Bengali words informants refer to shaming. MFIs staff insult defaulter borrower from public place, household yards, in front of neighbours or they may also complain to local representative which is shameful for the family. Women's dignity and honour are vulnerable in communities and shaming works as a weapon for the MFIs to recover their loan. See more in KARIM, L. 2011. *Microfinance and its discontents: Women in debt in Bangladesh*, U of Minnesota Press..

²² *Vitu purush*, when this Bengali term used on a man it refers that the husband does not have enough courage to control his wife. Mostly other men from the communities or neighbourhood find this type of husband as a disgrace for the men's community. Such as if a husband fails to control his wife from paid labour involvement, wife's movement without his consent or if he depends upon wife's income for subsistence.



After all, the MFIs are financial institutions, and the industry survives on loan returns.

All (7) the providers agreed that in patriarchal societies, the gendered division of labour and women's limited mobility means the MFIs have reliable access and communication with them. Moreover, women's perceptions of honour and shame help the industry to maximize its recovery rate. Lending to men is riskier and dealing with them for repayment is always considered difficult based on the microfinance provider's experience. Mr. Anis (25 years' experience) informed us:

Men frequently miss their repayments and sometimes don't pay at all. Unlike women, men are aggressive in nature. Being harsh on men will provide no positive result. Rather it can create conflict. On the other hand, women's honour is considered precious to their family and must be protected. A Family would not let their women be insulted by outsiders such as loan officers.

The aforementioned analysis of informants' understanding showed that MFI's major concern is loan recovery. As long as the MFIs receive timely repayment of instalments, they are not concerned about men's use of microfinance loans.

Discussion

The qualitative findings of this paper have come from applying Rahman's framework of 'public and hidden narratives' to provide an understanding of microfinance lending in contemporary patriarchal communities such as rural Bangladesh. This study has three major findings that provide insight into the public narratives of women's empowerment or the rhetoric MFIs use and their ulterior profit-making motive or the reality of the microfinance industry in Bangladesh. While the MFIs program rationale is women's empowerment, their hidden loan recovery strategies and surplus accumulation from microfinance investments were cited in responses from both participants and providers. Furthermore, this study findings lead to the evidence that the MFIs are found relying on and manipulating women's structural vulnerability that makes them better at repaying loans which ensure economic return and profits or surplus for the institutions.

The first empirical finding of this paper is about the empirical evidence from the microfinance industry's providers' conceptualisation on women's empowerment. Microfinance providers explain women's empowerment in microfinance programs as increasing women's economic participation, loan repayment and scale, mobility and household decision-making. Women's empowerment is simply conceptualized as women investing loans in income-generation projects, which in turn is perceived as improving women's mobility (to conduct business, trade and meeting attendance). Most importantly, they assume that women gain household status from increasing their contributions to the family, which in turn is thought to increase their participation in family decision-making. All these empowerment narratives were used by the MFIs to expand their market and recruit new female recipients. One section of the microfinance literature researchers, such as Pitt and Khandker (1996), Schuler



et al. (1996, 1997), Pitt and Khandker (1998), Sabharwal (2000), Mahbub (2001), Hulme and Moore (2007) also supported these claims of microfinance providers of women's increased participation in IGAs, family contribution, household decision-making and mobility.

MFIs introduce documents, such as webpage information, annual reports, magazines, program evaluation reports and published reports that consistently provide anecdotal evidence about women's empowerment success concerning IGAs, mobility and household decision-making practices (Grameen Bank 2016, 2019a, b, BRAC 2016, 2018, 2019, CSS, 2015, 2019, ASA, 2016, 2018, TMSS, 2017, 2019a, b). These publications and presentations strengthen the MFIs' global reputation for achieving women's empowerment outcomes to both local and international donors and consumers. However, there remain contradictions between the rhetoric and reality as the microfinance providers in this study themselves replicate gendered constraints, such as men's decision, control and use of the loan and gendered roles in an unproblematic way. Providing microfinance loans to women only creates improvement in economic indicators, such as increasing number of female recipients each year, their income increase, loan scale and loan repayment success. However, looking at patriarchy in an unproblematic way would not reflect the women's multidimensional empowerment such as ignoring women's gender-based vulnerabilities under the light of economic improvements.

Uncovering MFI's ulterior profit-making motives are the second important finding of this paper. We found that the microfinance industry targets women because of their structural vulnerabilities, such as lack of access to finance and IGAs. MFI staff explained that MFIs support poor women to improve their socio-economic position by creating greater opportunities for them. This public narrative obscures the MFI's ulterior profit-making motives. Their ulterior profit-making motives target women strategically because of their structural vulnerability as it makes recovery of loans easier and ensures profit or surplus.

MFIs' lack of commitment to women's empowerment is the third finding which is apparent in the lack of monitoring of women's loan use and investments. The informants (both loan providers and beneficiaries) explained that although men's use of microfinance loans is common knowledge, MFIs do not monitor women's use of loans as long as they received repayments of instalments on time.

The second finding of this paper is significantly based upon Rahman's (1999) framework of 'public transcript' vs. 'hidden transcript' to reveal the rhetoric and reality of MFI's program logic in any patriarchal setting. Rahman (1999) argued that the rhetoric found in MFIs public transcripts or narratives (e.g. women's economic participation and success, loan repayment rate) are used to obscure their profit motive, which is the reality or hidden transcript pervasive in the industry. Research findings from Ackerly (1995), Goetz and Gupta (1996), Woolcock (1999), Parvin et al. (2004), Karim (2008) also critique MFIs' women's empowerment narratives and claims. These researchers found that although MFIs claim women's economic success, men ultimately use microfinance loans and women channel the money to them. Kabeer (2001), Karim (2008, 2011), Davis (2011) and Mallick (2013) also found that the prevailing gender norms continue to restrict women's mobility at community level, and microfinance programs have little or no impact on changing



this. Many researchers, such as Rahman (1999), Haque and Yamao (2008), Karim (2011) found that repayment success rates are not an accurate indicator with which to assess increased financial capacity or income-generation. The second finding corresponds with another thought-provoking research from Mia et al. (2019) who articulated that MFIs with intense social strategy suffers with their operating efficiency in compare to those seeking with strong commercial objectives. However, this current research is unique to revealing MFI's motive that manipulates the odds of women's vulnerabilities in favour of the industry's financial sustainability.

Corresponding to the second finding, the third major finding of this paper has explained MFI's manipulation of women's structural vulnerability in patriarchal systems in order to maintain their high loan recovery rates. The industry lends to women because their structural vulnerability makes them easier to negotiate with and traceable for recovering loan instalment (s). The current study adds to the literature that as men's characteristics of higher mobility and aggressiveness make collecting repayments from them difficult, women's strong sense of honour is co-opted by the MFIs in loan recovery strategies, such as shaming, insulting or abuse. These distressful loan recovery strategies expound the evidence of MFIs' manipulation of women's structural vulnerabilities (e.g. sense of dignity to conduct public shaming) in concurrent patriarchy. In patriarchy, women's honour (*izzat*) is considered important for men to uphold as protectors of the household, so these strategies also make men vulnerable to pressure to repay loans.

The findings of this research add to the microfinance literature and suggest that contemporary MFIs continue to present narratives of women's need for access to finance, using their structural vulnerability to expand markets and fulfil their ulterior profit-making motive. Women's structural vulnerability within patriarchal systems is highlighted in the women's empowerment rhetoric used by MFIs while their ulterior profit-making motives remain hidden. This research confirms Rahman's (1999) theoretical framework and the findings further critique the contemporary microfinance industry in Bangladesh in how it both manipulates patriarchal norms to draw an ideological hegemony (e.g. narratives on women's structural vulnerabilities in patriarchy and need for access to finance such as microfinance loans) on women's empowerment and recruit female beneficiaries, however, hides the ulterior profit-making (surplus) motive.

Limitations of this Research

The selection process of this research's study location (*Dumuria* sub-district) does not fully provide a representative picture of the whole of Bangladesh and its microfinance operation. Additionally, the selection process of microfinance beneficiaries and providers also does not represent the wider group of microfinance receiving households or microfinance providers. Therefore, the findings of this research have their limitations concerning the generalizability of a wider group of microfinance recipients or the microfinance industry of Bangladesh. Furthermore, recognizing the patriarchal gender dynamics and microfinance participation, we acknowledge that this research only provides the understanding and experiences of the microfinance



recipients and microfinance providers sampled in this study. Hence, we consider these perception(s) may not be generalizable widely of all the patriarchal communities, which requires a larger sample group from many countries with patriarchy. Although this analysis did not mean to stipulate a fully evocative picture of the microfinance operations and perceptions of different microfinance beneficiaries' households, the findings explained here are important that they may be useful for comparing results of how the MFIs run and the recipient groups experience these important issues in patriarchal communities over the globe.

We also acknowledge another limitation that the evidence bases to support the claim from seven representatives (microfinance providers) of the MFIs is quite slim. More data from microfinance providers would have been appropriate to claim the evidence more rigorously. However, due to the time limitation of this research, funding issues, and, more importantly, the growing COVID emergency situation in 2020, it was difficult to proceed further for a greater number of MFIs' staff (during the second phase of data collection) to be recruited as informants. Another limitation of this paper is the eclectic collection of the data used to show how the microfinance industry conceptualizes and represents women's empowerment rationale and achievements. However, the findings of the current study would potentially be important to provide insights to assess microfinance operations, women's empowerment in Bangladesh. It will also be important to compare results with different microfinance recipient groups and microfinance operations in different locations.

Conclusion

This paper described microfinance programs' rhetoric and realities regarding women's structural vulnerabilities, microfinance operation and its expansion in any patriarchal societies such as contemporary rural Bangladesh as a case. This finding highlights the gulf between how microfinance providers portray the narratives of women's empowerment and how it manipulates women's structural vulnerabilities in a patriarchal system to the benefit of loan recovery rates and profit or surplus accumulation. Our findings added that the industry addresses women's structural vulnerabilities to seek their financial sustainability however, a portrayal of women's empowerment is used as a public banner through their programs. The women's empowerment narratives were ultimately used to hide the industry's leverage to surplus. Therefore, a key finding this study explored is how MFIs utilize patriarchal norms to maintain institutional sustainability and financial growth. This perspective was corroborated by microfinance beneficiaries consulted in this research project. Moreover, how women's economic empowerment is conceptualized by the MFIs is too narrow to bring about substantive progress that would challenge patriarchal norms. We deem that achieving women's socio-economic empowerment in any patriarchal society requires enhancing women's consciousness concerning gender-based structural vulnerabilities, such as male domination in gender relations; mobility restrictions (*purdah*); unpaid domestic labour. Development initiatives such as the microfinance programs also need to address women's structural vulnerability in any patriarchal society in a substantive way rather than creating a version of



empowerment that simply fits in with the patriarchal culture, as has been shown in this paper.

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