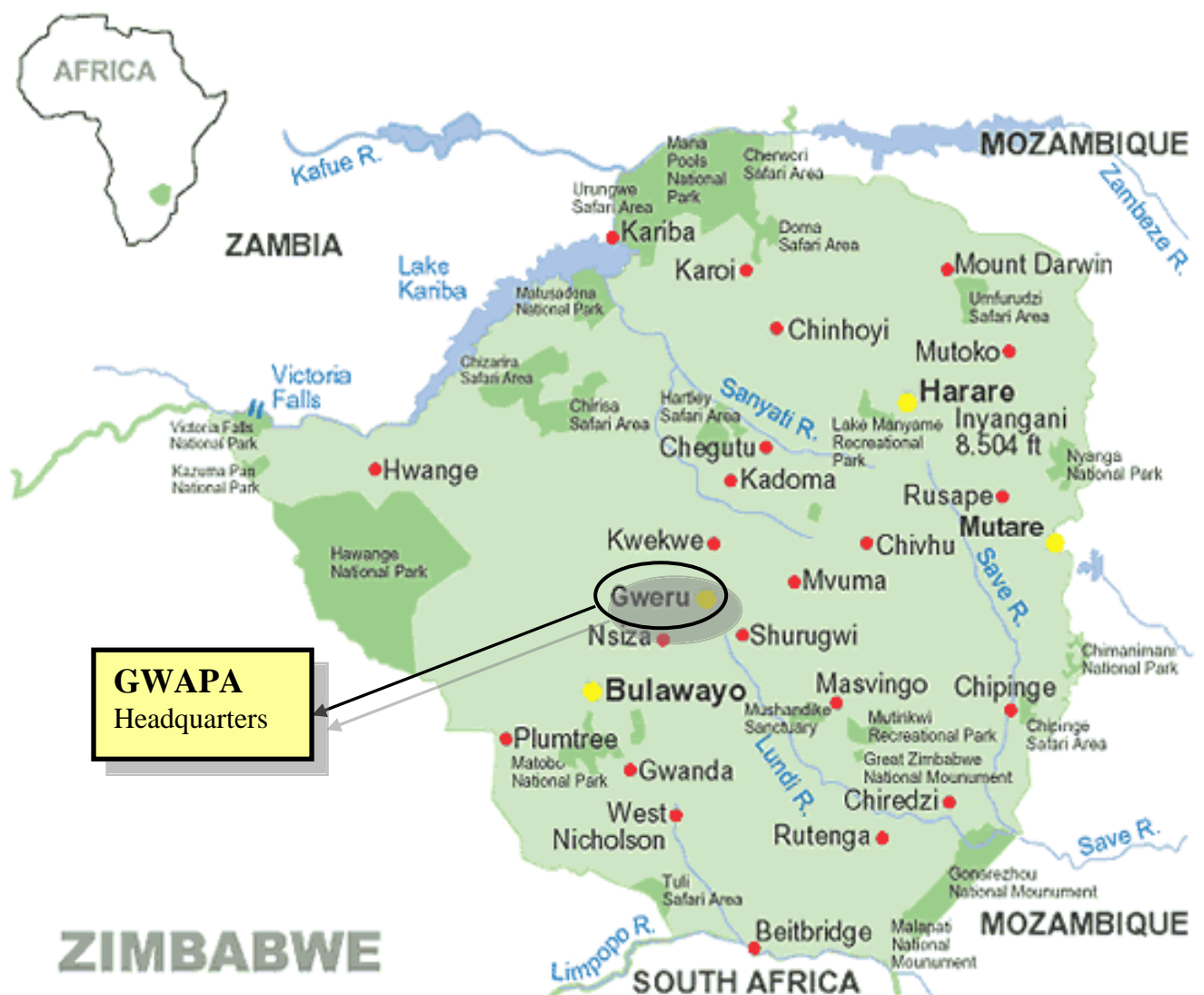


# Microfinance and the struggle against HIV and AIDS; the case of GWAPA

by

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Finally the fruits of my labour can be reaped in the form of this thesis. With satisfaction and pride I look back upon the months of labour that preceded the finalisation of this research. Not in the last part the months of fieldwork in Gweru, Zimbabwe.

The main body of work was done in the Netherlands, at home behind my laptop although the fieldwork in Zimbabwe was an experience I will never forget. During these months, while talking to people, interviewing clients and theorizing about the core elements of this paper, that is where this thesis grew. It started as an idea, became more specific in the months preceding my fieldwork period and matured during the fieldwork. Finally all the pieces of the puzzle fell in place and here I present the end result.

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Tom

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## **Preface**

This thesis starts with describing the relationship between gender inequalities and poverty and discusses the HIV and AIDS epidemic in this context. Gender inequalities and poverty are at the roots of the HIV and AIDS problem, especially in sub-Saharan Africa. Microfinance claims to eradicate poverty and in the process empowers women. This means gender inequality and poverty are being targeted by microfinance programs and thus these programs can play a crucial role in the battle against HIV and AIDS. Research was conducted in Zimbabwe during the summer of 2007 in the Midlands province.

I will show that microfinance can be a powerful tool in the battle against HIV and AIDS by attacking poverty and gender inequality. No microfinance impact assessment study to date has focused on the impact microfinance makes on high-risk behaviour of women and their being infected by HIV and AIDS. Furthermore, this thesis will show that microfinance attacks poverty and leads to a higher well-being status of clients of microfinance projects, especially concerning financial assets and social assets.

Also, an entirely new way of measuring the impact made on empowerment is developed. The new model developed is called the Quantitative Empowerment Framework (QEF). The QEF model is easy to use, less time consuming than large qualitative studies and retains a large amount of richness of data usually attributed to more qualitative research. It therefore can be used as a valuable tool by microfinance institutions in assessing the impact they are making, or by other researchers in the field of microfinance impact assessments. I will show that especially in the case of self-esteem and skills microfinance makes an impact on empowerment and that this finding is in contradiction to what most feminist scholars find and adds to the discussion of microfinance as an empowerment tool.

What makes this research unique in its kind is that by proving the impact microfinance makes on well-being and empowerment of women it attacks poverty and gender inequality. Due to these findings this thesis proves microfinance can be used as a potent tool in the toolbox of aid workers in the fearsome battle against the monster called HIV and AIDS.



# **-1-**

## **Background to the study**

*“Society, being codified by man, decrees that woman is inferior; she can do away with this inferiority only by destroying the male’s superiority”*  
Simone de Beauvoir

### **Introduction**

Probably the word destroying in the above quote is a bit of a bold statement, however even to this day in a lot of societies around the world gender inequalities persist. In this chapter the relationship between these gender inequalities and poverty will be discussed as well as the relationship with HIV and AIDS. Also, this chapter will give a brief description of the situation in Zimbabwe, the area of research.

In relation to the above quote this chapter will also address some possibilities women have in ‘destroying’ male’s superiority. These possibilities form the basis of this thesis as will be discussed. Finally the chapter ends with a brief layout of the thesis.

### **Gender and poverty**

Women and men differ in primary and secondary sexual characteristics, however many of the behavioural and attitudinal differences between the sexes are based on culture rather than biology (Kottak, 2006). Sex differences are biological but gender encompasses all the traits that a culture assigns to and inculcates in males and females. Gender therefore refers to the cultural construction of male and female characteristics (Rosaldo, 1980). Within cultures gender roles exist, these gender roles are the tasks and activities that a certain culture assigns to males and females. In a cross-cultural analysis of 185 societies around the world Murdock and Provost (1973) found that typical male activities include lumbering, building boats and, for example, mining. Typical female activities include doing the laundry, fetching water and cooking. These findings show the difference in male and female gender roles.

In his book Cultural Anthropology, Conrad Kottak (2006) speaks about the feminization of poverty. He argues that feminine poverty has been a trend in the United States since World War II, because female headed households are accounting more and more of the total of American poor. Furthermore, Kottak (2006) argues that the feminization of poverty is not just a North American trend; the percentage of poor female headed households is increasing worldwide. The figure ranges from below 20 percent in Asian and Southeast Asian countries to almost 50 percent in some African countries (Kottak, 2006; p. 266).

### **Gender relations in Zimbabwe**

Within Zimbabwe most women are worse off than men due to the cultural notion that males are superior to females and laws endorsed by the colonial government enforcing these inequalities. Although the Zimbabwean government has adopted numerous laws granting equal rights to women gender inequality still persists. This is especially the case with women from the lower brackets of society, not having had a lot of formal education and coming from poor backgrounds. In general, females in Zimbabwe score a meagre 0,373 on the Human



Development Index versus 0,429 for males, indicating that women are worse off than men. Especially Zimbabwean women with low educational levels find it difficult to obtain any formal employment. In the event of death of the husband or divorce, women find it difficult to provide for their family since men are the traditional bread winners. Furthermore, women find it difficult to obtain loans from banks and other formal institutions to start income generating projects. Within Zimbabwe gender inequalities also persist in for example landholdings. Female headed households have 30 to 50 percent smaller landholdings than male headed households (IFAD, 1999). If one keeps in mind that in rural areas landholdings are an important source of income, this again shows that women are worse off than men. All in all we can state that women in Zimbabwe have a harder time making ends meet than men do and have fewer opportunities to escape a life of poverty.

With respect to Zimbabwe, around two thirds or more of the population live on and work the rural communal lands (Chipika et al 1998, p.25). Possibly some 40% of the households located there are headed by women (Agritex 2002). This partly arises from labour migration. In Zimbabwe typically men migrate to work in towns, mines or commercial farms while their wives farm the household's plots. But female headship is also becoming more frequent as the incidence of terminal diseases such as HIV/AIDS increases. In Zimbabwean culture man is typically the boss around the house (source: informal interviews) he makes the decisions and is especially controlling when it comes to sexual activities. Men decide when, where and why and women (especially in rural areas) don't know their rights and don't have a voice. Women are traditionally submissive to men. This is best illustrated by the Zimbabwean game of "Mahumbwe" which freely translated is the same as playing house. Young children play the game and the boys usually assume the authoritative role. Girls are submissive and do housekeeping chores while the boys make the decisions.

### **Gender relations and HIV/ AIDS in Zimbabwe**

These cultural notions especially form a problem considering sex. Since men culturally control sex, it becomes very difficult for women to negotiate for safe sex. Furthermore, in Zimbabwean culture it is seen as very masculine to have sex with a lot of women. Since women are worse off than men in terms of being poor, women have fewer strategies to deal with negative economic eventualities. A lot of women, especially from the lower brackets of society, lacking self-esteem and education, are forced into commercial sex work as a way to survive. This and the worsening economic situation in Zimbabwe make women more and more vulnerable to becoming prostitutes.

When considering that males control sex and the fact that a lot of Zimbabwean men still hold the cultural idea that having unprotected sex with a lot of women is considered masculine, negotiating safe sex for these sex workers becomes problematic. In line with this comes the monster called HIV and AIDS. Due to the economic downfall and the persisting gender inequality, sex workers are seen as one of the main causes of the spreading of HIV and AIDS leading to a HIV prevalence rate of 20,1 percent in 2005. Furthermore, a lot of these sex workers are active in the lower brackets of society. They frequent local beer halls where men drink. These women have between 5 to 6 clients per night, usually sexual acts are performed in dark places around the beer halls (source: informal interviews). Since acts are performed in the dark it is almost impossible for these sex workers or their clients to see symptoms of sexual transmitted diseases (STD's) on each others genitals. Being infected with a STD heightens the chance to become infected with HIV. Additionally, sex workers interviewed





addressed the fact that some of them make exceptions in wearing protection if a higher price is offered. The main argument heard was that if one client is offering enough money the sex-worker can make enough for one night with one client using no protection instead of having 5 clients. It also depended on how the client in question looked, especially if the client were an attractive and well looked after male the sex workers were more likely to except sex without protection.

### **The research objectives**

As has been argued, an important factor in the HIV and AIDS pandemic in Zimbabwe is related to poverty and gender inequality. Within development projects poverty reduction is frequently number one on the agenda, followed by promoting gender equality through the empowerment of women. Empowerment is seen as a tool to changing gender inequality into more balanced gender relations thus creating gender equality (Mayoux, 2002).

This thesis has a twofold objective, first to assess whether development projects, especially projects involving microfinance, lead to less poverty and more gender equality. Second, this thesis addresses the issue of microfinance as a development strategy in the struggle against HIV and AIDS. This is done through a case study in Zimbabwe of the GWAPA project. The GWAPA project is an initiative targeted at the economic and social empowerment of female sex workers in the Midlands province of Zimbabwe. GWAPA conducts multiple activities in trying to achieve its goal and one of the activities is a microfinance program. Since microfinance promises the alleviation of poverty and at the same time facilitates the empowerment of women it seems as though this could be a powerful tool for GWAPA in achieving its goals.

This thesis therefore uses the GWAPA case as a way to assess whether microfinance as a development tool can live up to its promise of alleviating poverty and creating gender equality. Moreover this thesis assesses how and if microfinance can help in the struggle against HIV and AIDS.

### **Thesis layout**

In the following chapter a review of the existing literature is given, especially focusing on the way microfinance works in alleviating poverty, the way it can assist in the struggle against HIV and AIDS and the way it facilitates the empowerment of women. Chapter three deals with the specific case of Zimbabwe and the GWAPA project, it presents the problem statement as well as the main theoretical basis on which this research is funded. In chapter four a discussion is given based on general impact assessments and microfinance impact assessments in particular. In addition, the Livelihood Endowment Status (LES) is described as the first measurement method. Another discussion on empowerment and measuring empowerment in particular is presented in chapter five together with the development of a new model in measuring empowerment; the Quantitative Empowerment Framework (QEF). Chapter six then includes a discussion of the methodology containing group selection and the construction of the main data gathering method used, a household questionnaire. The analysis of the research findings are provided in chapter seven. Finally, chapter eight ends with a conclusion in relation to the main research question posed together with directions for further research.



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### **The role of Microfinance on Well-Being, Empowerment and the struggle against HIV and AIDS**

*“Each of us has much more inside us than we have had the chance to explore. Unless we create an environment that enables us to discover the limits of our potential, we will never know what we have inside us.”*

Mohammed Yunus

#### **Introduction**

This chapter starts with a short description of the concept microfinance after which the impacts of microfinance are discussed. The literature review continues with the role of microfinance in the struggle against HIV and AIDS. Next, the effects of microfinance on the empowerment of women are discussed. Moreover, the paradigm shift debate among microfinance scholars is reviewed with a focus on empowerment after which the chapter ends with a critical review of the impacts of microfinance and more specifically the way microfinance impact assessments are performed.

#### **Microfinance, targeting the poor**

Microfinance is in essence the supply of loans, savings and other financial services to the poor. These financial services are mainly targeted at helping them engage in productive, sustainable businesses. Microfinance came to prominence in the 1980s, although early experiments date back 30 years in Bangladesh, Brazil and a few other countries. The important difference of microfinance was that it avoided the pitfalls of an earlier generation of targeted development lending, by insisting on repayment, by charging interest rates that could cover the costs of credit delivery, and by focusing on client groups whose alternative source of credit was the informal sector (MIX, 2007).

Although microfinance has been around for some years it was made popular by Mohammed Yunus and his Grameen bank of Bangladesh. Started in 1976 when professor Yunus launched an action research project to examine the possibility of credit systems to the poor, the Grameen bank is one of the largest microfinance institutions today (Grameen Bank, 2007). The concept of microfinance really became world news when professor Yunus received the Nobel Peace Prize in October 2006. Microfinance thus far is seen as a very powerful tool and is one of the main spear points in achieving the millennium goals as set forward by the United Nations (CGAP, 2007). In this thesis the concept of microfinance will be used meaning only the supply of loans. Savings and other financial services are not considered.

#### **The Impacts of Microfinance**

One of the first impact assessments on microfinance conducted by Hossain in 1988 compared Grameen Bank members to eligible non-participants in villages where Grameen is operating. Furthermore the study involves target non-participants, meaning those who would have been eligible if Grameen was operating in their village. Hossain (1988) finds that Grameen members' average household income is 43 percent higher than that of the target non-participants and 28 percent higher than the eligible non-participants. He also finds that



Grameen members spent 8 percent more on food and 13 percent more on clothing than target non-participants in comparison villages. These results clearly show a positive impact of the Grameen bank especially concerning income. Although Hossain's (1988) results show Grameen as being able to fight poverty through their microfinance program, a number of critic comments are in place. Hossain (1988) found Grameen members to be younger and better educated and non-members were more likely to be landless. This means that comparison groups were not entirely the same as the Grameen member group thus jeopardizing the validity of the impact results.

Another study done on the impact of the Grameen Bank took a different, ethnographic approach. Todd (1996) spent a year in two Grameen villages focusing on women in their eighth-to-tenth year of borrowing and the effects of the loans on their households. She found significant results showing that 57.5 percent of borrower households were no longer poor compared to 18 percent of the comparison group. Moreover she found that 15 percent of the borrower households could be classified as extremely poor versus 54.5 percent of the comparison group.

In 1998 the paper *"The Impact of Group-Based Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter?"* by Shahidur Khandker and Mark Pitt was received as the first serious attempt to generate an accurate assessment of the impact microfinance programs made (Goldberg, 2005). The strength of the paper lay in the fact that it dealt with matters such as selection bias in a consequent way. The study was based on data from 1,798 households consisting of members and non-members.

Khandker and Pitt's (1998) most important findings included the fact that every additional taka (Bangladesh currency) lent to a woman added an additional 0.18 taka to the household expenditure. In comparison to additional taka's lent to men, this increased the household expenditure by only 0.11 taka. Furthermore, they found that a one percent increase in credit to women increased the probability of girl's school enrolment by 1.86 percent. Moreover, a one percent increase in credit provided to women led to an increase in height-for-age of boys by 1.42 percent and 1.16 percent for girls. These results, among others, offered much positive news to the microfinance industry but yet again, criticisms were heard.

In his 1998 paper *"Does Microfinance Really Help the Poor? New Evidence from Flagship Programs in Bangladesh"* Jonathan Murdoch challenged the findings of Pitt and Khandker by addressing their econometric model. He stated that their method of correcting for program placement bias actually exaggerated the findings. Murdoch (1998) proposed a simpler model and tested it using the same data; he found no significant impact results.

Khandker (2005) acknowledged Murdoch's critics and provided an update on the 1998 paper. In 2005 he used a resurvey of the data to improve their model. Together with panel data and a much simpler model Khandker was able to assess the impact of three MFIs. He found that each additional 100 taka lent to women increased the total annual household expenditures by more than 20 taka. Additionally, Khandker (2005) found diminishing returns over time when borrowing, a very logical finding since a borrower will experience greater impact from the first few loans and the relative improvements associated with any additional loan will diminish over time.



A lot of the literature on the impact of microfinance focuses on Asia and more specifically on India and Bangladesh since microfinance has long been established there. But there are other areas of the world where several impact assessments have been made, including Africa. An impact assessment study on three MFI's in Uganda, by Carolyn Barnes, Gary Gaile and Richard Kimbombo in 2001 found significantly more clients than non clients reporting a profit from their businesses set up with the loans they received. Moreover the researchers found that clients were more likely to become homeowners (10 percent versus 1 percent) and spent significantly more on school fees. Even more, half of the clients increased their savings over the previous two years in comparison to only a third of the non-client group.

Another impact assessment study done in Zimbabwe in 2001 by Carolyn Barnes examines the impact of continuing clients versus new clients. She finds that only 22 percent of the repeated borrowers are earning less than a dollar a day in comparison to 42 percent of the new clients. Although during the time the study was conducted (1997-1999) Zimbabwean economy was rapidly declining (due to high inflation), Barnes (2001) found that income was falling in real terms but clients nominal income increased nearly with the same pace as inflation. Moreover, she found that while new clients saw a decrease in the consumption of meat and dairy the continuing borrowers were actually experiencing no change in their consumption of meat, fish and chicken. Barnes (2001) also found the rate of school attendance of boys to increase among continuing clients while those of girls did not.

Besides these impacts, mainly concerned with poverty eradication by measuring the changes in income, studies of microfinance also claim to have other effects. One of them is the empowerment of women and the fact that microfinance can help in the struggle against HIV and AIDS.

### **Microfinance and the struggle against HIV and AIDS**

Mulingwa (2007) asserts that the lack of a woman's economic power enables her to be sexually exploited via sex work. Poverty is the most common cause of commercial sex work but whatever its cause, female sex workers are in a very high-risk group. Women, who desperately need money to care for their children many of them widowed by AIDS, are not in a position to insist that their customers wear condoms (source: local interviews). This means that they are at risk of becoming infected with HIV, but also that if they are already HIV positive, they can pass the virus on to their customers and often these customers take AIDS home to their families. Commercial sex-workers can therefore be seen as one of the main spreaders of the disease, especially since they are more prone to becoming infected.

The UNAIDS, UNFPA and UNIFEM report in 2004 states that poverty and HIV infection are deeply intertwined. It is argued that this is even worse for African women as the burden of caring for the sick, the dying and the orphaned forces millions of them deeper into poverty and batters their energy and self-esteem. This increases the pressure on women to find ways of securing economic resources. Often these women end up engaging in high-risk "transactional" behaviour in exchange for money or goods for sex with older "sugar daddies" who offer the illusion of material security.

Estimates by the Worldbank (2000) show that the HIV and AIDS pandemic has reversed many of the gains achieved in development over the last 30 years. Poor families are the ones hit hardest since they are the most vulnerable because they have few strategies to cope with



the economic impacts of the disease. Microfinance is argued to be useful at strengthening households' economic safety so families and especially widowed women are able to cope with the economic consequences of losing the family bread winner to AIDS (Parker et al., 2000). Furthermore Parker et al. (2000) argue that microfinance may also play a role in reducing the vulnerability to HIV/AIDS by keeping women and their daughters out of high-risk behaviours by offering them alternative ways of securing economic resources.

### **Microfinance and the impact on empowerment**

Goldberg (2005), besides focusing on the impact of microfinance also addresses the fact that microfinance, among other effects, has an impact on the empowerment of women. He states that intangible outcomes such as empowerment are difficult to measure. Although this seems true, numerous authors found microfinance to have a positive impact on the empowerment of women.

The social indicators that became popular in the early 1980s (e.g. educational status, access to health services, nutritional levels and contraceptive use) have recently been extended into the socio-political arena in an attempt to assess whether microfinance can promote empowerment (Mayoux, 1997; Goetz and Sen Gupta, 1996; Schuler and Hashemi, 1994; Hashemi et al, 1996). This has led to the measurement of individual control over resources, involvement in household and community decision-making, levels of participation in community activities and social networks and electoral participation. The bulk of this work has focused on changes in gender relations, but there are sometimes partially-formulated assessments of class relations within it (Lakwo, 2007). These extensions to the types of impact assessed permit IAs to be more sophisticated and to shed light on developmental impacts at a time when the goals of development have also been extended. They do add, however, to the complexity of IA work and require the skills of assessors who are experienced at making judgements on social relations.

For instance Hashemi et al (1996) measured empowerment of women based on eight empowerment indicators. These were mobility, economic security, ability to make small purchases, ability to make larger purchases, involvement in major household decisions, relative freedom from domination within the family, political and legal awareness and involvement in political campaigning and protests. They used this measure of empowerment as a function of time and found that MFIs have a positive effect on empowerment.

In another study on empowerment and fertility behaviour in Bangladesh, Amin et al (1998) interviewed over 6000 women in 1993 and then re-interviewed more than 4000 of them in 1995. They found that women who used contraceptives were found to be more likely to participate in the microfinance program. Amin et al (1998) estimated that members were 1.8 times more likely to use contraceptive than non-members. The study however, did not show an effect on women's mobility or decision making power. It did however find that being a member of a microfinance project did increase the number of years women feel their daughters should be in school for together with the age at which they should be married.

MkNelly and Dunford published two articles on the impact of credit with education on nutrition, one done in Ghana (1998) and the other in Bolivia in 1999. Both studies measured the impact of the complete programs, not just the credit or the education part of it. The studies also measured women's empowerment. In Ghana the authors found limited positive impacts;



women had greater voice in whether to send children to school and were more likely to be members of community groups. In Bolivia however, the authors found that out of a score of seven members scored significantly higher than non-members. They built a composite measure of empowerment consisting of 1) being a member of a group or association, 2) helping a friend with his or her work in the last six months, 3) offering health or nutrition advice, 4) offering business advice, 5) speaking at the community's general assembly meeting, 6) holding or running for elected office and 7) hosting a community festival. MkNelly and Dunford (1999) found that members scored on average 4.2 versus 2.8 of non-members. Although these findings seem to imply that microfinance leads to more empowerment one has to remain cautious. In this case not just the effect of borrowing was studied but also the effect of education. The difference in empowerment can thus not entirely be attributed to the microfinance program.

As can be seen from the different studies of microfinance and empowerment, there seems to be a way in which microfinance facilitates the empowerment of women. However, as can be seen from the different studies, what Goldberg (2005) says about the measurement of empowerment seems to be true. All studies assessing the impact of microfinance on empowerment use different ways of measuring and a lot is still to be discussed in the field of measuring empowerment. Moreover some scholars address the fact that microfinance doesn't automatically lead to more empowerment as will be presented in the next paragraph (Kantor, 2003; Lairap-Fonderson, 2002; Mayoux, 2001; Ahmed et al, 2001; FAO, 2000; Rahman, 1999; Kabeer & Rajasekhar, 1997).

### **Measuring Empowerment; the paradigm shift debate**

From the World Summit for Social Development held in Copenhagen in March 1995 through to the Microcredit Summit held in Washington in 1997, a more pragmatic orientation towards MFIs was recommended. This pragmatic orientation has its roots in financial theory, leading to a more commercial thinking in the microfinance industry (Lakwo; 2007, Mayoux, 2002; Morduch, 2000). The new objective for MFIs is self-sufficiency. This thinking is based on the fact that once MFIs become more self-sufficient they are freed from the support they receive from donors and can operate as a business. This way microfinance becomes a long term, sustainable tool in eradicating poverty instead of remaining a mere "trendy" way of development. As a result of this shift the emergence of many commercially driven MFIs occurred (Lakwo, 2007). This change in microfinance thinking led to a change in women's empowerment focus too. The new paradigms that evolved due to the commercialisation of microfinance thinking, with different institutional actors and principles led to a diversification in they way women's empowerment is seen (Mayoux, 2002). See table 2.1 for an overview of the different paradigms.

**Table 2.1: Different paradigms of microfinance with respect to empowerment**

	<b>Financial Self-Sustainability Paradigm</b>	<b>Poverty Alleviation Paradigm</b>	<b>Feminist Empowermen Paradigm</b>
<b>Main policy focus</b>	Financially self-sustainable microfinance programmes which increase access to micro-finance services for	Microfinance as part of an integrated programme for poverty reduction for	Microfinance as an entry point for women's social, economic and political empowerment



## *Microfinance and the struggle against HIV and Aids; the case of GWAPA*

	large numbers of poor people	the poorest households	
<b>Target group</b>	The entrepreneurial poor	The poorest	Poor women, alternative role models
<b>Reason for targeting women</b>	<ul style="list-style-type: none"> <li>• Efficiency because of high female repayment rates</li> <li>• Contribution of women's economic activity to economic growth</li> </ul>	<ul style="list-style-type: none"> <li>• Higher levels of female poverty</li> <li>• Women's responsibility for household well-being</li> </ul>	Gender equality and human rights
<b>Underlying paradigm</b>	Neo-liberal market growth	Interventionist poverty alleviation and community development	Structuralist and socialist feminist critique of capitalism
<b>Main policy instruments</b>	<ul style="list-style-type: none"> <li>• Setting of interest rates to cover costs</li> <li>• Separation of micro-finance from other interventions for separate accounting</li> <li>• Programme expansion to increase outreach and economies of scale</li> <li>• Ways of using groups to decrease costs of delivery</li> </ul>	<p>The importance of small savings and loan provision,</p> <ul style="list-style-type: none"> <li>• Group formation for community development,</li> <li>• Methodologies for poverty targeting and/or operating in remote areas.</li> </ul>	Gender awareness and feminist organization
<b>Main focus of gender policy</b>	Providing the framework for equal access for women	Increasing women's participation in self-help groups	Gender awareness and feminist organization
<b>Definition of empowerment</b>	Economic empowerment, expansion of individual choice and capacities for self-reliance	Increased wellbeing, community development and self-sufficiency Economic	Transformation of power relations throughout society
<b>Underlying assumption</b>	Increasing women's access to microfinance will automatically lead to economic empowerment without other complementary interventions or change in the macro-economic growth agenda.	Increased well-being and group formation will automatically enable women to empower themselves.	Women's empowerment requires fundamental change in the macrolevel development agenda as well as explicit support for women to challenge gender subordination at the micro-level

Source: Mayoux (2002: 4)

### 1) The financial self-sufficiency argument

The financial self-sufficiency argument is promoted by the so called institutionalists. They call for self-sufficiency through best practises. They argue that making profit as an MFI will



attract capital from investors, leading to MFIs being no longer dependent on donors thus becoming sustainable (Schreiner & Yaron, 2000). Furthermore they argue that for the increase of the impact of MFIs on poverty reduction the outreach (the number of people a MFI reaches) of the MFIs should become larger. The institutionalists call for a large expansion of outreach so that revenue can be built that can cover costs by reducing the cost per loan due to economies of scale. The large outreach expansion is needed since economies of scale are hard to achieve when outreach is done step by step (Glackin, 2002; Otero, 1994).

## 2) The poverty alleviation argument

The welfarists, as the ones are called who promote this argument, question the minimalists' arguments. They wonder how big a profit margin is enough, how much interest should be charged and what cost margin should be born by the clients (Lakwo, 2007). The welfarists see microfinance as a tool that can be used to reduce poverty and argue that the institutionalists fail to deal with how microfinance services can benefit the poor and especially the female poor. Furthermore they argue that subsidies from donors should still be used as catalysts to enable MFIs in reaching this goal through increasing outreach step by step. The welfarists argue that donor subsidies help MFIs reduce transaction costs and charge attractive interest rates while passing on the benefits to their clients (Morduch, 1999).

## 3) The feminist empowerment argument

To the feminists poverty reduction is very desirable, but they argue that it does not necessarily mean that women become more empowered and gender relations will change. They argue that although increase in household income will reduce the vulnerability of the household it does not necessarily mean gender relations will change as men may have control over the income (Mayoux, 2002). They argue that one cannot just assume that by giving a woman a loan (even if it does increase her income) she will become more empowered and gender relations will change. The feminists state that the link between microfinance and empowerment remains vague and more research has to be done.

Besides all the positive findings on microfinance and the way it facilitates empowerment a number of studies emphasize the feminists' arguments. Kabeer and Rajasekhar (1997) found that when weekly repayments must be made this leads to sleepless nights and strained marital relationships. They argue that this stress may result in the loss of control over the loan as husbands start to take over. Furthermore, Rahman (1999) showed the violence women suffered due to loan liability. Additionally, research done by Kantor in 2003 points out that it is control over income rather than having more income that facilitates empowerment. Thus making the feminists arguments more and more powerful, emphasising that merely being exposed to microfinance doesn't automatically mean more empowerment.

## **Critical factors in assessing the impact of Microfinance**

It seems as though microfinance always has a positive impact on its target groups and that it improves at least some parts of a participating person's live. Microfinance has been getting a lot of attention because it seems as though it does make an impact and it seems a useful tool in eradicating poverty. One of the biggest critics on the impact of microfinance however is the assumption that microfinance seems to completely eradicate poverty. Most of the time, this assumption is merely based on income changes and other economic variables. It doesn't take





into account the multidimensionality of poverty that is related to powerlessness and exclusion (Gianotten, 1986).

Probably the reason why many microfinance impact assessments are focused on income changes and other economic variables is because poverty is often viewed as linked to income in the sense that poverty is seen as having a lack of income (Kabeer, 2003). There seems to be a trend in impact assessments of microfinance that downplays the complex concept of poverty. Kabeer (2003) therefore argues that impact assessments should move away from this simple view of poverty towards *“a richer model of the human actor, emphasizing the complexity of human needs and aspirations and the sociality of human life”* (Kabeer, 2003: 113). Furthermore, Hulme (1997) addresses the flaws of measuring microfinance impact assessment purely based on income and other economical indicators, arguing that one ignores the complexity, diversity and contingency of making a living.

Hulme (1997) argues, in line with his arguments to step away from purely economic studies, that participatory measures are important in assessing impact. In the last twenty years an increase in the usage of participatory measures in microfinance IAs can be seen (see for example Hossain, 1988). Hulme (1997) further stresses the importance of multi-method or pluralist approaches, by making sure that researchers do not ask what the optimal method for their study is, but what the best mix of methods for their study is. He thus promotes stepping away from economic, quantitative impact assessments to more multi-method approaches (see for examples of multi-method approaches Hulme and Mosley, 1996; Kabeer and Rajasekhar, 1997; Mayoux, 2002; Kabeer, 2003; or more recently Lakwo, 2007)

In a recent impact assessment of microfinance in the Nebbi district of Uganda, Lakwo (2007) agrees with the arguments that a better model is needed to assess the impact of microfinance. Lakwo (2007) steps away from the classic economic way of measuring impact to a more actor-centred model of measuring. He develops a model based on the argument that the income-poverty approach is a good proxy although it suffers from economic short-sightedness because it replaces wealth with well-being looking at the money value of every aspect of life. To overcome this short-sightedness Lakwo (2007) argues that a model has to be adopted that controls for this short-sightedness, focusing more on the clients perspective. He calls this model the Livelihood Endowment Status (LES). The LES model looks at the change in well-being status of beneficiaries of an intervention. Through this model one can assess the impact of an intervention, in this case microfinance, on the well-being of the participants. Well-being is defined as “a good life”, meaning what participants view as having a good life. This way of measuring is very much actor oriented since it is particular in different contexts. A person living in the west of Europe probably has completely different views on what a good life is in his world than a farmer in Uganda. By using this LES model and measuring well-being Lakwo (2007) shows that if microfinance wants to make a significant impact in peoples lives, it should affect their well-being. Participants should gain a better life (higher well-being according to their own views) through microfinance and thus move away from poverty for microfinance to make its bold claim of poverty reduction true. Accordingly, Lakwo (2007) finds no positive impacts of microfinance on the well-being of members and concludes that these results show that we mustn’t be blinded by the widely accepted poverty reduction ability of microfinance programs. Rather than using microfinance as the only right development tool, Lakwo (2007) argues that we must use it in combination with other effective tools to achieve the best results.



## **Conclusion**

This chapter has given a brief description of the concept of microfinance and how it is used in this thesis. This thesis views the concept of microfinance strictly as providing loans to people who otherwise have no access to formal financial institutions. Furthermore this chapter shows some of the positive impacts microfinance has achieved. Besides the gains in income, due to microfinance activities, we have shown that significant impact is made in the empowerment of women.

This chapter has also shown that microfinance can also help in the struggle against HIV and AIDS. The HIV and AIDS pandemic has caused a reverse in many of the development achievements and microfinance seems to be able to have a positive impact in the struggle. Especially by making families less economically vulnerable and by keeping women and their daughters out of high-risk behaviours by offering them alternative ways of securing economic resources.

Additionally this chapter showed some of the main criticisms on microfinance, especially the way microfinance impact assessments are measured. This thesis agrees with the argument that traditional microfinance assessments use the short-sighted income-poverty view and forgets that poverty is a multidimensional problem. In addition scepticism remains on the topic of empowerment; merely giving women a loan doesn't necessarily mean they will become more empowered, as argued by feminists.

This thesis will proceed into developing a better way to measure the impact microfinance makes on both poverty and the empowerment of women.



## **-3-**

### **The facilitating effect of Microfinance on Gender equality, the mitigation of Poverty and HIV and AIDS**

*“If women want property then they should not get married”*

President Robert Mugabe, August 1994

#### **Introduction**

In this chapter this thesis takes a closer look at the situation in Zimbabwe pertaining gender, poverty and the HIV/ AIDS endemic. Second, more is explained about GWAPA, what the organisation is about and what they want to achieve. The problem statement is presented, together with the main research question. Additionally, the main theoretical outline is presented together with which five hypotheses are constructed. The chapter ends with the conceptual model used.

#### **Gender, poverty and the HIV/AIDS pandemic in Zimbabwe**

Gender is defined as the social relationships between women and men, meaning gender is culturally constructed and it permeates all levels of a society (Rosaldo, 1980). Based on this gender can be deconstructed, reconstructed and transformed by a society.

Several researchers have shown that one's sex largely determines his or her vulnerability to HIV/AIDS. Especially women are more vulnerable, globally there are now 17 million women and 18.7 million men between the ages of 15 and 49 living with HIV/AIDS (UNAIDS, UNFPA & UNIFEM, 2004). Since 1985, the percentage of women among adults living with HIV/AIDS has risen from 35 per cent to 48 per cent. Of particular concern are the dramatic increases in HIV infection among young women, who now make up over 60 per cent of 15- to 24-year-olds living with HIV/AIDS. Globally, young women are 1.6 times more likely to be living with HIV/AIDS than young men. In sub-Saharan Africa, including Zimbabwe, these numbers are even more alarming. Since 1985, there has been an increasingly disproportionate impact on women in this region. In 1985, roughly half a million women and half a million men were living with HIV/AIDS in sub-Saharan Africa. Since then, the number of women living with HIV/AIDS relative to men has increased every year, particularly affecting young women aged 15 to 24, who are now more than three times more likely to be infected than young men (UNAIDS, UNFPA & UNIFEM, 2004). The first reason for this is largely biological; transmission through sexual intercourse in the case of women is biologically seven times more probable compared to men because of the large mucosal structure of the vagina and high concentration of the virus in semen (NIAID, 2006). Furthermore, gender inequality is seen as another critical factor in the spread of HIV/AIDS and the second reason for more women being affected. Traditional gender roles held by many of the world's societies are largely responsible for the continued spread of HIV. Women often have difficulties negotiating safe sex with their partners because of their lower social status, economic dependence on men and 'safe' sexual partners (Mulingwa, 2007). These unequal social roles and vulnerability to men's demands mean that women are more likely to become infected. Nearly universally, cultural expectations have encouraged men to have multiple partners, while women are expected to abstain or be faithful. There is also a culture of silence around



sexual and reproductive health. Simply by fulfilling their expected gender roles, men and women are likely to increase their risk of HIV infection (UNAIDS, UNFPA & UNIFEM, 2004).

But the gender disparities go far deeper than sexual relations. Women in many regions do not own property or have access to financial resources and are dependent on men for support. In addition, poverty pushes some women into risky behaviour or dangerous situations. With no other options in sight, they may resort to sex work to feed their families. Women and girls are susceptible to high risk behaviour (UNAIDS, UNFPA & UNIFEM, 2004; Parker et al., 2000). Even more, in Southern Africa, many older men seek out young women and adolescent girls for sexual favours while providing them with school fees, food and highly sought after consumer goods (UNAIDS, UNFPA & UNIFEM, 2004).

In most societies, women also carry a disproportionate amount of the burden of caring for the family members living with HIV/AIDS and experience the brunt of stigma associated with HIV infection. Correcting the gender imbalances that contributes to and is exacerbated by the HIV/AIDS pandemic will depend upon improving women's social and economic status and increase men's responsibility for HIV prevention and care (Mulingwa, 2007; UNAIDS, UNFPA & UNIFEM, 2004).

In 2007 Zimbabwe had a population of 12.3 million (CIA-World Factbook, 2005) and the average age expectancy was 37 for men and 34 for women. Furthermore Zimbabwe is listed as number 145 on the Human Development Index of a total of 171 countries (UNAIDS, 2006). In comparison, in Zimbabwe there is a 65,9 % chance at birth that one will not reach the age of 40 whereas in the Netherlands there is a 8,9 % chance one will not reach the age of 60. Additionally the number of AIDS cases among men and women in Zimbabwe peaks in the 15 – 49 years age range, which is the most reproductive and productive age group. Zimbabwe had an overall prevalence rate of 20,1 % (UNAIDS, 2006), meaning 1 in 5 people is infected. Of the whole positive population aged 15 and up, 59 % is a woman (UNAIDS, 2006). Women in Zimbabwe are thus hardest hit by the epidemic.

In Zimbabwe research has shown that gender inequality and uneven power structures increase women's vulnerability to HIV and AIDS (Mulingwa, 2007). The cultural notion that males are superior to females places men in a position of dominance over women. Furthermore, laws endorsed by the colonial government also enforced these inequalities by regarding women as minors and placing them under the guardianship of their fathers and husbands. Due to these facts women could not own property thus making them economically and socially powerless (Goebel, 2005). Although the Zimbabwean government has adopted numerous laws granting equal rights to women and protecting them when for example they become widowed and the family comes in to claim the assets, gender inequality still persists. This is especially the case with women from the lower brackets of society, not having had a lot of formal education and coming from poor backgrounds.

Zimbabwean women with low educational levels find it difficult to obtain any formal employment and in the event of death of the husband or divorce, women find it difficult to provide for their family. Furthermore, women find it difficult to obtain loans from banks and other formal institutions to start income generating project. Besides this the largest part of Zimbabwe's population (74 %) lives in rural areas where the prevalence of poverty is higher



and the majority of women live in these rural areas exposing them to poverty (PASS, 2003). Furthermore, poverty in Zimbabwe increased considerably between 1995 and 2003. For example, the proportion of households below the Food Poverty Line increased from 20 % in 1995 to 48 percent in 2003, showing an increase of 148 percent (PASS, 2003). The proportion of households below the Total Consumption Poverty Line increased from 42 percent in 1995 to 63 percent in 2003, representing a 51 percent increase. Additionally, females in Zimbabwe score a meagre 0,373 on the Human Development Index versus 0,429 of males. These scores indicate a situation of generalized poverty but women are much worse off than men. Using the Gender Empowerment Measure (GEM) women score a very low 0,374 in 2003 indicating they are far behind males in empowerment (PASS, 2003).

This increase in general poverty levels combined with an economy experiencing hyperinflation with inflation rates of 6592,8 percent (CSO, 2007), unemployment rates far over 80 percent (CIA-World Factbook, 2005), general gender inequality with far less empowered women and bread winners succumbing to AIDS and dying, this leads to many women and young girls being pushed into sex work for survival. The majority of these sex workers lack self-esteem and assertiveness resulting in them failing to negotiate for safe sex. Sex workers are therefore at a high risk of contracting STD's, HIV and AIDS and spreading it to their multiple partners, who in turn infect their spouses. A study conducted among sex workers in urban areas in 1995 revealed that the rate of HIV infection among sex workers was 86% (USAID BRIEF, 2001)

### **GWAPA: fighting the HIV and AIDS battle**

To fight this huge problem in Zimbabwe the GWAPA organisation was set up; they placed an intervention in the Gweru, Zvishavane and Shurugwi districts directed at economic and social empowerment of sex workers and other marginalized single women. This intervention is backed by Heifer Netherlands. Heifer is a development organisation that is active in many different countries. Their main development strategy is that they provide people in developing countries with animals and training in keeping these animals. A cow for example, can generate money and its milk makes for a healthy diet. Heifer Netherlands is the main funder of the GWAPA microfinance project. GWAPA focuses on facilitating the provision of skills and resources for income generation and employment for sex workers and other vulnerable women. Through these channels GWAPA tries to provide women with an opportunity to earn a living through socially-acceptable means without depending on sex work for their livelihoods leading to the reduction in the spread of HIV and AIDS.

The Gweru Women AIDS Prevention Association (GWAPA) is a member-organization situated in the town of Gweru, the capital city of Zimbabwe's Midlands province. The beginning of GWAPA dates back to November 1993 when the Gweru city council supported by UNICEF and the University of Zimbabwe's Psychology Department embarked on an HIV and AIDS control program among high-risk behaviours, sex workers, their clients and other low income and vulnerable single women. The project started by targeting sex workers because of the nature of their work that put them at a high risk of contracting HIV and AIDS and spreading it to their multiple partners who in turn would infect their spouses. In pursuing its mission, GWAPA undertakes the following activities: *Peer Education*, GWAPA has peer educators in all regions who educate their peers about STD's, HIV and AIDS; *Gender awareness*, GWAPA conducts gender awareness workshops so as to promote women empowerment by raising assertiveness and self-esteem among the participating women; *the*



*GWAPA micro-credit program*, GWAPA operates a registered microfinance program which was introduced in 2002 with seed capital from Heifer Netherlands and Rabobank through Heifer-Zimbabwe. The credit program is aimed at assisting women with capital to finance their income-generating projects and so becoming no longer dependent on the income sex-work generates.

GWAPA wants to be an organization effective in the control of the spread of HIV/AIDS and STD's among sex-workers, their clients and other vulnerable, unemployed, single, divorced or widowed women, providing them with income generating projects and gender awareness programs to make them less socially and economically vulnerable.

### **Problem statement**

Within the last five decades we have witnessed increasing gender inequalities despite efforts to promote development, these increasing gender inequalities are most seen in developing countries, especially in sub-Saharan countries (Lakwo, 2007). Besides poverty reduction, which is number one on the agenda of many development projects, promoting gender equality is found to be important as well. However, in most development policies poverty reduction is most important and gender is frequently 'squeezed' in with the thought that when poverty is reduced gender inequalities will disappear as well. One of the popular tools in development programs these days is microfinance, promising the alleviation or even the eradication of poverty. Besides this bold promise it is also said to empower especially women and so providing a win-win situation towards gender equality and poverty reduction.

In existing literature there are numerous critics apposing this win-win situation stating that one cannot just assume that microfinance will lead to poverty reduction let alone eradication. Besides this it is also argued that poverty reduction will not automatically lead to the empowerment of women and thus creating gender equality. Furthermore, the HIV and AIDS problem have their roots in gender inequality and poverty. Microfinance, promising empowerment of women and poverty reduction thus provides a tool in the struggle against HIV and AIDS, providing a win-win-win situation.

This thesis attempts to investigate this gap in research, especially focusing on the poverty reduction aspect of microfinance and the facilitating role of microfinance in creating gender equality through the empowerment of women specifically. Additionally, this thesis investigates the role of microfinance in the struggle against HIV and AIDS. Moreover this thesis investigates the impact the GWAPA project has made until now, focusing especially on the impacts of its microfinance program.

### **The present study**

Swanborn (1999), talks about interventions as actions which are meant to lead to certain effects, meaning a change in the scores on different goal variables. For example, the GWAPA project was founded to empower female sex workers in Zimbabwe reducing the spreading of HIV and AIDS. This is a clear intervention and an impact assessment is focused on measuring these interventions. Based on a scientific approach an intervention is deemed successful or not. Swanborn (1999) stresses the fact that the most important aspect of impact assessment is the success criteria used. These need to be formulated and analyzed before any conclusions can be made about the relevance or success of the intervention. Based on the analyses of the



success criteria a scientifically underpinned answer can be given whether an intervention is successful or not.

This thesis assesses the impact of the GWAPA project on the social and economic empowerment of its members; more specifically it assesses the facilitating effect of microfinance on empowerment and the way microfinance affects the well-being status of the members. Based on the changes in empowerment and the changes in well-being this thesis assesses whether the GWAPA project has made any impact in the struggle against HIV and AIDS. In doing so, this thesis steps away from the common economic way of assessing microfinance impacts and uses a more beneficiary approach called the livelihood endowment status (LES) developed by Alfred Lakwo in 2007 to measure an increase or decrease in well-being status. Additionally, a new way of quantitatively measuring empowerment is offered by combining two existing frameworks into a new framework, the Quantitative Empowerment Framework (QEF).

The critical success factors as mentioned by Swanborn (1999) in the case of GWAPA are derived from GWAPA's mission statement. GWAPA works towards empowering its members to becoming single economically independent women. The empowerment of its members is therefore the first success factor. To assist their members in becoming economically independent and thus more empowered GWAPA uses microfinance. The second critical success factor is thus a significant increase in microfinance participants' well-being status thereby moving away from economic instability towards a better life. The third critical success factor is the vulnerability to high risk behaviour. This is measured by the number of women involved in high risk sex work.

To assess the impact of the GWAPA project the central question in this thesis is:

*How and to what extent can GWAPA's activities be deemed a successful intervention?*

To answer this question, limitations must be made; this thesis focuses primarily on GWAPA's empowerment activities as a whole and the microfinance activities in particular. To be able to investigate the impact of the project the central question is broken down into four sub-questions:

1. *With access to microfinance what changes occurred in GWAPA members' well-being?*

In this sub-question the difference (if any) between members' well-being status and non-members well-being status will be measured. Members are seen as those who have received multiple microfinance loans.

2. *With access to microfinance what changes occurred in GWAPA members' social empowerment?*

This sub-question deals with the changes in empowerment and the difference (if any) between members and non-members. Empowerment will be measured using the quantitative model suggested in this thesis. Furthermore, members are seen in this context as those who have received multiple microfinance loans.



3. *With access to GWAPA's activities what changes occurred in GWAPA members' social empowerment?*

To control for the fact that GWAPA does not only have microfinance activities, this sub-question investigates whether the changes (if any) are contributable to the microfinance activities. The difference between non-members and members are measured. Within this sub-question the members are people who have been involved with GWAPA activities but have never received microfinance.

4. *How did members' changes in well-being (if any) and social empowerment (if any) affect the vulnerability of members to high-risk behaviour?*

This sub-question investigates how the members' changes in well-being and social empowerment have affected members' vulnerability to high-risk behaviour. This sub-question addresses the assumption that if women become socially and economically empowered they will be less vulnerable to becoming involved in prostitution.

### **Hypotheses**

As argued by several scholars (UNAIDS, UNFPA & UNIFEM, 2004; UNAIDS, 2002; NIAID, 2001), gender inequality and poverty are an important factor in the spreading of HIV and AIDS. Therefore the social empowerment of women is important in fighting the HIV and AIDS problem. Making women more empowered will reduce gender inequalities making women less vulnerable. Because of the cultural notion that males are superior to females this places men in a position of dominance over women. Due to this fact and their lower social status and economic dependence on men, women often have difficulties negotiating safe sex with their partners (Mulingwa, 2007; UNAIDS, UNFPA & UNIFEM, 2004). Thus by making women more socially empowered women will be more conscious, have a higher self esteem and therefore will be more able to, for instance, negotiate safe sex.

Besides gender inequality, poverty is another vital factor in the spreading of HIV and AIDS. Due to the fact that especially marginalised women have fewer strategies in coping with economic insecurities, they are more prone to high risk behaviour. This in combination with being disempowered will make these women even more prone to high risk behaviour since they have difficulty in negotiating safe sex. Microfinance is argued to strengthen ones economic safety, thus empowering women economically. Because women become less economically vulnerable due to the effects of microfinance (Parker et al., 2000), they are less likely to be involved in high risk behaviours which cause the spreading of HIV and AIDS.

In other words by empowering women socially and economically their vulnerability will decline making them less likely to resort to high risk behaviour for survival. This in turn will lower the chances of women and men in becoming infected with HIV and AIDS. Based on the attributed effects of microfinance in the mitigation of poverty and the positive effects found on the empowerment of women, the following hypotheses were formulated:

1. *Clients of GWAPA's microfinance project will have a higher well-being status then non-clients.*
2. *Clients of GWAPA's microfinance project will be more empowered then non-clients.*





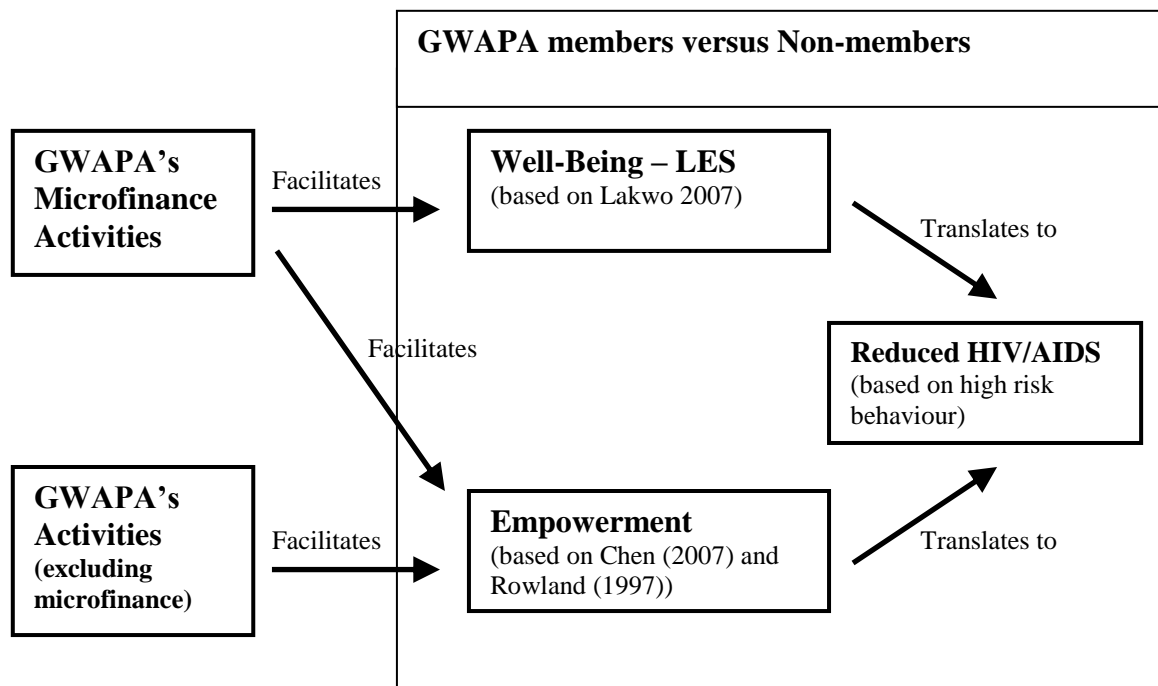
3. *Clients of GWAPA's activities will be more empowered then non-clients.*
4. *Clients of GWAPA's microfinance activities will be more empowered then clients of GWAPA's activities who are not involved in the microfinance project.*
5. *Clients of GWAPA's activities (including microfinance) are less involved in high risk behaviours then non-clients.*

In the following chapters the methodology will presented on how to tackle the research questions and hypotheses. But before the specifics of group selection and other methodological issues are discussed, his thesis first focuses on the two main measurement systems, namely the LES model to measure well-being and the frameworks of Chen (1997) and Rowland (1997) for measuring empowerment.

## **Conclusion**

This chapter laid out the main theoretical issues were this thesis bases its assumption upon. Furthermore, extensive background information for Zimbabwe was presented together with the history and work of the GWAPA project. Also, the main research question was presented and the hypotheses used. Finally the conceptual model is presented (see figure 3.1).

**Figure 3.1: Conceptual model**



## **-4-**

### **Measuring the impact of Microfinance on Well-Being; the Livelihood Endowment Status (LES)**

*“It is crucial to see that the evaluation point of view is not the manager’s point of view, and is not simply the consumer’s point of view; it is a point of view which should stand above identification with either of these parties, but make clear to each the importance of the other.”*

M.S. Scriven 1980, p. 103 (adapted from Swanborn, 1999)

#### **Introduction**

In his doctorate on microfinance and empowerment in Uganda, Lakwo (2007) develops what he calls the Livelihood Endowment Status (LES). This is a way of measuring well-being in a society through a multi-method approach. This thesis adopts the LES model to measure well-being among clients and non-clients. But before explaining the LES model, a brief discussion of what an impact assessment consists of is presented.

#### **Impact Assessments of Microfinance**

Within the vast body of literature on microfinance much discussion is focused on the evaluation and impact assessments conducted. Impact assessments (IA) are more and more called for to assess the performance of organizations involved in microfinance. Moreover, there is much debate on whether microfinance is actually reducing poverty or that it is just another trendy development tool bound to be abandoned in the future. These circumstances are the reason the demand for IA studies are increasing.

Impact assessment is seen as:

*...the lasting or significant changes, positive or negative, intended or not, in peoples lives brought about by a given action or series of actions (Roche, 1999: 21).*

or

*...the positive or negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended in the lives of the beneficiaries (OECD/DAC, 2002: 24).*

Impact assessments are concerned with what has changed (impact), what brought about these changes (attribution) and how these are influenced by for instance microfinance activities (aggregation). This is done by analysing the impact; before the intervention (ex ante analysis); during the time the intervention is being placed (periodic review); or after the intervention has taken place (ex post analysis) (Roche, 1999). GWAPA has been operating since 1993 and thus this research can be seen as an ex post analysis of GWAPA’s activities. The main goal is to find out whether GWAPA’s intervention activities did indeed change the things it was designed to change.

Within IA literature three main paradigms can be found, as summarised by Roche (1999). The first is the scientific approach which uses quantitative methods. Secondly, the so called



humanities approach that uses inductive/deductive methods and lastly the participatory approach. This last approach relies on data from all actors in the intervention.

Conventionally, economic indicators have dominated microfinance IA with researchers measuring income (Hulme, 1997). Other popular variables have been levels and patterns of expenditure, consumption and assets. Furthermore, since most of them are conducted from an institutional background (conducted by MFI's themselves), they focus on whether institutional objectives have been met. Many of these IAs are mainly quantitative in nature as is usually the case with economic assessments.

According to Mosley (1997) the microfinance impact assessment studies are focused on answering three main questions; 1) what was the net benefit of the intervention; 2) how are the benefits from the intervention shared among the parties affected; and 3) by what causal process did the benefits materialize? Roche (2001) argues that these studies are basically quantitative and mainly orientated on institutions. A local or beneficiary perspective is not as common, although it seems to make sense that using the perspective of the ones being affected is quite logical. But as Roche (2001) argues, most of the IA studies are used for accountability towards donors. Even still, taking this into account it does not justify why a beneficiary perspective is not as common as an economic IA looking at income changes.

This thesis agrees with above arguments and steps away from using only income and other economic indicators to measure impact. Additionally, since GWAPA is about making its members more economically and socially empowered, this thesis adopts a so called beneficiary approach. Impact will be based on the view of the beneficiaries; since it's their lives the intervention is trying to manipulate. This change thus has to be seen through their eyes to be able to assess whether anything has been transformed.

### **Measuring the well-being status; using the Livelihood Endowment Status**

To be able to answer the questions pertaining to changes in well-being of GWAPA members, this thesis adopts the Livelihood Endowment Status (LES) (see figure 3.1), which looks at the change in well-being status of beneficiaries of an intervention. But before we move on to the methodological issues pertaining the model, a brief summary of the model is presented.

Afred Lakwo (2007) developed the model based on the fact that he noted that most impact assessments to date were merely quantitative and based on economic indicators and missed the perspective of the clients. Based on 4 earlier approaches Lakwo (2007) comes up with the LES model. He uses McKnight & Kretzmann's (1993; adapted from Lakwo, 2007) work on the Asset Based Community Development (ABCD) approach. This approach focuses on the strengths within communities from where development can be maximized. The approach maps the strengths and weaknesses of the community based on local assets such as, local institutions, local associations and local economic assets.

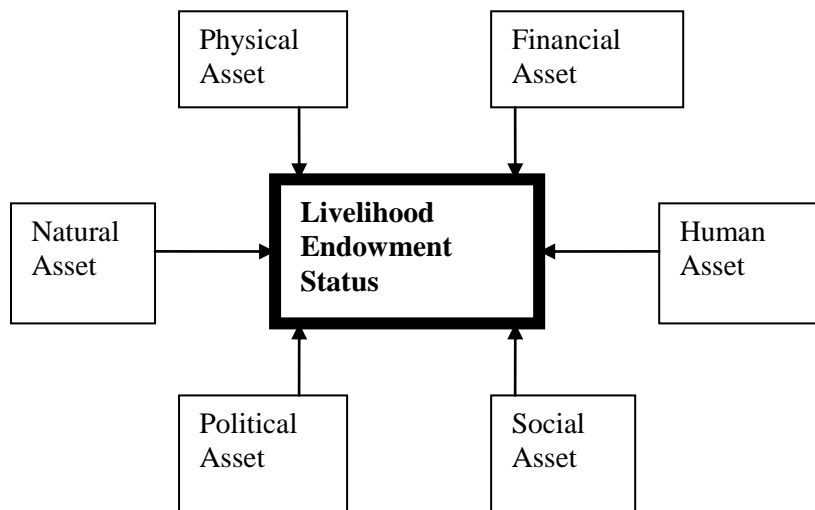
Besides the ABCD approach Lakwo (2007) also uses CARE's Livelihood Security Index (1994). This index adopts a livelihood approach focusing on an 8-grid household-livelihood security index. This index deals with things as water, sanitation, reproductive health, food security etc. A CARE village is then scored a 1 to 5 on each aspect so relative poverty can be assessed and impact can be measured. Both approaches demonstrate a local perspective which is important in stepping away from the income-poverty approach to a beneficiary approach. Addressing the shortcomings of both methods Lakwo (2007) stresses the importance of assets



in poverty reduction. He uses Moser's (1998; adapted from Lakwo, 2007) Asset Vulnerability Framework and Bond and Mukherjee (2002; adapted from Lakwo, 2007) Livelihood Asset Status Tracking (LAST) model to argue that assets are very useful in building the new model. LAST for example focuses on asset sub-clustering as prioritized by the beneficiaries and so identifies what assets exist, to what extent, in what quantity at the time of the intervention. It then looks at how this changes throughout the intervention and the processes and strategies that go with it. Moser (1998) models household vulnerability as a function of the number, diversity and value of the assets a household owns. She looks at how the different assets are managed for survival and reproduction. Moser (1998) makes the argument that assets and entitlements that households and individuals can mobilize and manage facing negative eventualities, show how well off they are. This means that the more assets people have the less vulnerable they are to negative eventualities.

These studies further show that local communities are able and know what is good and bad for themselves and they can monitor and evaluate interventions using those indicators set by and for themselves. Lakwo (2007) then proceeds to further explain the LES approach by emphasizing that there is a need to identify what a good life is embedded in the livelihood assets and strategies. He does this by identifying and prioritizing the indicators for a good life within the studied community. Lakwo (2007) starts with what people cherish as a good life/well-being and progresses to locate the positions of each category within the various asset portfolios. The various asset portfolios are: natural asset, physical asset, financial asset, human asset, social asset and political asset. He conducts community meetings and identifies the variables for well-being and clusters them within the asset portfolios. Based on these well-being indicators one can assess what impact an intervention has made on the beneficiaries.

**Figure 4.1: The Livelihood Endowment Status**



Source: Adapted from Lakwo (2007)



## **Conclusion**

In this chapter a discussion on impact assessments was presented. Additionally, it was argued that most impact assessments suffer from economic biases which are not able to assess whether or not significant changes are made in the participants' lives. In reaction to this bias common in impact assessment literature the LES model was explained. Based on these arguments this thesis adopts the LES model.



## **-5-**

### **Measuring the impact of Microfinance on the social empowerment of women; a new quantitative model**

*“Real power can’t be given, it must be taken.”*

Michael Corleone in the Godfather part 3

#### **Introduction**

In this chapter a new quantitative model of measuring empowerment is presented. This model is based on Chen’s (1997) model of empowerment combined with Rowland’s (1997) power process framework. By combining the models and adapting them for the GWAPA case, the strengths of both models are retained while making the model more quantitative and fitting for the specific GWAPA environment. This chapter will discuss the model offered by Chen (1997) and the model by Rowland (1997) before moving on to the combination of the two into the Quantitative Empowerment Framework (QEF). But before the models are discussed a discussion on the concept of empowerment is presented.

#### **Empowerment, an issue of power**

Within the field of empowerment studies a shift took place from women’s issues to gender issues (Lakwo, 2007). Gender is seen as a social construction in which the differences between men and women are learned. This means that in our cultures we are learned how to behave as a man or as a woman, gender is therefore socially determined. Gender inequality arises when there is an unequal balance of power and unequal control of resources between men and women (Mayoux, 2002). This unequal balance of power and unequal control over resources leads to men or women discriminating each other. It seems that women more than men are being affected by gender inequalities and these inequalities therefore call for gender equity. Gender equity is the elimination of the differences in values of choice, power and control over resources between men and women. Empowerment is a tool to achieve this gender equity. Most of the current literature therefore focuses on the empowerment of women since they are more affected by gender inequality.

Since the focus is now on gender issues, the element of power is seen as an important topic in changing gender inequalities since power in essence make women less equal to men or vice versa. Rowland (1997, 1998) demonstrates that power works in a multi-layered manner, changing the view of empowerment with that. She argues that power is exercised in four domains that are dynamic and interact with each other. Within these domains power is exercised as power over; which is a negative and controlling power. One could think of a win-lose situation whereby the man takes away the loan from the woman, gaining himself and leaving her with nothing and a debt to repay. Another dimension is power with; this is a collective strength based on mutual support, solidarity and collaboration for members’ benefits (Rowland, 1997). Power to is seen as productive power with which the person in question can create new possibilities without allowing domination. For instance a women learning about a law on domestic violence now knows her rights and can stand-up for herself, making sure the loan is not taken from her. The last dimension is power within and is seen as the spiritual strength, self-knowledge, self-esteem of an individual. For example, because a



woman is making money through a business she setup her image changes and she may gain respect. This increases her confidence in being a worthy person and a good wife and mother. As Lakwo (2007) argues, empowerment is social change and power is a key determinant in this. Keeping the framework of Rowland (1997, 1998) in mind, power should than be transferred from the negative power over to situations of power with, power to and power from within to achieve gender equity.

Microfinance can facilitate empowerment by breaking the chain of economic independence of women by empowering them economically. This causes the old power structures to change making women more empowered leading to gender equity. Within the GWAPA project, besides offering microfinance, other activities are present as well. GWAPA conducts gender awareness workshops or for example workshops for members to learn a certain skill. This way GWAPA also tries to socially empower its members, making them aware of gender inequalities and building self-consciousness and self-esteem. This thesis corrects for these 'other' activities so it is clear which effects can be contributed to the microfinance program and which to the 'other' activities. The methodological issues concerning this correction will be discussed in the next chapter.

### **Measuring Empowerment**

To answer the sub-questions related to GWAPA's activities and their impact on empowerment, a way had to be found to measure empowerment. With the paradigm shift in microfinance studies and the emergence of the empowerment approach the term empowerment needed to be operationalised. As has been noted before (Goldberg, 2005) the operationalisation of the term empowerment proves to be difficult as can be noted from the various works and the different ways of operationalising the term (see for example Schuler and Hashemi, 1994; Kabeer, 1998, 2001; Rowland, 1997, Chen, 1997; and Mayoux 2002).

Some of the definitions used are:

- *Gaining voice, having mobility and establishing public appearance (Johnson, 1992: 148)*
- *People, especially poor people, are enabled to take more control over their lives and secure a better livelihood with ownership and control of productive assets as a key element (Chambers 1993:11)*
- *The process of challenging existing power relations, and of gaining greater control over the sources of power (Batliwala 1994:130 cited in Lakwo 2007: 22)*

As can be seen from these examples, empowerment is still not clearly defined although some similarities exist in the different definitions. For one, empowerment is a tool in achieving gender equity (Mayoux, 2002). Secondly it seems power plays an important role as does control over assets. This is further amplified by Rowland's (1997) Power Process framework (see table 5.1).



**Table 5.1: Different frameworks of Empowerment**

**Moser's (Gender needs) Framework (1989)**

Emphasis in this framework is laid on gender needs.

- **Women's Interest:** the diverse complex and often conflicting interests which women hold as individuals and which therefore are shaped by class, ethnicity, age and gender.
- **Practical Gender Interest:** arise because of different gender roles and are formulated by (wo) men themselves in response to an immediate perceived need.
- **Strategic Gender Interest:** arises from a feminist analysis of women's subordination (or men's dominance) aimed at transforming gender relations for gender equality.

**Longwe's (Progression) Framework (1989, 1991)**

This framework presents empowerment as a linear entity, both as a stage that feeds into the next stage, from:

- **Welfare:** the level of material welfare of women, relative to men in such matters as food supply, income and medical care.
- **Access:** women's access to the factors of production: land, labour, credit, training, marketing facilities, and all publicly available services and benefits on an equal basis with men.
- **Conscientisation:** the understanding of the difference between sex roles and gender roles, and that the latter are cultural and can be changed.
- **Participation:** women's equal participation in the decision-making process, policymaking, planning and administration.
- **Equality of control:** over the factors of production, and the distribution of benefits so that neither men nor women are in a position of dominance.

**Rowland's (Power Process) Framework (1997)**

Rowland lays the emphasis on power, i.e.,

- **Power from within:** individual changes in confidence and consciousness
- **Power to:** increase in skills, abilities including earning and income, access to markets and networks.
- **Power over:** changes in relations (overcoming subjugation) within households, communities and at macro level
- **Power with:** organisation of the powerless to enhance individual abilities and/or the ability to challenge and change power relations through networking, partnerships, and joint action.





### Chen's (Product) Framework (1997)

- **Material Change:** in income (increased income and income security); resources (access to, control over and ownership of); basic needs (for well-being); and earning capacity (availability and ability to take opportunity).
- **Perceptual Change:** in self-esteem (of individuality, interest and value); self-confidence (in own ability and capacity); vision of future (by forward planning); and visibility and respect (for individual value and contributions).
- **Relational Change:** in decision making (in household and community); bargaining power; participation (in local institutions and processes e.g. politics); self-reliance (reduced dependence and increased interdependence as equals) and organizational strength (structures and leadership).

Source: Mayoux (2002)

Another framework developed by Chen (1997) called the Product Framework (see table 5.1) was adopted by the AIMS project. Chen (1997) proposes a mixed approach combining quantitative survey and qualitative case studies in approaching empowerment. She further emphasizes the impact on individual women and in addition she adds that participation in microfinance programs do not necessarily lead to improvement in women's empowerment. Chen (1997) builds on the frameworks of Schuler and Hashemi (1993) and Chen and Mahmud (1995). Chen (1997) describes three ways in which individuals experience change, namely the material pathway in which control over material resources is measured. The second is the perceptual pathway in which changes in the self-esteem, self confidence and vision of the future are measured. And the third is the relational pathway through which changes in decision-making roles, bargaining power and participation in non-family groups are measured (Chen 2007).

### The Quantitative Empowerment Framework (QEF)

The framework offered by Chen (1997) concerns both men and women and since the GWAPA projects deals solely with women the framework is adapted to women only. This thesis adopts Chen's (1997) framework adapting it to the GWAPA project by adding variables pertaining to GWAPA's activities. This model is then implemented in Rowland's (1997) framework adjusting Chen's (1997) change domains for Rowland's (1997) power processes. The resulting framework is presented in table 5.2.

**Table 5.2: Quantitative Empowerment Framework**

#### *I. Power over*

**A. Bargaining power:** increased bargaining power.

**B. Violence and Harassment:** decrease in domestic violence and harassment.

**C. Visibility and Respect:** increased recognition and respect for individual's value and contribution.

**D. High Risk Behaviour:** increase in number of women conducting safe sex and being able to negotiate for safe sex and decrease in number of women engaged in prostitution.

#### *II. Power from within*

**A. Awareness:** increased awareness of wider environment

**B. Self-Confidence:** enhanced perception of own ability and capacities.

**C. Self-Esteem:** enhanced perception of own individuality, interest, and value.

**D. Vision of Future:** increased ability to think ahead and plan for the future.

**E. Future-Oriented Activities:** increase in activities to secure the future.



**F. Well Positioned for Future:** increase in women being able to cope with negative eventualities in the future.

**III. Power to**

**A. Knowledge:** increased knowledge;

**B. Skills:** improved skills

**C. Self-Reliance:** reduced dependence on intermediation by others for access to resources, markets, public institutions plus increased mobility and ability to act independently.

**IV. Power with**

**A. Participation:** increased participation in non-family groups, in local institutions, in local government, in political process.

Source: combined model of Rowland (1997) and Chen (1997) modified for GWAPA.

The variables in the new model of empowerment are then operationalised by turning them into a household questionnaire using the questionnaire provided by Chen (1997) and modifying this for GWAPA. In the next chapter the workings of the questionnaire will be discussed.

This thesis thus creates a new way of measuring empowerment. We focus on power, which is presented in the model of Rowland (1997), combining this with the Product Framework developed by Chen (1997). As can be seen in the above table, both models are fitted together. This way we can focus on change in power while also being able to see whether changes in specific material, perceptual and relational spheres take place. By combining the models into the Quantitative Empowerment Framework (QEF) we have a greater richness in variables in comparison to other quantitative microfinance impact studies focused on empowerment. We thus will be able to say more about the effects of microfinance on empowerment. We expect that, as is reflected in the stated hypotheses, that we will see a shift in the power dimensions between clients and non-clients showing an increase in empowerment. This means a drop in power over and an increase in the other power dimensions is expected. Furthermore, an increase in such variables as high risk behaviour, self-esteem and self confidence (see table 5.2) are expected. All in all, the QEF is a completely new model that has been developed for measuring empowerment in a quantitative manner.

## Conclusion

This chapter briefly discussed the difficult concept of empowerment and the way it can be measured. Furthermore, this chapter addressed the workings of empowerment in general and the way it works for women.

By using two existing frameworks and combining them into one adjusted for GWAPA, the QEF model of empowerment was built. By using the QEF model this thesis will be able to assess the impact GWAPA has made on the empowerment of its members. Furthermore, the newly developed model retains a very rich sphere of data concerning empowerment which makes it unique in measuring empowerment in a quantitative manner.



**-6-**

## **Conducting the research: mapping the well-being indicators, building the questionnaires and selecting the respondents**

*“Research is formalized curiosity. It is poking and prying with a purpose.”*

Zora Neale Hurston

### **Introduction**

This chapter starts with the way the respondents for the household surveys were selected. It proceeds to how the well-being indicators are mapped and the construction of the household surveys. Additionally the statistical methods used are presented. The chapter then continues to the discussion of the data collection methods used and ends with the strengths and weaknesses of the applied methods.

### **Group selection**

To be able to assess the impact GWAPA’s microfinance project has made on the well-being of the participants a before and after measurement should be made. Since this is an ex-ante assessment and no before or baseline data on well-being is available, this thesis chooses to create groups. The first group will be the ‘non-member’ group and function as the baseline. The second group will be the ‘member’ group and function as the main group whose members have received multiple loans. A third group is added as to control for the difference between GWAPA’s activities without microfinance and GWAPA’s activities with microfinance so we will be able to attribute changes to either the microfinance project or the ‘other’ activities. This third group will be called the ‘control’ group.

To deal with sample selection bias, of which microfinance IA often suffer, ‘would be borrowers’ were used as a control group (Mosley, 1997). Members were identified based on how long they have been GWAPA members. The first group, used as the baseline, consists of women who have been GWAPA members for no longer than one year and have not participated in the microfinance project. All members come from similar backgrounds; they are all single mothers, widows or divorced women. Most of them engage in sex work to gain an income. GWAPA’s member selection criteria have remained the same over the years although when GWAPA first started it was mainly focused on sex-workers. Now also other marginalised women are admitted as members. Every member is eligible to become part of the microfinance project but the women first have to write a business proposal which is checked for viability. Women help each other with writing proposals and most of them borrow money as a group. Furthermore, the ladies who have been GWAPA members for longer have the first rights to a loan. The first group thus consists of women who are likely to get microfinance in the future but haven’t until now.

The second group consists of women who have been GWAPA members and have participated in the microfinance project multiple times. These women have received multiple loans and have been able to pay these loans back. The control group consists of women who have been a GWAPA member for more than a year but haven’t participated in the microfinance project yet.



As of august 2007 GWAPA has 562 registered members. Of these members 200 are listed as living in the Gweru region, 195 in the Shurugwi region and 167 in the Zvishawane region. Of the 562 registered members 68 members have been a member for less than a year, of these new members none have received microfinance from GWAPA. They therefore are used as the 'non-member' group in this research. Of all the registered members GWAPA has 283 have been a member for more than three years, of these members 209 have received a loan by GWAPA. Furthermore, of these 209 members 122 members have received more than one loan. These women thus form the 'member' group; they are involved in the GWAPA project for more than three years and have received more than one loan.

For the control group we have selected women who have been a GWAPA member for more than one year but have never received any microfinance loan. The total number of women who have been a member for more than one year is 494. Of this group 209 women have received one loan or more, this leaves the control group with a population of 285 members.

To approach the members into filling in the questionnaires an important issue had to be overcome. Since the questionnaires deal with rather personal questions such as domestic abuse and the involvement of sex-work (as will be discussed later on in this chapter) a trusting environment had to be created to ensure that members did not feel embarrassed or ashamed to fill in the questionnaires truthfully. This was done by introducing the topic of research at different meetings. GWAPA conducts several activities in the regions described. The researcher and his partner from GWAPA visited several sites where activities were held. This was for the researcher to become familiar with the members but also for the members to become acquainted with the researcher and the topic of research. Several informal interviews were held with participants and the researcher and his assistant participated in the workshops. This created an open and trusting work relationship between researcher and the GWAPA members.

As soon as this relationship was established and GWAPA members knew who the researcher was and why he was here, a second step in the data gathering process was made. Within GWAPA, members are organised in branches. These branches meet every week (some twice a week) at various locations throughout the region. These meetings were attended by the researcher and his assistant to speak to the members and to ask them to fill in the questionnaires. All branches were visited except for two and members were very helpful and willing to fill in the questionnaires. The fact that there was face-to-face contact while handing out and filling in the questionnaires proved to be immense. Members who had questions about specific items in the questionnaire were able to voice them straight away and adequate assistance could be given. This led to a fall out of only three questionnaires which were not filled out completely and deemed unusable. However, due to an encounter with local law enforcement which turned out to be a bit of a nightmare, valuable data was lost. All filled in questionnaires from a days work in the Zvishawane region were confiscated and never returned. The data collected is therefore not representative of the Zvishawane region.

Of the total group of 68 non-members a total of 42 filled in questionnaires were obtained, representing a response percentage of 62 percent. The client group consisted of 122 members of which 51 workable questionnaires were obtained representing a response percentage of 42 percent. For the control group the response percentage was somewhat lower; of 285 members in the control group 66 questionnaires were obtained, a 23 percent response percentage.



The response percentages would have been higher if the Zvishawane data could have been secured. Unfortunately this was not the case. Furthermore, since the branches were visited to establish face-to-face contact while filling in the questionnaires not all members could be reached this way, some members did not regularly show up at the meetings while others were busy with other things. Unfortunately due to the mere two months of field work extra visits to the branches to obtain more data could not be made. However, based on the amount of data collected this thesis is able to make clear conclusions about the changes in well-being and empowerment of the GWAPA members.

### **Mapping the Well-Being Indicators**

To map the well-being indicators needed for the LES approach three community meetings were held. These meetings took approximately 2 to 3 hours and were held in each of the districts where GWAPA operates. The community meeting in Gweru was attended by 26 women, all of them peer educators. Purposive sampling was used in selecting the respondents. In this case only peer educators were chosen since they represent the communities they work in. These women have been GWAPA members for some time and have been trained to educate their peers on HIV/AIDS and gender issues. They therefore know their communities very well and are able to voice the concerns, living situations and issues going on in their respective communities. In Shurugwi 21 peer educators were interviewed and in Zvishawane 24.

First it was explained to the women what the purpose of the session was, namely that it was necessary for the research GWAPA was doing on microfinance to know what they saw and needed to live a good life. The women were found to be very cooperative, probably because many of them voiced that the microfinance project is important to them. Second, the different asset portfolios were explained and some examples were given. A short round of questions followed, whereby the women were able to ask questions if they had not understood something. The meeting was mainly conducted in Shona with a GWAPA staff member acting as a translator. Before the meeting it was clearly discussed what would be said and how this should be done. It was explained to the GWAPA staff member what the purpose of the meeting was and how the meeting was to be conducted. The GWAPA staff member was selected because of his knowledge of the communities and because of the fact that he had done research with the women as well. This made translating and explaining the purpose of the community meetings much easier.

After explaining what the purpose of the meeting was, a brainstorm session was held. All issues raised were put on a large chart for all to see. After the brainstorm session the women were asked to argue why this specific indicator is important for their well-being/good life. A fruitful discussion emerged whereby the women engaged in arguments for and against an indicator. After the discussion a ranking exercise was conducted ranking the indicators from important to less important. This made the long list of various indicators smaller so it was easier to manage. The women then engaged in another discussion as to which indicator was more or less important. This was done in all three districts and the outcomes were compiled into one prioritised well-being indicator table with each indicator and why it was important (see table 6.1).



**Table 6.1: Prioritized Well-Being Indicators**

<b>Asset Indicators</b>	<b>Reasons for Choice</b>
<p>Natural asset</p> <ul style="list-style-type: none"> <li>• Having land to grow crops</li> </ul>	<p>Being able to grow crops for own use, avoiding markets prices, being able to provide ones own food.</p>
<p>Physical asset</p> <ul style="list-style-type: none"> <li>• Owning a house</li> <li>• Having proper house wares (e.g. a bed, stove, bicycle, fridge and equipment to work the land)</li> <li>• Having livestock (pigs, chickens, rabbits, cows)</li> </ul>	<p>Reasons given here had to do with providing food for the family through having livestock as well as being able to sell livestock. Furthermore owning a house was stressed since it was seen as better than renting since renting prices are high and unsteady. Having proper house ware was deemed important since it makes life easier; also having transport was seen as important since it reduces transport costs and time.</p>
<p>Financial Asset</p> <ul style="list-style-type: none"> <li>• Having a business</li> <li>• Having a job (paid labour)</li> </ul>	<p>The reasons for the answers mainly deal with income security and future security. A bank account was also mentioned as important but deemed inadequate in maintaining savings due to hyper inflation.</p>
<p>Human Asset</p> <ul style="list-style-type: none"> <li>• Receiving proper medical treatment for self and children</li> <li>• Eating proper meals (meat, beans, fish)</li> <li>• Living in a proper house (e.g. having proper toilet, more than one room and having a proper bathroom)</li> <li>• Providing for children (having proper clothes, school uniforms and being able to pay for child's education)</li> </ul>	<p>The main reasons given in this asset had to do with providing for children. Being able to feed them and cloth them. Moreover the importance of a clean house was stressed. Furthermore education was addressed as being important for achieving a good life; this was mainly stressed through the education of ones children and being able to afford their education.</p>
<p>Social Asset</p> <ul style="list-style-type: none"> <li>• Not facing discrimination and abuse</li> <li>• Having a monogamous relationship</li> <li>• Practising safe sex</li> <li>• Not involved in sex-work</li> <li>• Knowing ones legal rights</li> </ul>	<p>Reasons that were given include being respected in the community. The interviewed women said to be empowered and said not to face abuse or discrimination but told of other members which were not. Also the importance of being able to quit sex-work was stressed. Furthermore knowing ones legal rights was seen as important. For example in inheritance issues.</p>
<p>Political Asset</p> <ul style="list-style-type: none"> <li>• Participating in and improving GWAPA</li> </ul>	<p>Interviewees stressed that further improving GWAPA was important to them and they saw it as a having a positive impact on their well-being. Also participating</p>



	in other organizations was seen as important.
--	---

Source: Community meetings

### **Construction of the household surveys**

Based on the prioritized well-being indicators a household survey was constructed for well-being (see annex 1). Each indicator in table 1 representing an asset sub-sub cluster (e.g. having chickens, see annex 2) was given an equal weight, either a yes or no score (1 and 0 respectively), meaning the questions are closed. This way the sub-sub cluster score can be calculated. The same goes for the scores of the sub clusters and the individual asset cluster as a whole. Based on this calculation a significant increase between different groups can be measured. Finally, using the overall asset portfolio index (all individual assets together) was constructed (for an extensive explanation see annex 5). They were given a score of 0-1 and using quartile proportion their location within the various well-being categories can be shown (Lakwo, 2007: 131).

For measuring empowerment according to the newly devised model another questionnaire was constructed (see annex 3) proxying all the variables. All questions are closed and respondents can answer yes (1) or no (0). This way a score can be calculated per variable and so the change in power can be measured. This thesis thus measures changes in all power dimensions based on the respective variables as listed in table 5.2 and the changes in the well-being indicators.

### **Translation of the household surveys**

After the household survey on well-being and one on empowerment were constructed (see Annex 1 and 3), they were translated to Shona (see annex 4) since most members are not fluent in English reading and writing making Shona the most widely understood language. Another reason for translating the household surveys was to avoid confusion about the English formulation of the questions making Shona the most comprehensible language for the members.

Translating the questions from English to Shona proved a challenge since some English words have a different meaning in Shona and some words are not readily translatable to Shona. For example, business if literally translated to Shona means a big enterprise like a large supermarket. The word business was translated using the Shona word *musika* meaning a small vending stand or income generating project. Also the English word regularly proved difficult to translate. There is no Shona word for regularly so the question was rephrased using the word *zhinji* which can be translated as “to a large extent”. By using *zhinji* the question kept the same meaning. Furthermore, the word proper if translated to Shona would imply luxury. Since this was to be avoided the word proper was deleted from the question, leading to a Shona question meaning “are you able to provide clothes for your family”. Another aspect that needed clarification in Shona was the question pertaining to managing the marriages of ones children. This had to be clarified in Shona using the word for bride price, changing the question in “does one feel confident to be able to pay the bride price of ones children”.

Both surveys were translated and reviewed by other GWAPA staff members to make sure the questions were similar and easily understandable. After this had been done members in all three regions were asked to fill in the questionnaires.



## **Statistics**

To test whether significant impact is made on both well-being and empowerment, we will first compute the number of observed 'yes' scores versus the expected scores (these are all the possible 'yes' scores in one cluster). Using these computed numbers we will be able to compute the aggregate terms of both the livelihood asset portfolio index and the Quantitative Empowerment Framework. By comparing these aggregate terms an indication can be made whether or not significant impact is made on well-being and empowerment and on which assets and power dimensions precisely (see annex 5 for an extensive explanation).

To formulate more rigorous conclusions about the impact of GWAPA's microfinance program and GWAPA's non-microfinance activities we will adopt a binary linear regression analysis. Based on this analysis we will be able to conclude which asset clusters and which power domain variables in the QEF are significant.

## **Data Collection**

This thesis adopts a few data collection methods. First a literature study was done to assess the problem areas and construct a line of reasoning. Furthermore, data sources within GWAPA were reviewed. These sources consisted of basic facts about GWAPA's members including duration of membership and whether or not they had ever received microfinance. Additionally it was checked whether the members had problems dealing with the payback of the loans and how much specific loans were. Another data collection method used, were community interviews with members. These community interviews were used to find out the well-being indicators. Lastly, household questionnaires were used to gather the bulk of the data.

Besides these more formal data collection methods a lot of informal interviews were held. These interviews were done over morning thee, in the bus towards a location or just enjoying a beer in a local pub. These interviews provided a lot of insight into Zimbabwean life and the problems facing the country. However, since this thesis focuses on the impact of the GWAPA project and the effects of microfinance on well-being, empowerment and in the struggle against HIV and AIDS, these informal chats are not included in the research, however some useful insights are presented to clarify certain findings.

Unfortunately during the weeks of fieldwork in Zvishawane the researcher and his assistant were arrested by local police. They demanded why we were conducting research in an area known for it's abundance of prostitutes. The officers demanded that we handed in all transcripts of interviews held and all questionnaires filled in. The data lost on that day was never recovered. It was discussed whether we should go back to the specific site and conduct the research again but it was deemed to dangerous. We decided it was best to stay out of trouble's way and conduct the research based on data collected in the Shurugwi and Gweru region. The conclusions of this thesis are therefore based on data from these two regions and the conclusions may therefore not be applicable to the Zvishawane region. However, we do believe that results are generalizable to the other regions since the regions exhibit a lot of similarities. Another unfortunate aspect of the data lost is that were the Zvishawane data available for analysis the amount of respondents would have increased making the data more reliable.





### **Strengths and Weaknesses of the used methods**

Several scholars argue that participatory methods are better in assessing empowerment. However, due to time constraints, costs and sample size this thesis chooses to use a quantitative approach. By combining the two frameworks into one this study tries to adopt a different way of the usual quantitative approach to empowerment by focusing on the change in power structures. Obviously by using a quantitative approach useful information is lost due to the usage of closed questionnaires. It is thus difficult if not impossible to say anything about the processes that occur in women becoming more or less empowered. This however is not the aim of this study, this thesis merely wants to assess whether a change in empowerment has taken place and if it is caused by GWAPA's activities. Furthermore, by combining frameworks a certain richness of the data is still retained. The questionnaire and variables adopted are more extended than most microfinance IA's on empowerment. Furthermore, since a rather large sample is used the data is reliable and can be generalized.

### **Conclusion**

In this chapter the selection of the different groups that this thesis uses were discussed together with the other data collection methods and the strengths and weaknesses of the used method. Additionally the community meetings used to obtain the prioritized well-being indicators and the findings themselves were discussed. Furthermore, the way the questionnaires were constructed was examined focusing especially on the difficult task of translating them into Shona. Finally the chapter ends with a discussion of the strengts and weaknesses of the used models.



# -7-

## The effects of Microfinance on well-being, empowerment and the facilitating effect in the struggle against HIV and AIDS

*“There is no such thing as failure. There are only results.”*

Anthony Robbins

### Introduction

This chapter deals with the analysis of the household questionnaires. Based on the outcomes of the questionnaires the difference between the clients and non-clients are assessed. Additionally this chapter deals with the effect of well-being and empowerment in the struggle against HIV and AIDS. More specifically, if microfinance can be used as a tool in the struggle against HIV and AIDS and, if microfinance makes women less vulnerable to high risk behaviour.

### The impact on Well-Being

After calculating the aggregate terms of the livelihood asset portfolio index we need to compare them, this is done in table 7.1. Lakwo (2007) uses 4 clusters to categorize well-being and this thesis adopts the same cluster construction (see table 7.2).

**Table 7.1: Summary of the livelihood asset portfolio index**

ASSET CLASSIFICATIONS	NON-CLIENTS			CLIENTS		
	Observed	Expected	Index A	Observed	Expected	Index B
Natural Assets	14	42	0.33	12	51	0.24
Physical Asset	112	378	0.30	152	459	0.33
Financial Asset	13	84	0.15	53	102	0.52
Human Asset	172	399	0.43	209	510	0.41
Social Asset	291	378	0.77	419	459	0.91
Political Asset	81	84	0.96	101	102	0.99
<b>Overall Asset Portfolio Status</b>	<b>683</b>	<b>1365</b>	<b>0.50</b>	<b>946</b>	<b>1683</b>	<b>0.56</b>

Source: Household survey

**Table 7.2: Livelihood Endowment (well-being) Status categories**

<b>Status 1:</b>	This includes those with 0.76-1 (or 76-100%) score. They are considered to have a high well-being status. They are the well off and with a secure well-being status
<b>Status 2:</b>	This includes those with 0.51-0.75 (or 51-75%) score. They are considered to have a medium well-being status. They are near well off and with a normal well-being status
<b>Status 3:</b>	This includes those with 0.26-0.50 (or 26-50%) score. They are considered to have a low well-being status.
<b>Status 4:</b>	This includes those with 0.0-0.25 (or 0-25%) score. They are considered to have an extremely low well-being status.

Source: Lakwo (2007: 131)



Based on the aggregate terms, the findings in table 2 show that clients of the GWAPA microfinance program have a medium well-being status. Compared to non-clients who have a low well-being status, clients have a slightly better well-being status. These findings contradict the findings of Lakwo (2007) and show that microfinance does make an impact on the well-being status of clients making them better off than non-clients. However, it must be noted that the difference between the two groups is very small. If non-clients had an overall asset portfolio score of 0.01 higher both clients and non-clients would be in the same well-being category. Additionally if this thesis would have followed the categorization made by Hulme et al. (2001), using 5 clusters; never poor, occasionally poor, churning poor, usually poor and always poor, both clients and non-clients would have been in the same category, namely that of the churning poor.

Furthermore, if we look at the individual asset portfolios we find that non-clients score higher on the natural asset cluster and on the human asset cluster. These differences however, are levelled off by the clients' scores on the other well-being clusters. More importantly, clients and non-clients score the same well-being status on all asset clusters except for the financial asset cluster. Within the financial asset cluster, clients score significantly higher having a medium well-being status versus non-clients having an extremely low well-being status. This finding shows that microfinance makes the largest impact on the financial asset cluster and is in line with most outcomes of microfinance impact assessments (Lakwo, 2007; Khandker, 2005; Barnes, 2001; Hossain, 1988). Nevertheless, this doesn't mean microfinance attacks poverty since poverty is not only mediated by a change in income as argued before in this thesis.

In the next paragraph the data is tested using statistical methods to assess in which asset or assets the most impact is made.

### **Analysing Well-Being through binary linear regression analysis**

By using a binary linear regression analysis we can compute which model has the best fit. By choosing  $Y = \text{Clients}$  we can test which asset makes a significant impact. The model offered below will assess the odds ratio of the variables versus being a client. This means that if the Human Asset variable is found significant with an odds ratio of 5, the chance of being a Client is increased by 5 percent if the score on the Human Asset variable is 1 point higher. The following model is tested:

$$\text{Client} = B0 + B1 \text{ Natural Assets} + B2 \text{ Physical Asset} + B3 \text{ Financial Asset} + B4 \text{ Human Asset} + B5 \text{ Social Asset} + B6 \text{ Political Asset}$$

By adding each variable to the equation the model with the best fit is computed. Only two variables are found to be significant. The outcome can be found in table 7.3.

**Table 7.3: Variables in the Equation**

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1(a)	FinancialAsset	<b>2,564</b>	,616	17,332	1	<b>,000</b>	<b>12,991</b>
	SocialAsset	<b>1,106</b>	,344	10,319	1	<b>,001</b>	<b>3,023</b>
	Constant	-10,152	2,851	12,677	1	<b>,000</b>	<b>,000</b>



While constructing the model the odds ratios of both variables are computed. This means the model for the impact of microfinance on well-being is the following:

$$Client = -10,152 + 2,564 \text{ Financial Asset} + 1,106 \text{ Social Asset}$$

This means that microfinance makes an impact on well-being in the Financial Asset cluster (as also was the case in table 6.1) and also in the Social Asset cluster. Keeping the odds ratios in mind, we can state that when there is an increase of 1 point in the Financial Asset cluster there is about a 13 percent chance that the person is a Client. When there is a 1 point increase in the Social Asset cluster there is a 3 percent chance that the person is a Client.

Based on these results we can state that microfinance makes an impact on both the Financial Asset cluster and the Social Asset Cluster. Apparently Clients are better off than non-Clients in both clusters.

### **A closer look at the Financial and Social Asset cluster**

As can be seen in annex 6, clients score much higher than non-clients especially in the 'owning a business' sub-sub cluster. Clients have a high well-being score (0.86) versus non-clients who score 0.24 and have an extremely low well-being score. This finding suggests that microfinance facilitates the start-up or expansion of small businesses.

If we look more closely at the Social Asset cluster in annex 6 we find that non-clients have a medium well-being score (0.57) on the sub-sub cluster of 'having a monogamous relationship' versus clients scoring high well-being (1.00). Moreover, non-clients experience more domestic violence in the form of verbal abuse (0.71) than clients do (0.86). Probably these two findings are correlated with the fact that non-clients have a lower well-being score (0.36) in comparison to clients (1.00 indicating high well-being) on the sub-sub cluster of 'being involved in commercial sex work'. These findings indicate that non-clients are more involved in sex work than clients where none of the respondents is involved in sex work. However, non-clients score higher on the 'safe sex' sub-sub cluster exhibiting a high well-being status (0.79). Clients have a medium well-being score in this sub-sub cluster meaning they have more unsafe sex than non-clients. This is probably correlated with having a monogamous relationship, since all of the respondents in the client group (well-being score of 1.00) have a monogamous relationship they probably engage in unsafe sex since the risk of becoming infected with HIV and AIDS becomes smaller. Non-clients engage in sex-work more often than clients and are thus prone to a higher chance of infection; therefore they probably use safer sex methods.

These findings suggest that microfinance makes an impact, especially in targeting high risk behaviour. Although non-clients score higher on the 'safe sex' sub-sub cluster, they are more involved in sex work and thus more prone to becoming HIV infected. Clients of the microfinance program show less high-risk behaviour. This probably has to do with the fact that because of their participation in the microfinance program they can generate other sources of income and are no longer dependent on high risk commercial sex work as a means of survival.



**The impact on Empowerment**

To assess whether the GWAPA project has made an impact on its members in terms of empowerment and to assess whether microfinance has made an impact on empowerment, the same approach is used as with calculating the aggregate terms of the livelihood asset portfolio index. The aggregate terms of the power dimensions is calculated (see table 7.4), again 4 clusters are used to categorize empowerment in terms of high, medium, low and extremely low (see table 7.5).

**Table 7.4: Summary of the QEF power dimensions**

ASSET CLASIFICATIONS	NON-CLIENTS			CONTROL GROUP			CLIENTS		
	Observed	Expected	Index A	Observed	Expected	Index B	Observed	Expected	Index C
I. Power over	351	546	0.64	583	858	0.68	506	663	0.76
II. Power from within	597	1470	0.41	907	2310	0.39	963	1785	0.54
III. Power to	299	588	0.51	646	924	0.70	573	714	0.80
IV. Power with	53	84	0.63	82	132	0.62	94	102	0.92
<b>Total score</b>	1300	2688	<b>0.48</b>	2218	4224	<b>0.53</b>	2136	3264	<b>0.65</b>

Source: Household survey

**Table 7.5: The QEF categories**

<b>Status 1:</b>	This includes those with 0.76-1 (or 76-100%) score. They are considered to have a high empowerment status. Respondents in this category enjoy gender equality.
<b>Status 2:</b>	This includes those with 0.51-0.75 (or 51-75%) score. They are considered to have a medium empowerment status. They are near well off and enjoy a moderate gender inequality.
<b>Status 3:</b>	This includes those with 0.26-50 (or 26-50%) score. They are considered to have a low empowerment status and are considered to suffer from gender inequality.
<b>Status 4:</b>	This includes those with 0.0-0.25 (or 0-25%) score. They are considered to have an extremely low empowerment status and suffer from high gender inequality.

Based on the aggregate terms, the findings in table 7.4 show that clients of the GWAPA microfinance program have a medium empowerment status (0.65). If we compare this to non-clients, non clients having a low empowerment status (0.48), we find that clients are more empowered than non-clients. This however doesn't automatically mean that microfinance causes more empowerment. To control for the external influences such as the other activities GWAPA conducts we have to take the control group into consideration. Here we find that the control group exhibits a medium empowerment status (0.53) and is in the same category as the client group. This means that although both the control group and the client group display higher empowerment scores than the non-client group, one cannot conclude that microfinance leads to more empowerment. However, the following paragraph will show that microfinance does lead to more empowerment.



### **Analysing Empowerment through binary linear regression analysis**

In analysing the results we will use the sub-categories (see annex 7) as variables in the model. This will result in a more detailed analysis than merely using the four power dimensions. To control for the effect being a GWAPA member has on empowerment, we must test the model using non-client and control group data. Obviously, since GWAPA offers its clients all sorts of empowerment programs we cannot attribute the impact on empowerment, based on the difference between the non-Client and Client group, to the microfinance program alone. Therefore a comparison has to be made between the non-Client group and the control group. We therefore have compared two models. The following models will thus be tested:

Model 1:

*Control Group = B0 + B1 Bargaining Power + B2 Violence & harassment + B3 Visibility & Respect + B4 High Risk Behaviour + B5 Awareness + B6 Self-Confidence + B7 Self-Esteem + B8 Vision of future + B9 Future-Oriented activities + B10 Well positioned for future + B11 Knowledge + B12 Skills + B13 Self-Reliance + B14 Participation*

(Data from non-Clients is used versus the Control Group)

Model 2:

*Client = B0 + B1 Bargaining Power + B2 Violence & harassment + B3 Visibility & Respect + B4 High Risk Behaviour + B5 Awareness + B6 Self-Confidence + B7 Self-Esteem + B8 Vision of future + B9 Future-Oriented activities + B10 Well positioned for future + B11 Knowledge + B12 Skills + B13 Self-Reliance + B14 Participation*

(Data from non-Clients is used versus Clients)

Model 3:

*Client = B0 + B1 Bargaining Power + B2 Violence & harassment + B3 Visibility & Respect + B4 High Risk Behaviour + B5 Awareness + B6 Self-Confidence + B7 Self-Esteem + B8 Vision of future + B9 Future-Oriented activities + B10 Well positioned for future + B11 Knowledge + B12 Skills + B13 Self-Reliance + B14 Participation*

(Data from Control Group is used versus Clients)

The outcome of Model 1:

**Table 7.6 Variables in Model 1**

		B	S.E.	Wald	Df	Sig.	Exp(B)
Step 1(a)	HighRiskBehaviour	1.763	.520	11.488	1	.001	5.830
	FutureOrientAct	-1.140	.484	5.548	1	.019	.320
	Knowledge	-.501	.237	4.470	1	.034	.606
	Skills	1.238	.326	14.465	1	.000	3.449
	Participation	1.036	.493	4.409	1	.036	2.818
	Constant	.379	1.642	.053	1	.818	1.460

This means the model for the non-Clients versus the Control Group will be as follows:



$$\text{Control Group} = 0,379 + 1,763 \text{ High Risk Behaviour} - 1,140 \text{ Future-Oriented activities} - 0,501 \text{ Knowledge} + 1,238 \text{ Skills} + 1,036 \text{ Participation}$$

Keeping the odds ratios in mind this outcome means that if an increase in 1 point is found on any of the variables in the model there is a chance of 5,8 %, 0,3 %, 0,6 %, 3,5 % and 2,8 % that a person is in the Control Group. This means that, based on this model, we can state that GWAPA's activities without including microfinance (the control group comprises of members of GWAPA who benefit from the activities GWAPA offers but do not participate in the microfinance program) has an impact on empowerment. This especially occurs in the areas of High Risk Behaviour, Future-Oriented activities, Knowledge, Skills and Participation. Apparently GWAPA's activities lead to more empowered members who show less high risk behaviour, have greater knowledge and skills, participate more in different organizations and with each other, and develop more future oriented activities. This means that members of GWAPA, regardless of their being involved in the microfinance program, are able to cope better with negative eventualities.

To find out what impact the microfinance program makes we must look at model 2 and 3 (see table 7.7 and 7.8)

**Table 7.7 Variables in Model 2**

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1(a)	HighRiskBehaviour	<b>2.627</b>	1.112	5.585	1	<b>.018</b>	<b>13.832</b>
	Selfesteem	<b>1.062</b>	.475	4.992	1	<b>.025</b>	<b>2.891</b>
	VisionofFuture	<b>1.968</b>	.688	8.182	1	<b>.004</b>	<b>7.158</b>
	FutureOrientAct	<b>-2.999</b>	1.321	5.155	1	<b>.023</b>	<b>.050</b>
	Skills	<b>4.042</b>	1.078	14.051	1	<b>.000</b>	<b>56.958</b>
	Constant	<b>-13.049</b>	3.695	12.473	1	<b>.000</b>	<b>.000</b>

This means the model for the non-Clients versus Clients will be as follows:

$$\text{Client} = -13,049 + 2,627 \text{ High Risk Behaviour} + 1,062 \text{ Self-Esteem} + 1,968 \text{ Vision of future} - 2,999 \text{ Future-Oriented activities} + 4,042 \text{ Skills}$$

Again keeping the odds ratios in mind we can state that if an increase in 1 point is found on High Risk Behaviour, Self Esteem Vision of future, Future-Oriented Activities and Skills there is a respective chance of 13,8%, 2,89%, 7,16%, 0,05% and 56,97% chance that person is a Client. In other words we can say that GWAPA's microfinance project makes a significant impact on empowerment of its clients especially in the categories High Risk Behaviour, Self-Esteem, Vision of Future, Future Oriented activities and Skills.

These findings however cannot be attributed to the microfinance program entirely. To do so we must analyse model 3 and compare the outcomes. Based thereon we can compute what impact the microfinance project has made on empowerment.

The outcome of Model 3:



**Table 7.8: Variables in Model 3**

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1(a)	SelfConfidence	<b>-.596</b>	.226	6.966	1	<b>.008</b>	<b>.551</b>
	Selfesteem	<b>.667</b>	.226	8.718	1	<b>.003</b>	<b>1.948</b>
	Skills	<b>1.490</b>	.522	8.141	1	<b>.004</b>	<b>4.438</b>
	Participation	<b>1.001</b>	.448	4.993	1	<b>.025</b>	<b>2.721</b>
	Constant	<b>-3.770</b>	1.442	6.835	1	<b>.009</b>	<b>.023</b>

And the model for the control group versus the Clients will be as follows:

$$\text{Client} = -3,770 + 2,627 \text{ Self-Confidence} + 0,667 \text{ Self-Esteem} + 1,490 \text{ Skills} + 1,001 \text{ Participation}$$

Based on the odds ratios computed we can state that with every 1 point increase in Self-Confidence, Self-Esteem, Skills and Participation there is a respective chance of being a Client of 0,55%, 1,95%, 4,44% and 2,72%. Apparently the microfinance program makes an impact on the above four categories of empowerment.

By comparing these findings to model 1 and model 2 it can be seen that the members of GWAPA not participating in the microfinance program are less likely to be involved in high risk behaviour, are more busy with future oriented activities, have more knowledge, higher skills and participate more than non-clients. Moreover, clients of GWAPA's microfinance project are more self confident, have a higher self esteem, show high skills levels and participate more than members of GWAPA not involved in microfinance. This means we can conclude that GWAPA's microfinance project leads to higher self confidence, higher self esteem, higher skills and more participation among members participating in microfinance.

This means that clients of GWAPA are significantly more empowered than non-clients, especially in the High Risk Behaviour, Future Oriented Activities, Knowledge, Skills and Participation categories of empowerment. Clients of GWAPA involved in microfinance are even more empowered than both normal clients and non-clients, especially in the Self Confidence, Self Esteem, Skills and Participation categories of empowerment.

### **A closer look at the Empowerment categories**

By looking closer at the empowerment categories (See annex 7) it can be noted that both the non-client and control group exhibit a medium level of empowerment (0.57 and 0.53) versus a high empowerment level of self esteem for the client group (0.88). Furthermore, the client group contributes more to the welfare of their communities, are more involved in resolving local conflicts, play leadership roles in their communities more often and feel more equal to men (0.92, 0.92, 0.76 and 0.80). In comparison the non-client group shows low levels of involvement in resolving local conflicts (0.38), low levels of leadership roles (0.29) and low levels of feeling equal to men (0.50). The control group exhibits the same although they score higher in feeling equal to men (0.61 or a medium empowerment status).

When looking at Self Confidence it can be seen that clients score a high empowerment level on feeling confident enough to interact freely with female and male family members, community members and community leaders (1.00, 0.96, 1.00 and 0.94). The non-client and





control group score much lower. However, all three groups score almost the same when it comes to being confident to manage the own household, business and marriages of their children. Apparently, participating in the microfinance program makes them more confident in public and in interactions with other.

The findings also show that clients and the control group members exhibit higher skills levels; the client group scores high on business training and other trainings such as poultry rearing (1.00 and 0.88). The control group scores high and medium on both sub-clusters (0.77 and 0.64) whereas the non-client group scores low on business training (0.33) and extremely low on other training (0.17). These differences are due to the fact that GWAPA organizes training sessions in for example poultry rearing and business related skills. The high scores in the client group are due to the fact that before receiving a loan from GWAPA the members must have finished one of the business courses offered.

When looking at the findings on Participation we see that clients are participating more in traditional institutions and group actions (0.86 and 0.98) versus non-clients (0.57 and 0.69) and the control group (0.56 and 0.68). This shows that members of the microfinance project are more involved in the social arena and are therefore more apt in the Power With category.

Keeping this in mind we have shown that GWAPA's microfinance program makes the most impact on empowerment in the Self Esteem, Self Confidence, Skills and Participation categories. Clients of GWAPA's microfinance program have a significantly higher self esteem, self confidence and participate more in the social arena. Also they exhibit higher skills but this is not completely attributable to the microfinance program since courses in business and for example poultry rearing are obligatory to getting a loan. Therefore we can only completely attribute the change in self esteem, self confidence and participation to the microfinance program.

### **The facilitating effect of microfinance in the struggle against HIV and AIDS**

Based on the deductive nomological model explained in chapter 2 where this thesis hypothesised that if microfinance would provide participants in microfinance programs with more economic security and facilitating participants in becoming more empowered thus changing gender inequality in to more gender equality; microfinance can also be a useful tool in the struggle against HIV and AIDS. This was theorized based on the widespread idea that the problem of HIV and AIDS have their root in poverty and gender inequality in societies such as Zimbabwe (Barry, 2000; Walsh, 2000; NIAID, 2001; Martin and Spence, 2001; UNAIDS, 2002).

In the previous paragraphs this thesis showed that in the case of GWAPA their microfinance project lead to a higher well-being and more empowerment for its members. More specifically, we saw a large difference between non-clients and clients in the financial assets cluster and the social asset cluster in the LES model. Based on these findings this thesis states that in the case of GWAPA microfinance has made an impact in facilitating a more secure source of income for the participants.

Once we look closer and more in depth at the sub- and sub-sub clusters in both the household surveys (see Annexes 6 & 7) we find as most important indicator that non-clients are more involved in commercial sex work than clients of GWAPA and of the microfinance program,



as a matter of fact, none of the clients of the microfinance project is involved in commercial sex work. This is further emphasized by the fact that the clients all have a monogamous relationship (a score of 1.00) in comparison to a score of 0.57 for the non-clients. In addition if we look at the effects of empowerment on high risk behaviour, the client group exhibits a higher status (0.73) in bargaining for safe sex versus a low empowerment status in the non-client (0.50) and control group (0.47). Showing that firstly the non-client group is less empowered and second, that they are less able to bargain for safe sex, meaning very high risk behaviour since commercial sex workers are seen as one of the main spreaders of HIV and AIDS. Also, microfinance clients exhibit a higher level of self-esteem, self confidence and participation meaning they are less likely to fall into commercial sex work for survival since women displaying this kind of behaviour are usually marginalised in economic sense but also in a social way (Mulingwa, 2007; NIAID, 2006; UNAIDS, 2006; UNAIDS, UNFPA & UNIFEM, 2004; USAID BRIEF, 2001; Parker et al., 2000).

Findings on the level of skills show that the clients of GWAPA have a higher knowledge of business skills and other skills; this further strengthens the clients' economic and social position. Moreover, the knowledge of their HIV status and the knowledge about STD's are much lower in the non-client group than in the control and client groups. This shows that women in the non-client group display risky behaviour since they are not very aware of the symptoms of STD's and of their HIV status. People infected with a STD are more likely to get HIV infected. However, non-clients display a higher use of safe sex methods than other groups hopefully meddling out the lack of knowledge about HIV status and STD's.

### **Accepting or Rejecting the Hypotheses**

Based on the results shown in the previous paragraph we will now continue into accepting or rejecting the hypotheses formulated in chapter 2. The formulated hypotheses were as follows:

1. *Clients of GWAPA's microfinance project will have a higher well-being status than non-clients.*
2. *Clients of GWAPA's microfinance project will be more empowered than non-clients.*
3. *Clients of GWAPA's activities will be more empowered than non-clients.*
4. *Clients of GWAPA's microfinance activities will be more empowered than clients of GWAPA's activities who are not involved in the microfinance project.*
5. *Clients of GWAPA's activities (including microfinance) are less involved in high risk behaviours than non-clients.*

With respect to the first hypotheses the analyses of the household surveys on well-being have shown that the client group exhibited a higher well-being status than the non-clients group. The client group had a medium well-being status (0.56) whereas the non-client group had a low well-being status (0.50). Also we have shown that a significant impact was made in the financial asset cluster and the social asset cluster. In the analyses we included a critical note, namely that once another categorization is used both clients and non-clients fall in the same category. However, since this thesis adopts the categorization as developed by Lakwo (2007:



131) and not the one purposed by Hulme et al. (2001) and the fact that in two asset clusters significant impact was found, we accept the first hypothesis.

In addition we also accept hypothesis two, since the analyses of the empowerment household survey showed that the client group demonstrates a medium level of empowerment in the power dimension summary scores (0.65) versus a low empowerment status of the non-client group (0.48). Moreover we showed that significant impact was made in the High Risk Behaviour, Self-Esteem, Vision of Future, Future-Oriented activities and Skills categories of empowerment.

Additionally, hypotheses three is also accepted. This is based on the outcomes of the household surveys, which show a difference between the control group and the non-client group. The control group exhibits a medium empowerment status of 0.53 in comparison with a low empowerment status of the non-client group (0.48). In addition, we found that the control group is more empowered in the High Risk Behaviour, Future Oriented Activities, Knowledge, Skills and Participation categories of empowerment.

Hypothesis four is also accepted. Looking at the summary of the power dimensions we find that although the client group (0.65) scores higher than the control group (0.53) they are in the same category; they both have a medium level of empowerment. However, we have shown that GWAPA's microfinance activities make a significant impact on Self-Esteem, Self Confidence and Participation so we choose to accept hypothesis four as well.

Finally hypothesis five is accepted as GWAPA activities including microfinance have influenced clients. Based on the analyses in the previous paragraphs this thesis shows that the respondents in the client and control group are less involved in high risk behaviour in comparison to the non-client group who exhibit higher scores in being involved in sex work, not knowing their HIV status or symptoms of STD's, lower self-confidence, lower self-esteem and being less able to bargain for safe sex. Furthermore, we have shown that the client group score significantly higher on Self Esteem, Self Confidence and Participation, this with the higher Skills levels found is seen as an important factor in staying away from commercial sex work for survival.

**Table 6.8 Accepting or Rejecting the Hypotheses**

	<b>Accepted</b>	<b>Rejected</b>
<i>1. Clients of GWAPA's microfinance project will have a higher well-being status than non-clients.</i>	<b>X</b>	
<i>2. Clients of GWAPA's microfinance project will be more empowered than non-clients.</i>	<b>X</b>	
<i>3. Clients of GWAPA's activities will be more empowered than non-clients.</i>	<b>X</b>	
<i>4. Clients of GWAPA's microfinance activities will be more empowered than clients of GWAPA's activities who are not involved in the microfinance project.</i>	<b>X</b>	
<i>5. Clients of GWAPA's activities (including microfinance) are less involved in high risk behaviours than non-clients.</i>	<b>X</b>	



## **Implications for Theory**

Main implications:

- 1) Microfinance does make an impact on well-being although this is not proven as strong with this research. We should keep in mind that it seems microfinance makes an impact but not as large as is thought. This finding contradicts the majority of existing theory on microfinance which focuses on microfinance as *the* method for poverty reduction. This is probably because most of IA's on microfinance are focused on economic indicators as a measure for poverty. We have shown that MF makes an impact on the financial asset cluster and the social asset cluster, however we have also argued that poverty is more multidimensional than just merely having more financial options (as argued by Lakwo, 2007). However, these findings also contradict Lakwo (2007) and show that microfinance can make other significant impacts on well-being. In this case on the social asset of well-being.
- 2) The second main finding of this thesis is that microfinance does make a significantly higher impact on empowerment. We found that clients who receive microfinance and benefit from GWAPA's additional activities and clients of GWAPA who benefit from its additional activities but do not receive microfinance are less empowered. This shows that microfinance can facilitate empowerment. This thesis shows that especially in the case of self-esteem, self confidence and participation microfinance makes an impact. This is in contradiction to what most feminists find (Kantor, 2003; Lairap-Fonderson, 2002; Mayoux, 2001; Ahmed et al, 2001; FAO, 2000; Rahman, 1999; Kabeer & Rajasekhar, 1997). These findings however, strengthen the arguments of scholars who argue that microfinance does lead to more empowerment ((Lakwo, 2007; MkNelly and Dunford, 1999; Amin et al., 1998; Hashemi et al., 1996).
- 3) Nonetheless one has to be cautious in stating that microfinance will automatically lead to more empowerment. As has been shown microfinance can facilitate empowerment, especially when used in combination with other empowerment tools such as for example empowerment training provided by GWAPA. By combining different methods of raising empowerment the best results can be achieved.
- 4) A third implication for existing theory is the QEF model developed. This model makes quantitative measurement of empowerment possible while still retaining a richness of data. This model can be used by MFI's who want to assess the impact they are making, or by researchers in the field of microfinance IA's. It is quite a straightforward model to use; one can conduct research with it in a limited amount of time while still having rich data. This in comparison to more qualitative methods which take a lot of time which might be too costly to MFIs and researchers. The QEF model is therefore an important addition to the methods available to researchers measuring the impact of microfinance on empowerment. Besides this the QEF model can also be used in assessing the impact of non-microfinance activities on empowerment. One can think of measuring the impact of certain awareness training programs.
- 5) The fourth and maybe the most important finding of this thesis is the fact that we have shown that microfinance can be a powerful tool in the battle against HIV and AIDS. No microfinance IA's to date have focused on the impact on high-risk behaviour. This thesis shows that microfinance does make an impact in reducing high-risk behaviour and provides another tool in the toolbox of the development worker in battling HIV and AIDS. Especially in Africa South of the Sahara HIV and AIDS are huge problems in particular when we consider the fact that HIV and AIDS have broke down a lot of



the progress that has been made development wise. Microfinance, by aiding development and battling HIV and AIDS, as this thesis has shown, provides a way of achieving development objectives while also targeting one of the causes of development failures providing a win-win situation.

- 6) Moreover, this thesis adds to the literature that takes a sceptical approach to microfinance. It shows as some scholars have noted (Lakwo, 2007; Kabeer, 2003; Mayoux, 2002; Kabeer and Rajasekhar, 1997; Hulme and Mosley, 1996) that microfinance is a good tool in fighting poverty and achieving other development goals but that we must be careful in hailing microfinance as the solution to all problems. We must use microfinance as another tool in the toolbox of the development agencies around the world, focusing on the perfect 'fit' of possible tools for specific objectives of development in specific areas in specific cultural settings.

## **Conclusion**

In this chapter the outcomes of the household surveys were analysed. The main findings included a positive difference in well-being between the client and non-client group. Furthermore, we found GWAPA's activities to lead to more empowerment among its members in comparison to the non-members. These findings led to the acceptance of hypotheses one, two, three and four. Especially impact was found on the empowerment categories Self Esteem, Self Confidence and Participation. Additionally, this chapter showed how the changes in empowerment and well-being translated to members of GWAPA displaying "safer" behaviour. The previous paragraphs analysed how the non-clients displayed more high risk behaviour than members of GWAPA. Due to these findings hypothesis five was also accepted. Lastly, the consequences for current theory were discussed. Especially the QEF model developed in this thesis and the fact that microfinance can be a powerful tool in the battle against HIV and AIDS, are very important additions.



## **-8-**

### **Conclusion**

#### **Introduction**

In this chapter the main findings of this thesis will be discussed in the light of the main question posed. Following, the limitations of the research will be presented together with directions for further research.

#### **The Problem Statement**

As has been argued one of the reasons women are more vulnerable to HIV infection is because of the biological difference between men and women. However, two other causes that make women more vulnerable to HIV and AIDS have to do with poverty and gender inequality (Barry, 2000; Walsh, 2000; NIAID, 2001; Martin and Spence, 2001; UNAIDS, 2002). Both of these still persist in Zimbabwe. Being poor means one has few economic strategies to cope with negative eventualities. Especially for marginalised women, who have a lack of knowledge and are disempowered, this means they have a higher risk of becoming involved in high-risk behaviour such as commercial sex-work. The majority of these sex workers lack self-esteem and assertiveness resulting in them failing to negotiate for safe sex. Sex workers are therefore at a high risk of contracting STD's, HIV and AIDS and spreading it to their multiple partners, who in turn infect their spouses. We have seen that a study done among sex workers in Harare in 1995 showed an HIV infection rate of 86 percent. Commercial sex workers thus have a higher risk of becoming infected and since they have more than one sex partner, they are also one of the main causes for the spreading of the disease.

This thesis argued that by alleviating women out of poverty and thus empowering them economically they will be less likely to be forced into sex work for survival. Additionally this thesis argued that by empowering women socially, making them more aware of their status as women by ensuring higher self-esteem and basically providing them with more skills to utilize their power, they will be able to negotiate safer sex and be more able to overcome negative eventualities without being forced into sex work for survival. Since microfinance (in this thesis used only as a term for the providing of loans) is said to empower women socially and alleviate poverty, this thesis argues that microfinance could be a good tool in the battle against HIV and AIDS since it attacks both root causes of the pandemic.

In the midlands province in Zimbabwe an intervention was set up called GWAPA which tries to empower women socially and economically by offering a range of activities of which one is a microfinance program. This thesis assessed the impact the program has made on the GWAPA members involved in the microfinance program. The central question posed in this thesis was therefore:

*How and to what extent can GWAPA's activities be deemed a successful intervention?*



To answer this question we assessed what impact the GWAPA project made on the well-being of its members through its microfinance activities and what impact the project made on the empowerment of its members.

### **Impact on Well-Being**

The findings from the household questionnaires showed that the GWAPA microfinance program did make an impact on the well-being of its members. The member group scored higher on the well-being scale than did the non-member group showing a positive impact of microfinance on well-being. However, a critical comment is in place; if a different scaling was used (using 5 instead of 4 scales) members and non-members would have been in the same well-being group. The results of these findings should therefore be used with caution.

Conversely, this thesis shows that microfinance does make significant impact within the well-being clusters. By using a binary linear regression analysis we found that GWAPA's microfinance program makes an impact in both the financial and the social asset cluster meaning clients are better off than non-clients in both clusters.

### **Impact on Empowerment**

To measure the impact made on empowerment, this thesis developed a new way of measuring the impact made on empowerment. The new model developed is called the Quantitative Empowerment Framework (QEF). The QEF model is easy to use, less time consuming than large qualitative studies and retains a large amount of richness of data usually attributed to more qualitative research.

By calculating the aggregate terms based on the QEF, we found that clients are more empowered than non-clients. This however doesn't automatically mean that microfinance causes more empowerment. To control for the external influences such as the other activities GWAPA conducts we took a control group into consideration. We found the control group to be in the same category as the client group. This means that although both the control group and the client group display higher empowerment scores than the non-client group, one cannot conclude that microfinance leads to more empowerment based on the aggregate terms.

On the contrary, by using binary linear regression analysis once again, we found that microfinance makes the most impact on the Self Esteem, Self Confidence and Participation categories of Empowerment. This means that clients of GWAPA's microfinance program are significantly more empowered in these three categories than non-clients or regular members of GWAPA.

### **The impact of GWAPA in the struggle against HIV and AIDS**

Based on the fact that GWAPA's microfinance activities lead to a higher well-being of its members and especially the fact that members score significantly higher on the financial asset and the social asset cluster means members have been able to obtain a more secure source of income without being involved in sex work. Furthermore, this thesis found that members of GWAPA (including the control group) are more empowered than non-members. The client group scored highest on Self Esteem, Self Confidence and Participation indicating that clients of the microfinance project have self confidence, higher self esteem and participate more in the social arena than non-clients and clients who do not participate in the microfinance program.



We also found that non-clients are more involved in commercial sex work than clients of the microfinance program, besides this finding none of the clients are involved in commercial sex work. This is further emphasized by the fact that the clients all have a monogamous relationship (a score of 1.00) in comparison to a score of 0.57 for the non-clients. In addition if we look at the effects of empowerment on high risk behaviour, the client group exhibits a higher status (0.73) in bargaining for safe sex versus a low empowerment status in the non-client (0.50) and control group (0.47).

This thesis showed firstly that the non-client group is less empowered and second, that they are less able to bargain for safe sex, meaning very high risk behaviour since commercial sex workers are seen as one of the main spreaders of HIV and AIDS. Findings on the level of skills show that the clients of GWAPA have a higher knowledge of business skills and other skills; this further strengthens the clients' economic and social position. Moreover, the knowledge of their HIV status and the knowledge about STD's are much lower in the non-client group than in the control and client groups. This shows that women in the non-client group display risky behaviour since they are not very aware of the symptoms of STD's and of their HIV status.

## **Conclusion**

In relation to the main question posed, we conclude that the GWAPA intervention can be deemed successful especially in terms of the social and economic empowerment of its members. These findings translate to clients of GWAPA's microfinance project being less involved in commercial sex work and thus reduces the spreading of HIV and AIDS in Zimbabwe. This thesis thus showed that microfinance can be a powerful tool in the struggle against HIV and AIDS.

## **Limitations and directions for further research**

Of course there is always room for improvement of research, as is the case with this thesis. One of the main problems of this research concerns the ability to generalize the results. First of all, due to unexpected circumstances a lot of data was lost. This means that the findings in this thesis are primarily based on data obtained from the Gweru and Shurugwi regions. The data obtained from the Zvishawane region is not used in the dataset. This means the conclusions made do not apply to the Zvishawane region, however, we believe that similar results would have been found if the Zvishawane data was used as well. Furthermore, if the Zvishawane data would have been available for analysis the total amount of respondents would have gone up meaning the data would have been more reliable.

A second point of critic applies to the ability to generalize the research findings outside of the Midlands province. Since the research was conducted in the Midlands province in Zimbabwe, it is difficult to say if the same conclusions were to apply to for instance Bangladesh. First of all, an important factor is the general economic situation in Zimbabwe this makes it difficult to generalize the results. Furthermore, since this is not an experiment, other external effects must be taken into account when generalizing the findings. For instance the environmental situation in the Midlands province is different to that of urban Harare and even more so when results are generalized to other countries and areas. Finally, general gender relations in Zimbabwe are different to those in other parts of the world; these differences can have an





implication on measuring empowerment. This means one must be careful in generalizing the findings.

This thesis agrees with the feminist point of view that more in depth research is needed to find out more about the way microfinance facilitates empowerment. Since there was a serious time constraint in collecting the data, the Quantitative Empowerment Framework was developed. However rich the data is by using the QEF, it cannot compete (based on richness of data) with more qualitative models of data collection such as a more ethnographic approach. Further research therefore should be done in the area of more qualitative study so as the richness of data on microfinance and empowerment is enhanced. Also, more research should be done into the facilitating effect of microfinance in the struggle against HIV and AIDS. As this thesis proved microfinance can be used as a powerful tool in attacking the endemic. Also, development researchers should focus more on the multidimensionality of poverty instead of using the income-poverty paradigm. As this thesis also argued, microfinance should be used in combination with other development tools instead of trusting on the 'magical' ability of microfinance to cure the most complex problems. Even better would be to assess which combinations of development tools attack which problems and what configuration of tools is best suitable for specific situations.



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## **ANNEXES**





## **ANNEX 1: Questionnaire Well-Being**

### **Household Survey Questionnaire**

#### ***Individual variables***

Name: .....

Age: .....

Number of children: .....

Where is your branch located? .....

Since which year and month are you a GWAPA member? .....

Have you ever received one or more loans? Yes/ No

Have you ever had trouble paying back the loan? Yes/ No

#### ***Natural Assets***

Do you own a piece of land to grow crops? Yes/ No

#### ***Physical Assets***

Do you own a house? Yes/ No

Do you have pigs? Yes/ No

Do you have rabbits? Yes/ No

Do you have chickens? Yes/ No

Do you have cows? Yes/ No

Do you have a bed with a mattress? Yes/ No

Do you have a stove? Yes/ No

Do you have a fridge? Yes/ No

Do you have equipment to work the land? Yes/ No

Do you have a bicycle? Yes/ No

#### ***Financial Assets***

Do you have a viable business? Yes/ No

Are you employed? Yes/ No

#### ***Human Assets***

Are you able to pay for proper medical treatment for you and your children? Yes/ No

Do you have proper bathing facilities at your house? Yes/ No

Do you have proper toilet facilities at your house? Yes/ No

Do you have more than one room in your house? Yes/ No

Do you and your children eat meat regularly? Yes/ No



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Do you and your children eat fish regularly?	Yes/ No
Do you and your children eat beans regularly?	Yes/ No

Are you able to pay your children's school fees?	Yes/ No
Are you able to provide your children with a proper school uniform?	Yes/ No
Are you able to provide your children with proper clothing?	Yes/ No

### ***Social Assets***

Are you involved in a monogamous relationship? (Do you have many boyfriends?)	Yes/ No
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Do you face beating in your domestic environment?	Yes/ No
Do you face shouting in your domestic environment?	Yes/ No
Do you face sexual abuse in you domestic environment?	Yes/ No

Are you involved in sex work?	Yes/ No
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Do you practise safe sex?	Yes/ No
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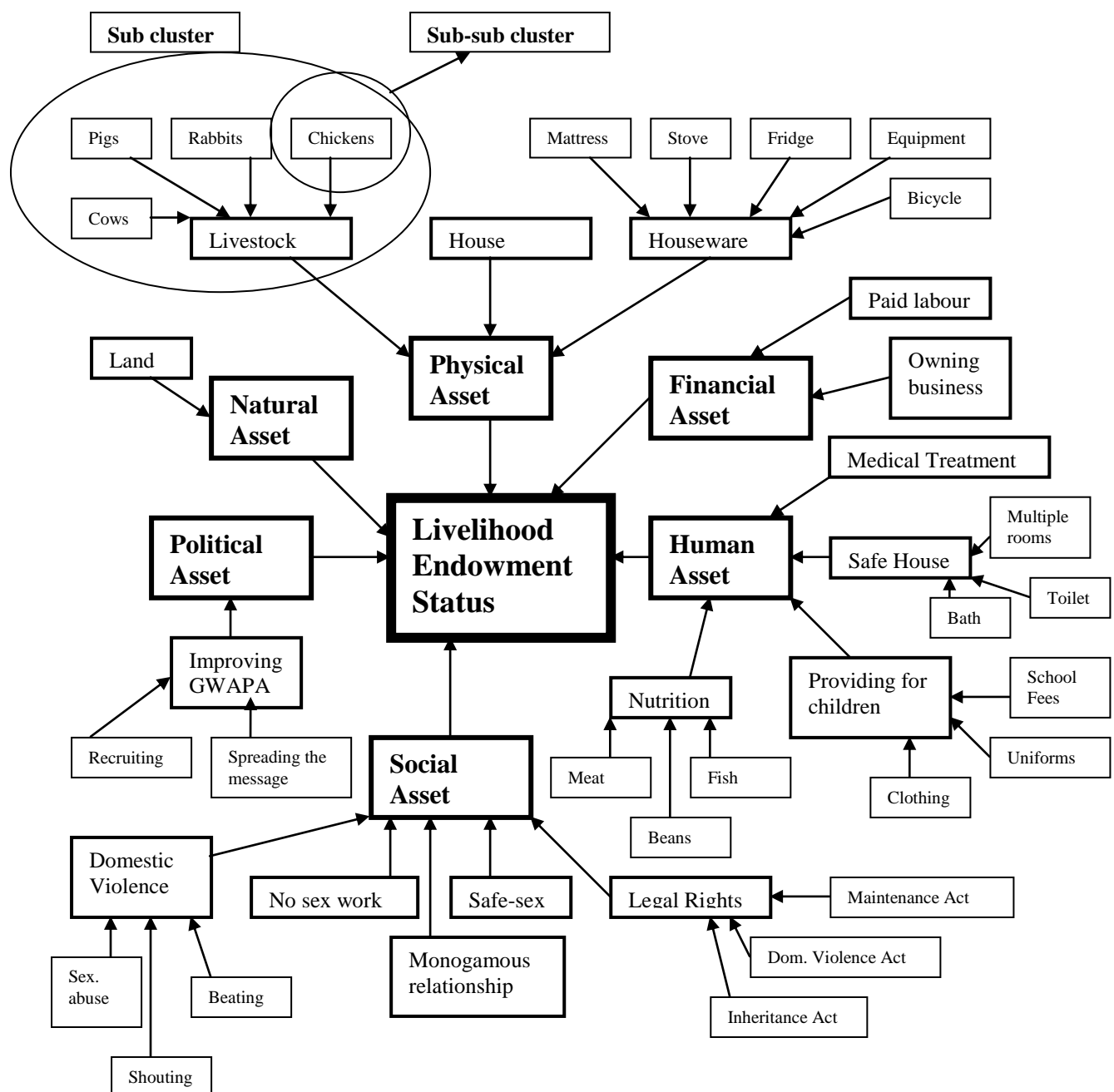
Do you know what the domestic violence act is?	Yes/ No
Do you know what the maintenance act is?	Yes/ No
Do you know what the inheritance act is?	Yes/ No

### ***Political Asset***

Are you actively spreading the GWAPA message?	Yes/ No
Are you recruiting new members for GWAPA?	Yes/ No



## ANNEX 2: Asset Sub-clusters of the Well-Being indicators



## ANNEX 3: Questionnaire Empowerment

### Household Survey Questionnaire

#### ***I. Power over***

##### A. Bargaining Power:

Do you feel you have enough bargaining power in your household?	Yes/ No
Do you feel you have enough bargaining power in your community?	Yes/ No
Do you feel you have enough bargaining power to negotiate safe sex?	Yes/ No
Do you feel you have enough bargaining power to refuse sex?	Yes/ No

##### B. Violence and Harassment

Do you face violence or harassment in your household?	Yes/ No
Do you face violence or harassment in your family?	Yes/ No
Do you face violence or harassment in your community?	Yes/ No
Do you face violence or harassment in other situations?	Yes/ No

##### C. Visibility and Respect:

Do you feel you are recognized and respected by your family?	Yes/ No
Do you feel you are recognized and respected by your community?	Yes/ No
Do you feel you are recognized and respected by others?	Yes/ No

##### D. High Risk Behaviour

Do you practise safe sex all the time?	Yes/ No
Are you involved in sex-work?	Yes/ No

#### ***II. Power from within***

##### A. Awareness:

Do you have any problems in common with others?	Yes/ No
Do you have solutions or options to solve these problems?	Yes/ No
Have you ever tested yourself on STD's?	Yes/ No
Are you aware of your HIV status?	Yes/ No
Do you know your legal rights? (e.g. Inheritance act)	Yes/ No
Do you read the newspaper?	Yes/ No

##### B. Self-Confidence:

Do you interact freely with your female family members?	Yes/ No
Do you interact freely with your male family members?	Yes/ No
Do you interact freely with community members?	Yes/ No
Do you interact freely with community leaders?	Yes/ No



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Do you feel confident to manage the daily needs of your household?	Yes/ No
Do you feel confident to manage your own business?	Yes/ No
Do you feel confident to manage the marriages of your children?	Yes/ No

### **C. Self-Esteem:**

Do you contribute to the welfare of your community?	Yes/ No
Do you resolve local conflicts?	Yes/ No
Do you play a leadership role in your community?	Yes/ No
Do you think women should have equal rights to men?	Yes/ No
Do you feel you have equal rights to men?	Yes/ No

### **D. Vision of Future:**

Are you afraid of economic insecurity in the future?	Yes/ No
Are you afraid of becoming isolated in the future?	Yes/ No
Are you afraid of your old age security in the future?	Yes/ No
Do you feel you can cope with negative eventualities?	Yes/ No

### **E. Future-Oriented Activities:**

Do you engage in preventive health measures?	Yes/ No
Do you engage in economic investments?	Yes/ No

### **F. Well Positioned for Future:**

Can you manage your business without the mediation of others?	Yes/ No
Can you manage your household without the mediation of others?	Yes/ No
Do you think you are in a good position to face the future?	Yes/ No

## ***III. Power to***

### **A. Knowledge:**

Are you literate in Shona?	Yes/ No
Are you literate in English?	Yes/ No
Are you numerate?	Yes/ No
Are you aware of HIV and Aids?	Yes/ No
Do you know what STD's are?	Yes/ No
Can you name 5 STD's?	Yes/ No
Do you know symptoms of STD's?	Yes/ No
Do you know where to buy male and female condoms?	Yes/ No

### **B. Skills:**

Have you been trained in enterprise or business management?	Yes/ No
Have you been trained in poultry rearing, animal keeping,	



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sewing or other technical skills? Yes/ No

### **C. Self-Reliance:**

Have you ever been to a place of work outside the area of residence? Yes/ No

Have you ever been outside your city? Yes/ No

Have you ever been outside your province? Yes/ No

Have you ever been outside your country? Yes/ No

## ***IV. Power with***

### **A. Participation:**

Do you participate in traditional institutions? (E.g. social institutions besides GWAPA) Yes/ No

Do you participate in group actions? (doing things as a group) Yes/ No



## ANNEX 4: Household Questionnaire on Well-Being and Empowerment in Shona

### Household Survey Questionnaire

#### *Individual variables*

Zita: .....  
Mune makore mangani?: .....  
Mune vana vangani?: .....  
Munogara kupi? .....  
Makatanga kuita zveGWAPA rini? (Month/year).....

Makambowana loan here kubva kuGWAPA? Yes/ No  
Makambosangana nematambudziko here mukubhara loan iyoyo? Yes/ No

#### *Natural Assets*

Munemunda here wekurima zvirimwa? Yes/ No

#### *Physical Assets*

Mune imba here? Yes/ No

Munochengetan guruve here? Yes/ No

Munechengeta tsuro here? Yes/ No

Munechengeta huku here? Yes/ No

Mune mombe here? Yes/ No

Mune mubhedha here? Yes/ No

Mune stove here? Yes/ No

Mune fridge here? Yes/ No

Mune mapadza/geja here? Yes/ No

Mune bhasikoro here? Yes/ No

#### *Financial Assets*

Mune zvinokupai pundutso here? Yes/ No

Munoshanda here? Yes/ No

#### *Human Assets*

Munokwanisa kubhadhara mari yekuchipatara here kana muchinge marwara? Yes/ No

Mune pokugezera pakanaka here? Yes/ No

Mune chimbuzi chakanaka here kumba kwenyu? Yes/ No

Mumba menyu mune makamuri anodarika maviri here? Yes/ No



Kumba kwenyu munodya nyama nguva zhinji here?	Yes/ No
Kumba kwenyu munodya hove nguva zhinji here?	Yes/ No
Kumba kwenyu munodya beans nguva zhinji here?	Yes/ No

Munokwanisa kubhadharira vana venyu mari yechikoro here?	Yes/ No
Munokwanisa kutengera vana venyu mauniform here?	Yes/ No
Munokwanisa kutengera vana venyu batya here?	Yes/ No

### ***Social Assets***

Mune maboyfriend akawanda here?	Yes/ No
---------------------------------	---------

Munomborovana nemurume/boyfriend here?	Yes/ No
Munombotukana here kumba kwenyu?	Yes/ No
Munombomanikidwa bonde neboyfriend yenyu here?	Yes/ No

Munomboita zvokutengesa muviri here?	Yes/ No
--------------------------------------	---------

Munoshandisa macondom nguva dzose here?	Yes/ No
---	---------

Makambonzwa nezveDomestic Violence Act here?	Yes/ No
Makambonzwa nezveMaintenance Act here?	Yes/ No
Makambonzwa nezveInheritance Act here?	Yes/ No

### ***Political Asset***

Munodzisisa vamwe nezvamudzidza kuGWAPA here?	Yes/ No
Muri kumobiliza mamwe mamembers here?	Yes/ No

### **Empowerment Questions**

#### ***I. Power over***

##### **A. Bargaining Power:**

Munofunga kuti mune simba pamusoro pemhuri yenyu?	Yes/ No
Munofungidzira kuti munesimba munharaunda yenyu yamunogara here?	Yes/ No
Munokwanisa kuzvimiririra kuti mushandise macondom here?	Yes/ No
Munokwanisa kuramba bonde here kana umwe wenyu achinge aramba kushandisa macondom?	Yes/ No

##### **B. Violence and Harassment**

Munomborobwa kana kutukwa kumba kwenyu here?	Yes/ No
Munomborobwa kana kutukwa neveukama hwenyu here?	Yes/ No
Munomborobwa kana kutukwa nevamwe vamuongara navo munharaunda yenyu here?	Yes/ No





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Munombosangana nekurohwa kana kutukwa munedzimwe dzvimbo dzamunotandarira here? Yes/ No

### **C. Visibility and Respect:**

Munofunga kuti munoremekedzwa here mumba menyu? Yes/ No

Munofunga kuti munoremekedzwa here kunharaunda yamunogara? Yes/ No

Munofunga kuti munoremekedzwa nevamwe venyu here? Yes/ No

### **D. High Risk Behaviour**

Munoshandisa macondom nguva dzose here? Yes/ No

Munoita zvekutngesa muviri here? Yes/ No

## ***II. Power from within***

### **A. Awareness:**

Munematambudziko akafanana neevamwe here? Yes/ No

Munokwanisa kugadzirisa matumbudziko iwaya here? Yes/ No

Makomboongororwa ropa here kuti muneSTI? Yes/ No

Munoziva HIV status yenyu here? Yes/ No

Munoziva nezvekodzero dzenyu here? (E.g. Inheritance Act) Yes/ No

Munoverenga mapepanhau here? Yes/ No

### **B. Self-Confidence:**

Munogarisana zvakanaka here nevamwe vechidzimai vamunogara navo? Yes/ No

Munogarisana zvakanaka nevamwe vechirume vanogara navo here? Yes/ No

Munogarisana zvakanaka here nevamwe vemunharaunda yenyu? Yes/ No

Munogarisana zvakanaka here nevakuru vemunharaunda yamunogara? Yes/ No

Munofunga kuti munokwanisa here kuriritira mhuri yenyu? Yes/ No

Munofunga kuti munokwanisa kumaneja bizimusi here? Yes/ No

Munofunga kuti unokwanisa kubvisira mwanakomana wenyu pfuma here? Yes/ No

### **C. Self-Esteem:**

Munobetsera here mubudiro yenharaunda yamunogara? Yes/ No

Munombobatsira mukupedza mizhonga here munharaunda yamunogara? Yes/ No

Munombotungamira here munharaunda yamunogara? Yes/ No

Vanhukadzi vanofanhirwa kuva nekodzero dzakafanana nedzevarume here? Yes/ No

Munofunga kuti parizvino munokodzero dzakafanana nevanhurume? Yes/ No

### **D. Vision of Future:**

Mamiriro eupfumi wenyika parizvino anoita kuti mushaye tariro mune ramagwana here? Yes/ No

Munoty here kusiwa moga neveukama uye neshamwari



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muneramangwana?	Yes/ No
Munotya here kuti kana muchinge makura vana venyu vachatadza kukuchengetai?	Yes/ No
Munofunga kuti munokwanisa here kukunda matambudziko anganguwirai chero nguva?	Yes/ No

### **E. Future-Oriented Activities:**

Muoshandisa nzira dzokudzivirira zvirwere/utano here?	Yes/ No
Mune upfumi wamunochengeta here kuitira ramangwana renyu?	Yes/ No

### **F. Well Positioned for Future:**

Munokwanisa maneja bhizimusi renyu musina rubatsiro rwevamwe?	Yes/ No
Munokwanisa kuriritira mhuri yenyu moga here pasina vamwe vapindira?	Yes/ No
Zvamuri izvozvi munetariro muneramangwana here?	Yes/ No

## ***III. Power to***

### **A. Knowledge:**

Munokwanisa kuverenga nekunyora shona here?	Yes/ No
Munokwanisa kuverenga nekunyora chirungu?	Yes/ No
Munokwanisa kuverenga here?	Yes/ No
Munoziva nezveHIV and Aids here?	Yes/ No
Munoziva kuti maSTD's chii?	Yes/ No
Munokwanisa kudoma maSTI mashanu here?	Yes/ No
Munoziva zviratidzo zvezvirwere zvepabonde/STD's here?	Yes/ No
Munoziva kunotengeswa makondomu echirume neechikadzi here?	Yes/ No

### **B. Skills:**

Pane zvemubato wemaoko zvamakambo dzidza here?	Yes/ No
Makambodzidziswa here nezvekuchengeta huku kana dzimwe mhuka?	Yes/ No

### **C. Self-Reliance:**

Makamboshandira kunze kwenharaunda ino here?	Yes/ No
Makamboshanya kunze kweguta rino here?	Yes/ No
Makambobuda kunze kweprovince ino here?	Yes/ No
Makamboduda kunze kwenyika here?	Yes/ No

## ***IV. Power with***

### **A. Participation:**

Munombobata nemamwe mapoka asiri GWAPA asi akaita se MASO?	Yes/ No
Munomboita zvemushandira pamwe kana zve makirabhu?	Yes/ No



## ANNEX 5:

To calculate the LES and the QEF the following steps were followed:

### Step1:

Each indicator in Table 4.2 and Table 5.1 is given an equal weight, yes= 1 and no= 0 and we expect each indicator to yield a maximum score of the total of respondents times 1. That means for non-clients a score of 42 in the Natural Asset cluster and for clients a score of 51. The same applies to the QEF, where for non-clients the expected score in the power with domain will be 84 and for clients 94. Basically the expected score is the total amount of respondents times the number of scores possible.

These scores are calculated for every possible variable in both models.

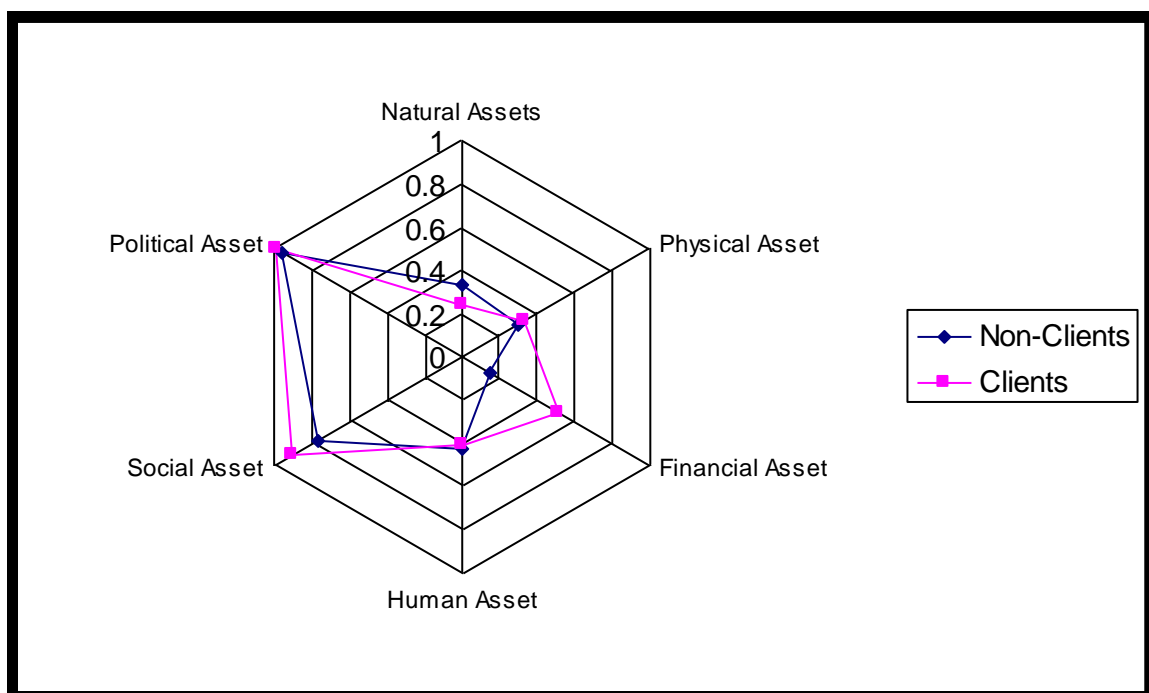
### Step 2:

The next step is to compute how many 'yes' scores were actually found in both questionnaires for each cluster or domain. These observed scores are divided by the expected scores computing the aggregate score (see annex 6 and 7 for all the scores). These aggregate terms can then be compared to one another to find out if differences are observed between groups.

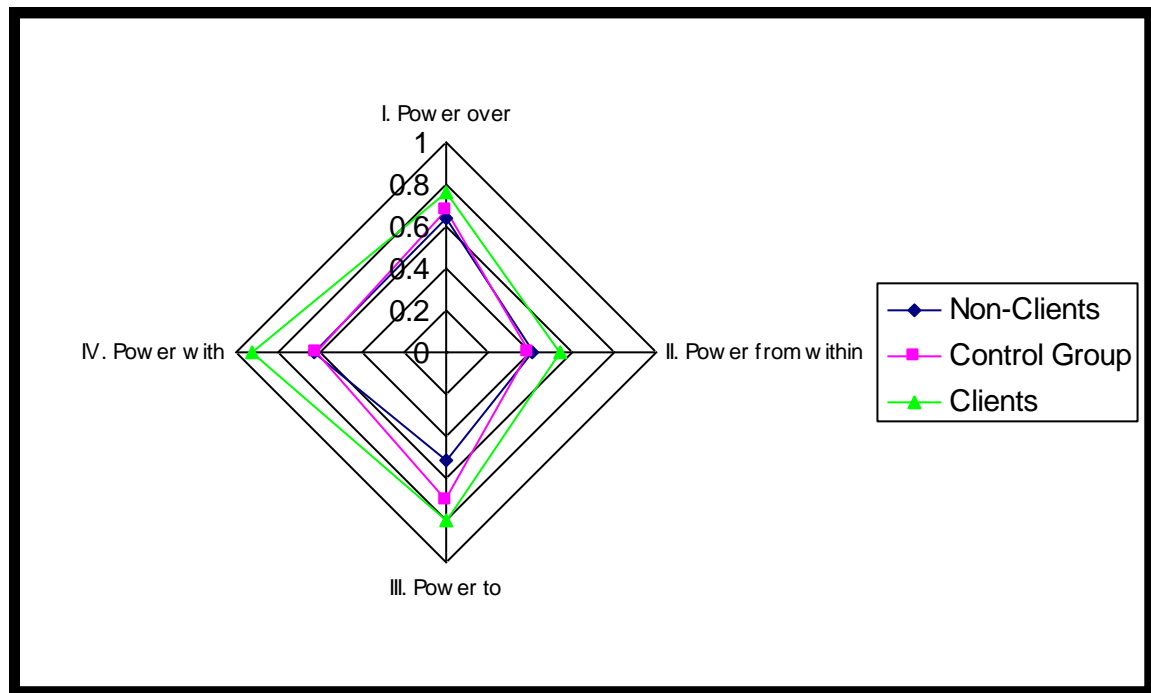
### Step 3:

Using the overall portfolio index a weight of 0-1 score (with quartile proportion) was assigned to derive the various LES (well-being status) and the various empowerment categories. The scores for the clients, non-clients and control group are then used to locate their position within the various well-being status or the empowerment categories. In figure 5.1 and 5.2 the scores are presented in graphical form.

*Figure 5.1 The Livelihood Endowment Status hexagon*



*Figure 5.2 Scores in the various empowerment categories*



## ANNEX 6: Livelihood Endowment Status data on individual sub-clusters

### Livelihood Endowment Status data on individual sub-clusters

	NON-CLIENTS			CLIENTS			
Asset Clasifications	Observed	Expected	Index A	Observed	Expected	Index B	Difference B-A
<b>Natural Assets</b>							
Land	14	42	0.33	12	51	0.24	-0.10
<b>Individual Sub Category</b>	<b>14</b>	<b>42</b>	<b>0.33</b>	<b>12</b>	<b>51</b>	<b>0.24</b>	<b>-0.10</b>
<b>Physical Asset</b>							
House	8	42	0.19	12	51	0.24	0.04
<b>Individual sub-sub category</b>	<b>8</b>	<b>42</b>	<b>0.19</b>	<b>12</b>	<b>51</b>	<b>0.24</b>	<b>0.04</b>
Livestock							
Rabbits	2	42	0.05	2	51	0.04	-0.01
Chickens	9	42	0.21	14	51	0.27	0.06
Cows	6	42	0.14	6	51	0.12	-0.03
<b>Individual sub-sub category</b>	<b>17</b>	<b>126</b>	<b>0.13</b>	<b>22</b>	<b>153</b>	<b>0.14</b>	<b>0.01</b>
Houseware							
Matress	30	42	0.71	51	51	1.00	0.29
Stove	31	42	0.74	44	51	0.86	0.12
Fridge	12	42	0.29	7	51	0.14	-0.15
Equipment	12	42	0.29	12	51	0.24	-0.05
Bicycle	2	42	0.05	4	51	0.08	0.03
<b>Individual sub-sub category</b>	<b>87</b>	<b>210</b>	<b>0.41</b>	<b>118</b>	<b>255</b>	<b>0.46</b>	<b>0.05</b>
<b>Individual Sub Category</b>	<b>112</b>	<b>378</b>	<b>0.30</b>	<b>152</b>	<b>459</b>	<b>0.33</b>	<b>0.03</b>
<b>Financial Asset</b>							
Job	3	42	0.07	9	51	0.18	0.11
<b>Individual sub-sub category</b>	<b>3</b>	<b>42</b>	<b>0.07</b>	<b>9</b>	<b>51</b>	<b>0.18</b>	<b>0.11</b>
Own a business	10	42	0.24	44	51	0.86	0.62
<b>Individual sub-sub category</b>	<b>10</b>	<b>42</b>	<b>0.24</b>	<b>44</b>	<b>51</b>	<b>0.86</b>	<b>0.62</b>
<b>Individual Sub Category</b>	<b>13</b>	<b>84</b>	<b>0.15</b>	<b>53</b>	<b>102</b>	<b>0.52</b>	<b>0.36</b>
<b>Human Asset</b>							
Medical Treatment	7	42	0.17	15	51	0.29	0.13
<b>Individual sub-sub category</b>	<b>7</b>	<b>42</b>	<b>0.17</b>	<b>15</b>	<b>51</b>	<b>0.29</b>	<b>0.13</b>
Safe House							
Bath	23	42	0.55	30	51	0.59	0.04
Toilet	26	42	0.62	30	51	0.59	-0.03
More than one room	22	42	0.52	15	51	0.29	-0.23



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<i>Individual sub-sub category</i>	<b>71</b>	<b>126</b>	<b>0.56</b>	<b>75</b>	<b>153</b>	<b>0.49</b>	<b>-0.07</b>
Nutrition							
Eat meat regularly	18	42	0.43	22	51	0.43	0.00
Eat fish regularly	12	42	0.29	15	51	0.29	0.01
Eat meat regularly	23	42	0.55	21	51	0.41	-0.14
<i>Individual sub-sub category</i>	<b>53</b>	<b>126</b>	<b>0.42</b>	<b>58</b>	<b>153</b>	<b>0.38</b>	<b>-0.04</b>
Providing for children							
School fees	12	35	0.34	23	51	0.45	0.11
Uniforms	14	35	0.40	25	51	0.49	0.09
Clothing	15	35	0.43	23	51	0.45	0.02
<i>Individual sub-sub category</i>	<b>41</b>	<b>105</b>	<b>0.39</b>	<b>71</b>	<b>153</b>	<b>0.46</b>	<b>0.07</b>
<b>Individual Sub Category</b>	<b>172</b>	<b>399</b>	<b>0.43</b>	<b>219</b>	<b>510</b>	<b>0.43</b>	<b>0.00</b>
<b>Social Asset</b>							
Monogomous relationship	24	42	0.57	51	51	1.00	0.43
<i>Individual sub-sub category</i>	<b>24</b>	<b>42</b>	<b>0.57</b>	<b>51</b>	<b>51</b>	<b>1.00</b>	<b>0.43</b>
Domestic violence							
No fysical violence	36	42	0.86	51	51	1.00	0.14
No verbal violence	30	42	0.71	44	51	0.86	0.15
No sex abuse	38	42	0.90	48	51	0.94	0.04
<i>Individual sub-sub category</i>	<b>104</b>	<b>126</b>	<b>0.83</b>	<b>143</b>	<b>153</b>	<b>0.93</b>	<b>0.11</b>
No sex work	15	42	0.36	51	51	1.00	0.64
<i>Individual sub-sub category</i>	<b>15</b>	<b>42</b>	<b>0.36</b>	<b>51</b>	<b>51</b>	<b>1.00</b>	<b>0.64</b>
Safe sex	33	42	0.79	29	51	0.57	-0.22
<i>Individual sub-sub category</i>	<b>33</b>	<b>42</b>	<b>0.79</b>	<b>29</b>	<b>51</b>	<b>0.57</b>	<b>-0.22</b>
Legal Rights							
Domestic violence act	39	42	0.93	48	51	0.94	0.01
Maintenance act	40	42	0.95	49	51	0.96	0.01
Inheritance act	36	42	0.86	48	51	0.94	0.08
<i>Individual sub-sub category</i>	<b>115</b>	<b>126</b>	<b>0.91</b>	<b>145</b>	<b>153</b>	<b>0.95</b>	<b>0.04</b>
<b>Individual Sub Category</b>	<b>291</b>	<b>378</b>	<b>0.77</b>	<b>419</b>	<b>459</b>	<b>0.91</b>	<b>0.14</b>
<b>Political Asset</b>							
Improving GWAPA							
Recruiting	41	42	0.98	51	51	1.00	0.02
Spreading the message	40	42	0.95	50	51	0.98	0.03
<i>Individual Sub Category</i>	<b>81</b>	<b>84</b>	<b>0.96</b>	<b>101</b>	<b>102</b>	<b>0.99</b>	<b>0.03</b>



## ANNEX 7: Empowerment data on individual sub-clusters

	NON-CLIENTS			CONTROL GROUP			CLIENTS		
Asset Classifications	Observed	Expected	Index A	Observed	Expected	Index B	Observed	Expected	Index C
<b>I. Power Over</b>									
A. Bargaining Power									
bargaining power household	37	42	0.88	55	66	0.83	46	51	0.90
bargaining power community	20	42	0.48	47	66	0.71	26	51	0.51
bargaining power safe sex	21	42	0.50	31	66	0.47	37	51	0.73
bargaining power refuse sex	32	42	0.76	47	66	0.71	34	51	0.67
<i>Sub category score</i>	110	168	0.65	180	264	0.68	143	204	0.70
B. Violence & harassment									
violence/harassment household	30	42	0.71	46	66	0.70	45	51	0.88
violence/harassment family	26	42	0.62	55	66	0.83	30	51	0.59
violence/harassment community	21	42	0.50	45	66	0.68	33	51	0.65
violence/harassment other situations	23	42	0.55	43	66	0.65	29	51	0.57
<i>Sub category score</i>	100	168	0.60	189	264	0.72	137	204	0.67
C. Visibility & Respect									
recognized/ respected family	38	42	0.90	46	66	0.70	50	51	0.98
recognized/ respected community	19	42	0.45	41	66	0.62	45	51	0.88
recognized/ respected by others	34	42	0.81	44	66	0.67	50	51	0.98
<i>Sub category score</i>	91	126	0.72	131	198	0.66	145	153	0.95
D. High Risk Behaviour									
practise safe sex	35	42	0.83	35	66	0.53	30	51	0.59
not involved in sex-work	15	42	0.36	48	66	0.73	51	51	1.00
<i>Sub category score</i>	50	84	0.60	83	132	0.63	81	102	0.79
<b>Category score</b>	<b>351</b>	<b>546</b>	<b>0.64</b>	<b>583</b>	<b>858</b>	<b>0.68</b>	<b>506</b>	<b>663</b>	<b>0.76</b>
<b>II. Power from within</b>									
A. Awareness									
problem in common with others	26	42	0.62	35	66	0.53	37	51	0.73
solutions for problems	13	42	0.31	30	66	0.45	18	51	0.35
tested on STD's	22	42	0.52	36	66	0.55	44	51	0.86
HIV status	13	42	0.31	36	66	0.55	47	51	0.92
knowledge of legal rights	37	42	0.88	38	66	0.58	48	51	0.94
read newspaper	28	42	0.67	30	66	0.45	27	51	0.53
<i>Sub category score</i>	139	252	0.55	205	396	0.52	221	306	0.72
B. Self-Confidence									
interact freely female fam. members	29	42	0.69	49	66	0.74	51	51	1.00
interact freely male fam. members	20	42	0.48	51	66	0.39	49	51	0.96
interact freely community members	29	42	0.69	49	66	0.74	51	51	1.00
interact freely community leaders	29	42	0.69	51	66	0.77	48	51	0.94



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<i>Sub-sub category score</i>	107	168	0.64	200	264	0.76	199	204	0.98
confident to manage household	17	42	0.40	28	66	0.42	23	51	0.45
confident to manage business	26	42	0.62	43	66	0.65	33	51	0.65
confident to manage marriages	8	42	0.19	9	66	0.14	11	51	0.22
<i>Sub-sub category score</i>	51	126	0.40	80	198	0.40	67	153	0.44
<i>Sub category score</i>	158	294	0.54	280	462	0.61	266	357	0.75
<b>C. Self-Esteem</b>									
contribute to welfare	33	42	0.79	44	66	0.67	47	51	0.92
resolve local conflicts	16	42	0.38	30	66	0.45	47	51	0.92
play a leadership role	12	42	0.29	17	66	0.26	39	51	0.76
women equal rights to men	37	42	0.88	43	66	0.65	50	51	0.98
feeling about equal rights to men	21	42	0.50	40	66	0.61	41	51	0.80
<i>Sub category score</i>	119	210	0.57	174	330	0.53	224	255	0.88
<b>D. Vision of future</b>									
not afraid of economic insecurity	13	42	0.31	21	66	0.32	27	51	0.53
not afraid of isolation	16	42	0.38	18	66	0.27	26	51	0.51
not afraid of old age security	17	42	0.40	21	66	0.32	25	51	0.49
cope with negative eventualities	21	42	0.50	26	66	0.39	22	51	0.43
<i>Sub category score</i>	67	168	0.40	86	264	0.33	100	204	0.49
<b>E. Future-Oriented activities</b>									
preventive health measures	40	42	0.95	42	66	0.64	50	51	0.98
economic investments	14	42	0.33	27	66	0.41	19	51	0.37
<i>Sub category score</i>	54	84	0.64	69	132	0.52	69	102	0.68
<b>F. Well positioned for future</b>									
manage business without mediation	16	42	0.38	29	66	0.44	24	51	0.47
manage household without mediation	17	42	0.40	27	66	0.41	24	51	0.47
good position to face the future	27	42	0.64	37	66	0.56	35	51	0.69
<i>Sub category score</i>	60	126	0.48	93	198	0.47	83	153	0.54
<b>Category score</b>	<b>597</b>	<b>1470</b>	<b>0.41</b>	<b>907</b>	<b>2310</b>	<b>0.39</b>	<b>963</b>	<b>1785</b>	<b>0.54</b>
<b>III. Power to</b>									
<b>A. Knowledge</b>									
literate in Shona	42	42	1.00	51	66	0.77	48	51	0.94
literate in English	27	42	0.64	41	66	0.62	25	51	0.49
numerate	40	42	0.95	61	66	0.92	48	51	0.94
knowledge of HIV/Aids	42	42	1.00	66	66	1.00	51	51	1.00
knowledge of STD's	16	42	0.38	48	66	0.73	51	51	1.00
knowledge of 5 STD's	11	42	0.26	44	66	0.67	47	51	0.92
symptoms of STD's	12	42	0.29	48	66	0.73	48	51	0.94
knowledge of male/female condom	22	42	0.52	50	66	0.76	49	51	0.96
<i>Sub category score</i>	212	336	0.63	409	528	0.77	367	408	0.90





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B. Skills									
business training	14	42	0.33	51	66	0.77	51	51	1.00
other training	7	42	0.17	42	66	0.64	45	51	0.88
<i>Sub category score</i>	21	84	0.25	93	132	0.70	96	102	0.94
C. Self-Reliance									
workplace outside of residence	14	42	0.33	29	66	0.44	21	51	0.41
outside of city	27	42	0.64	48	66	0.73	35	51	0.69
outside of province	23	42	0.55	42	66	0.64	33	51	0.65
outside of country	2	42	0.05	25	66	0.38	21	51	0.41
<i>Sub category score</i>	66	168	0.39	144	264	0.55	110	204	0.54
<b>Category score</b>	<b>299</b>	<b>588</b>	<b>0.51</b>	<b>646</b>	<b>924</b>	<b>0.70</b>	<b>573</b>	<b>714</b>	<b>0.80</b>
IV. Power with									
Participation									
participate in traditional institutions	24	42	0.57	37	66	0.56	44	51	0.86
participate in group actions	29	42	0.69	45	66	0.68	50	51	0.98
<i>Sub category score</i>	53	84	0.63	82	132	0.62	94	102	0.92
<b>Category score</b>	<b>53</b>	<b>84</b>	<b>0.63</b>	<b>82</b>	<b>132</b>	<b>0.62</b>	<b>94</b>	<b>102</b>	<b>0.92</b>

