
**WOMEN' ENTREPRENEURSHIP DEVELOPMENT:
A CASE STUDY OF MODELS' ASSESSMENT IN FACILITATING WOMEN TO
GENERATE SOCIAL-FINANCIAL CAPITAL IN MWANZA CITY, TANZANIA**

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**A Dissertation submitted in partial fulfilment of the requirements for a Masters in
Women's Law, Southern and Eastern African Regional Centre for Women's Law,
University of Zimbabwe
2010**

Abstract

Sustained and meaningful economic development remains beyond the reach of the majority of Tanzania's poorer female citizens, especially those in the informal sector, because they lack collateral (i.e., ownership of land) to secure loans from formal financial institutions for their income-generating projects. This dissertation compares and contrasts 3 micro-financing models (two implemented by the Government and one by an international donor organisation) which are formed around small (5) to medium (30) sized social groups which generate what the writer calls "social-financial capital". The two government models [i.e., the Women's Development Fund (WDF) and the Tanzania Social Action Fund (TASAF)] operate along typically traditional lines of training, equipping and granting soft and low interest bearing loans to groups of women to start up or continue running their own businesses. Care International's Village Savings and Loans Associations (VSLs) function more like an easy-to-understand insurance scheme or people's bank whose self-selected shareholders/owners/officers comprise both men and women who save by buying shares in the scheme on a regular basis and are free to use the loans they grant themselves or cyclical profits they regularly distribute between among themselves in any way they wish. In order to reveal the gender dynamics at play within and around the operations of these semi-formal groups, the writer conducts her research of them using several gender-sensitive methodologies guided overall by the unique Women's Law Approach. Using complementary forms of data collection methods, she gathers and analyses a vast array of evidence both documentary (i.e., relevant laws and literature) and verbal (from interviews and discussions with her respondents and key government and NGO informants) which she presents from the perspective or 'lived realities' of her respondents, female beneficiaries of the 3 models operating in Mwanza City on the southern shores of Lake Victoria. She finds, *inter alia*, that although VSLs are ideal for generating relatively small amounts sufficient to sustain (as opposed to start a business), their lack of gender sensitivity make them less attractive to women than the government models which address not only their financial but also their educational, social and cultural needs upon which their lives and, hence, businesses are so dependent. Finally, based on her findings, the writer makes suggestions to improve the models in order to encourage the government and Care International to fulfil their roles in helping to realise the economic rights of these women in terms of relevant Regional and International Human Rights Instruments which the government seeks to uphold.

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Declaration

I, **MALULA HASSAN NKANYEMKA**, do hereby declare that, this is my original work presented towards the fulfilment of the Masters’ Degree in Women’s Law at University of Zimbabwe, not presented before for any degree or reward in any academic institution.

Signed.....Date.....

This work is approved for submission towards fulfilment of the degree of Master of Arts in Women’s Law by the Supervisor.

Signed.....Date.....

Prof. Julie Stewart,
The Director,
Southern and Eastern African Regional Centre for Women’s Law,
University of Zimbabwe.

Dedication

My daughter Fetty-Fatma Hakeem Kalunde, my baby thanks and I hope one day you will understand why Mama left you at home Tanzania and came to Zimbabwe to study. Love You my Baby.

To my mama Fatma A. Salim, you abandoned every thing at your home and travelled from Pangani-Tanga to Mwanza to care for my baby when absent for the whole year. Thanks mama may Allah gives you most precious reward. *Nani kama mama?*

My Husband Mr. Hakeem MJ. Kalunde, for dealing with his wife's absence throughout the study. You are my main support in doing this research as you gave me relevant and needed information of Village Saving and Loan Associations. Thanks for always being there for me. I love you.

To my beloved and beautiful young sisters Safy and Rey, and my handsome and only brother Abdy – 'Abi' for your unquestionable love, moral and material support which I never thought that I will get.

My Former Supervisor-Mrs. Ludovicka Tarimo when working with UNDP-Tanzania, you are my role model in struggling for women's rights in programme management.

Acknowledgements

This study is the product of countless forms of supports and various works of scholarship, people and institutions. The place I am in today is a result of the contributions of many who directed me in my personal and professional life. This advancement, made it possible for me to complete my research.

With deep respect, I am thanking the Almighty God who kept me in this world up to this time am finalizing my piece of work, *Alhamdulillah*.

My appreciation and special thanks go to the Norwegian Agency for International Development which gave me precious support in my academic life and made me an important person by giving me chance to pursue this master's degree.

My special thanks go to women who participated in data collection for their passion and courage to explain their feelings and I hope one day they will shout, "*Hey world, now, we are fine*".

To the Mwanza City Council; Mwanza City Director, Mr Mkabenga, Mr. Mkama, Mrs Mwita, Mrs Erica and Mrs Lucy Yango: they gave me unconditional support in sharing skills and experience in the area of women and economic empowerment. *Waweja sana*.

To Care International in Tanzania and Village Saving and Loan Associations Programme in particular; Country Director- Mr , Ms. Lisa Zavala, My Husband - Mr. Hakeem Kalunde, Ms. Ndayan Lukumay, Dada Betty, Mr. Mbelu Njawa, Ms. Diana Mwizarubi. They were colleagues to me and without their support my research would never be like it is today, and I am saying, '*Hisa Zipo?...Utavuna Ulichopanda*' which means, 'are shares available?...you will harvest what you planted.'

Professor Julie Stewart, I am proud of being supervised by her. She was there when I needed help; she is the most valuable contributor in my academic life. Dr. Amy Tsanga and Ms. Rosalie Katsande; you also influencing me to do this research. Also my thanks go to Dr. Ngeyi and Professor. Anne Griffin; your contributions at the panel were useful in editing, presenting and writing of this dissertation.

To Mr Louw, thanks a lot for the time you spent to help me with my English problems. You encouraged me when I lost hope if you can help me to look on my grammatical and spelling error for these 97 pages. Shukrani

To Cecilia Mariri, thank you for being there for me when crying for help in locating the books, bibliographies and citations. Ms. Sesedzai Munyaradzi for computer literacy, Mai Blessing Tsomondo and Rudo Bonzo, Johnson Chingozhoro and Primrose for the support you gave me throughout the course, Thank you.

To my precious family; My Husband-Mr. Hakeem Kalunde, My daughter - Fetty, My Mom- Fatma, Young sisters and brother, yours were most important contributions. My brother in-law, mother and father in-laws for the support they gave me and my family in my absence. Thank and *Inshaalah* Allah will reward them.

Shukrani, Allah Barik.

Acronyms

ACHPR	African Charter on Human and Peoples' Rights
CBT	Community Based Trainer
CCDD	City Community Development Department
CDO	Community Development Officer
CEDAW	Convention the Elimination of All forms of Discrimination Against Women
Care	Care International in Tanzania
ESRF	Economic and Social Research Foundation
FGD	Focus Group Discussion
FINCA	Foundation for International Community Assistance
GDP	Gross Domestic Product
ILO	International Labour Organization
MIS	Management and Information System
NISS	National Informal Sector Survey
NORAD	Norwegian Agency for International Development
NSGRP	National Strategy for Growth and Reduction of Poverty
PRIDE	Promotion of Rural Initiatives and Development Enterprise Tanzania
PRSP	Poverty Reduction Strategy Paper
SACCOS	Saving Associations and Credit Cooperative Societies
SAHRINGON	Southern Africa Human Rights Non-Governmental Organizations' Network (Tanzanian Chapter)
SEARCWL	Southern and Eastern Africa Regional Centre for Women's Law
TASAF	Tanzania Social Action Fund
Tshs	Tanzanian Shillings
UNCESCR	United Nations Covenant of Economic, Social and Cultural Rights
WAGE	Women and Girls Empowerment Programme
WDF	Women Development Fund
VSL	(Care International Tanzania's) Village Savings and Loan Association

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7. Women Development Fund's Loaned Fund to Tuilele and Upendo Groups located at Isamilo Ward in Nyamagana District, Mwanza City.

List of Human Rights Instruments cited

United Nations Covenant on Economic, Social and Cultural Rights (1976)

Convention on Elimination of all Forms of Discrimination Against Women (1981)

Protocol to the African Charter on Human and People's Rights on the Rights of Women in Africa ("The African Charter on Women's Rights") (2003)

List of Statutes cited

The Constitution of United Republic of Tanzania of 1978

List of National and International Policies cited

National Strategy for Growth and Reduction of Poverty-NSGRP (April, 2005)

National Micro-Finance Policy (May, 2000), under the Ministry of Finance

Tanzania Poverty Reduction Strategy Paper (October, 2000)

Beijing Declaration and Platform for Action, 4th Conference on Women (September, 1995)

List of Projects Focused

Government of United Republic of Tanzania; Women Development Fund (1993)

Care International in Tanzania-Village Saving and Loan Associations Methodology (2008)

Currency Quotations

1 US \$ = 1,365/= Tshs as at 5th February, 2010

CHAPTER 1

1.0 RESEARCH OVERVIEW AND DESIGN

1.1 Why Social-Financial Capital Generation?

This research is all about assessing the efficacy of approaches that development actors are using to assist women to generate social-financial capital through existing Social Groups and groups in Mwanza City. The following were the reasons that informed my research topic, goal and assumptions.

1.1.1 Experiential Data

I was working on a contractual basis which meant that I was automatically excluded from accessing loans from The National Microfinance Bank Limited. To qualify for a loan I would have had to show evidence that I owned property which could be used as collateral. My male colleague at work succeeded in obtaining a loan because he proved his ownership of a plot which he inherited from his father. That happened to me, I was working in an office. How would another woman fare? One in a village or in town but living on less than a dollar in a day and who does not own anything and who has only a conditional access to land? Then I asked myself: how do poor women access loans from microfinance institutions especially if we take into account the disadvantaged position they are placed in by the norms and customs of society.

1.1.2 Women's Law Studies

My being exposed to Women's Law studies on theories and perspectives, research methods and methodologies, social justice, law reform and strategies and of course

women, commerce and law in Africa gave me an insight into the way women's issues are being explored and theorized about. They allowed me to measure state and non-state actors' adherence to core obligations of human rights and issues related to women's entrepreneurship development. This improved my way of thinking about women and their income generating activities from the point of access to capital when women are in need of establishing and/ or strengthening their business ventures.

Due to different barriers that constrain women while accessing capital from financial and non-financial institutions, women are resorting to generating capital from social groups and networks. Again I asked myself, what is happening in the groups to women when they are in the process of generating social-financial capital? Is it a different arena of institutions and processes that is free from the complexities of loan application forms and procedures? Do late payment or failure to repay matter? Do shame and the deprivation of privacy matter? Are women freed from financial and socio-cultural issues while generating capital? I decided to investigate the lived realities of women in relation to their engagement in social groups as an alternative means of accessing loans to strengthen and/ or start income generating activities.

1.2 Background to the Research

Access to formal capital in Tanzania is dominated and depends on one's ability to show evidence of owning productive property or physical collateral. In many Tanzanian households and families: men are both *de facto* and *de jure* owners and controllers of family assets while women have limited access to family property.

Women are usually unable to accumulate assets that would serve as collateral¹ (Baron and Shane; 2008) and therefore receive little credit from the banks (Virji and Meghji,

¹ Collateral is a something of value that an entrepreneur pledges to sell to reimburse investors in the event of insufficient proceeds from venture to return the investor's principle.

1989). Most of the time women are unable to access capital from microfinance institutions because of a lack of collateral.

However, as reported by International Labour Organization and the Tanzanian National Informal Sector Survey,

...only one percent of women operators in the informal sector could acquire capital from the formal financial sector. The other 99% had to rely on their own savings or informal sources.

(SAHRINGON, 2005: 56)

Generally, existing micro-finance opportunities and processes through which women can access formal capital were not created and are not operating to benefit women who comprise a large marginalized group in the community who need a special loan package.

In Tanzania a study was conducted by The Economic and Social Research Foundation which revealed that,

94.8% of the households in their six-region review indicated a demand for credit, but only 7% had access to formal credit.

(ESRF, 2000)

According to the facts presented above, only 7% of the household accessed formal capital and Ishengoma argues that most women are faced with social and cultural barriers, lower education levels relative to men and a lack of familiarity with loan procedures. These are the main issues that constrain women from accessing formal capital from microfinance institutions (Ishengoma, 2005). Therefore, most men are able to access capital because they have title deeds and properties which can be used as collateral. This issue must be

kept in mind. How is a woman in the informal sector who sells snacks by the road going to access capital?

Alternatively; women decide to engage themselves in social groups to access financial capital as it was also reported by SAHRINHON (Tanzanian Chapter),

women start businesses with the money they are able to put together from their own savings and personal networks...

(SAHRINGON; 2005)

These issues and facts about women and access to formal capital began to influence my choice of a topic to explore women and social-financial capital generation as a process starting with the idea of explaining facilitative agencies. Here is the problem statement which sets out what data to collect and how to analyze it.

1.3 Problem Statement

I decided to explore the efficacy of the works done by development actors because I was assuming that, when development actors are facilitating women's capacity to generate social economic capital, there are minimal impacts on women's entrepreneurial development.

1.4 Research Goal

My research goal was to assess the implementation models of development actors on women in generating social-financial capital through engaging women in social groups in Mwanza City, Tanzania.

1.5 Overall Research Objective

My overall research objective was to investigate the efficacy of social-financial capital generation processes on women's entrepreneurship development as facilitated by development actors in Mwanza City, Tanzania.

1.6 Grounded Objectives

My grounded objective was to investigate the efficacy of the works carried out by development actors in helping women to generate financial capital through social groups on the road to improving their entrepreneurship ventures.

1.7 Why the Grounded Approach was used in the Research Design

I began to collect data with an open mind. I had my own assumptions and suppositions (Bentzon et al, 1998) for assessing development actors' implementation models in helping women to generate social-financial capital on the road to women's entrepreneurship development in Mwanza City, Tanzania.

The approach is an iterative and evaluative process in exploring women's lived realities that started with an idea that most women are not accessing loans to exploit their entrepreneurial potential. This approach helped me from the beginning of my research design and data collection to the writing of this report. I was reviewing my assumptions from the data I got from women groups only as well as combined groups which represented both sexes and some officials in managerial positions both in government and Care International in Tanzania-Village Saving and Loan Associations (VSL).

For example, I revised my first assumption after I collected data from field because the word 'roles' did not match the data I had collected. Most of my data showed that models

or approaches that development actors are employing in assisting women to access social-financial capital from social groups.

The other important aspect of this approach is data triangulation which helped me a lot in verifying the kind of data that I was collecting. I changed my methods of data collection from a consultative method of data collection to interviews whereby I interviewed key informants who were officials and group leaders. In addition I used in-depth and one-on-one interviews to get insights into members' feelings separately from focus group discussions on the sensitive issues, i.e. the financial and socio-cultural dynamics in the groups.

In guiding this research process from grounded theory Bentzon and others pointed out about a point of sampling size and units and where and how to review data, said:

When grounded theory is employed as the guiding methodology, review of the research plan occurs frequently during the research process, not only after initial phase. It is an iterative process, increasing or reducing the types and forms of questions and number of units to include in the study, as well as precisely what data to seek and where to seek it.
(Bentzon et al (1998: 180))

Before the data collection exercise (research designing phase), I planned to have 40 respondents from the groups as my sample size was 10 women and 10 men from each district, 20 members of the groups \times 2 districts=40 sample size/ potential respondents. From the managerial level I planned to have 11 respondents from Care International, district and city councils. During the field work some of the respondents from the ranks that I thought might be relevant and reliable turned out to be unavailable. In respect of Care International I was not aware of the hierarchical structures of the Care International in Tanzania in its Village Saving and Loan Associations project. As a precursor to the Village Saving and Loan Association's Mobilizers, there are Community-Based Trainers (CBT) who train group leaders and group members about capital generation. Also as far as the government is concerned, I thought and planned that there were different

development officials in Mwanza City and in Ilemela and Nyamagana districts; I thought that a city containing districts would have districts and municipal councils at which I could interview the planning officer, community development officer and so forth. I discovered that this city had different arrangements. All development issues in districts are being implemented under the city council. Therefore, I dropped my samples from district level and proceeded to the city council to get the data I needed.

1.7.1 How the Research Assumptions and Questions were formulated

The assumptions formulation was influenced by my experiential data and the knowledge I got from women's law classes. It all started with the interrogation of women's situation and their lived realities.

Therefore, I checked and read many documents on women's law and access to the capital needed to start and/ or sustain their income generation activities. Then I asked myself what I wanted to know about the issues in question (women and access to capital or loans). As a result I came to know which issues prevent women from accessing capital. I was satisfied with the information on collateral issues and the difficulties involved in accessing loans. I began to query where else women could access financial capital? I remembered back to my childhood when people in my home area used to generate social capital using traditional rotation systems. Then I formulated the questions: "What then are the practices of social groups in relation to capital generation. Is there any development actor facilitating women's capital generation in social groups"?

This is where I applied the knowledge I got from social justice classes. What are development actors doing on the ground? Are they benefiting women by helping them to access capital and is this in keeping with what they tell us about their projects and schemes?

That is why I evolved the following assumptions and questions to ask in the field to get data on the efficacy of work done by both government and non-government actors in Mwanza City, North western Tanzania.

1.7.2 Research Assumptions

1. Development actors in the field have a different approach to building women's capacity to generate financial capital from social groups in Mwanza City, Tanzania.
2. Group formation criteria were not informed by women themselves but rather they were provided through the importation of other implemented models.
3. Social groups in Mwanza City are governed by principles and formalities that guarantee women's participation in the social-financial capital generation process.
4. Different actors in the field have different impacts on women's access to financial capital in social groups.
5. The lack of frameworks for women's future investment contributed to the allocation of financial capital generated for family expenses.
6. Most women members of the social-financial capital groups in Mwanza City, Tanzania are facing financial and socio-cultural dynamics that are influencing their participation, leadership elections, capital generation and its accessibility and their relationship with other members.

1.7.3 Research Questions

These are the questions asked based upon the above assumptions

1. What are the approaches of development actors in Mwanza City towards women in financial capital generation through social groups?
2. What informed the social groups' formation criteria for social-financial capital generation?
3. Are there principles and formalities in social groups that guarantee women's participation in social-financial capital generation?
4. What impacts do development actors have on women's access to financial capital in social groups?
5. Is there a framework that assists women with their future investment before and after capital generation?
6. Do women in social groups confront the financial and socio-cultural dynamics that influence their capital generation and access for their businesses?

1.8 Structure of the Research

This dissertation comprises four parts. The first part is a presentation of the research overview and design from which research objectives, assumptions and location were presented. The mapping of key concepts used, policies, laws and credit schemes' models is to be found in part two. The findings and efficacy of the models assessed are detailed under part three. The last part is the discussion of the efficacy of the models on lessons learnt and a possible models adjustment.

1.9 Problems Encountered in the Field

A major problem was bureaucracy. I tried to see The Mwanza City Director personally, but it was impossible. I was told that had gone away on business trip with The Regional Commissioner and had left no one to replace him for that day. I left a letter and waited for a response for three days, this was frustrating. I paid several visits to his office. On the third day I found the letter minuted to go to The City Lawyer. On this day I was supposed to consult departments of cooperative, community development and planning. The letter disappeared and didn't reach the City Lawyer. I decided to go personally to the City lawyer and I told him my intention of doing research and that the letter was copied to him. He said, "That is a mistake; me and Social Capital Generation?" Then I asked myself, what I was going to do next. I used my experience in working with government at the District Council level; I went directly to the office of agriculture, livestock and cooperatives. There I found Mr. Mkabenga and talked to him in detail about what had happened. He asked me to submit another letter because on that day he was acting on behalf of the Mwanza City Director. He read the letter and acted on it by signing it. He introduced me to the other council staff members and he asked them to give me help with my research because he said it would help the city to better implement the projects on women's economic empowerment.

Local government political leadership's elections were a problem. The research took place at the time of selection of councillors and street political leadership. For this reason, some of the council staff members were not available. For example; only two staff members remained in the registry unit. They could not help me as they claimed that they were not around at the time I submitted my letter for research consideration. Also the City's Lawyer (the one to whom The Mwanza City Director copied his letter) was not around because he was attending to the very important issue of making sure that the election proceeded smoothly.

A poor secretarial system in the Mwanza City Council was a further problem. My letter to the City's Lawyer could not be found so I submitted another letter to Mr Mkabenga (Head of Department of Agriculture, livestock and cooperatives because he was Acting Mwanza City Director on that day). It was easy; although I did not know that the official I was talking to was The Head of Department and Acting Mwanza City Director.

Adverse weather conditions affected my data collections exercise. These were heavy rains and storms. Some of the roads were blocked and some of respondents from different groups could not make it to meetings with me. Therefore, I decided to postpone some of my activities. I praise The Lord that, my respondents were so understanding that they participated even at the time they needed most to do their income generating activities because rains constrain them from doing their income engagements and because I was in need of doing my data collection.

There were communication problems. For example sometimes I was given mobile phone numbers, when I called them they did not exist or were not reachable. Then I went back to Care International in Tanzania in its Western Zonal office and/ or Community Development Department to note down the location of respondents. I was able to reach some of them. In the case of those I failed to reach either by phone or at their physical address, I decided to replace their interviews with other members of the groups I had managed to obtain.

1.10 The Sampling of Respondents

I did purposive sampling. In other words, I chose my respondents for my research on the basis that I felt that that they could answer my research questions. Throughout my research I used the grounded approach. At the stage of selecting respondents I was guided by the specific needs I wanted to be met; in particular, I believed that the potential respondents possessed knowledge that were relevant to my research questions.

Table 1: The Sampling of Respondents in Mwanza City

Respondents per different Structures	Types/ Composition of Social Groups/ Actors from Facilitation Agencies.	Targeted No. of Respondents
Nyamagana	No. of Women from Social Groups	5
	No. of Men from Social Groups	5
	No. of Men and Women from Mixed Social Groups	10
Ilemela	No. of Women from Social Groups	5
	No. of Men from Social Groups	5
	No. of Men and Women from Mixed Social Groups	10
	Sub-Total	40
Care – VSL Programme Office	Western Zonal Manager-Village Saving and Loan Associations.	1
	District Village Saving and Loan Associations' Mobilizer.	1
District Council	District Planning Officers.	2
	District Cooperative Officers.	2
	District Community Development Officers.	2
City Council	City Planning Officer.	1
	City Cooperative Officer.	1
	City Community Development Officer.	1
	Sub-Total	11
	Grand Total	51

Source: The nature of research informs the structures and actors to be engaged in the preliminary research design as of August, 2009.

1.11 Study Demarcation

Research was conducted in Mwanza City, which is located on the southern shores of Lake Victoria in Northwest Tanzania (www.mwanza.de) between the Latitude 2015'-2045' just South of the Equator and between Longitude 32045 'and 450 38' East (www.mwanzacomunity.org/). Administratively the city comprises two Districts, namely Nyamagana (10 wards) and Ilemela (10 wards) with the population size of

476,646 inhabitant - Nyamagana District 210,735 and Ilemela District 265, 911 (The United Republic of Tanzania's National Census: 2002).

I conducted my research in both districts of Mwanza City where by in Nyamagana District research covered Isamilo Urban Ward only; and in Ilemela District I went to conduct my research in the wards of Igoma, Nyakato Urban and Ilemela Mixed. In these locations, I used different groups of capital generation; methods of data collection, informants came from different facilitators/ development actor purposely to collect data to meet the objectives of my research.

Figure 1: Map of Mwanza City: Nyamagana and Ilemela Districts



Source: www.travelpod.com

CHAPTER 2

2.0 CONCEPT MAPPING, POLICIES AND PROJECTS FOCUS

2.1 Concept Mapping

Access is a catalytic process that enables interactions, contacts and exchanges among people, businesses and nations. Also it is an analytical framework to define the drivers and benefits of access and to quantify the impact of access on economic growth and personal well-being (from Wikipedia). In this research the ‘access’ is being applied on two levels in relation to women and access to the capital generation process. The first level is the ability of a woman to access the social groups whereby the capital generation process is taking place. The second level is the ability of a woman to access financial capital from social groups and networks. In summary form, access means a woman’s access to social groups and access to the social-financial capital within a social group.

Social capital is defined as the benefits of each subject (women and men or women only) when entering a set of interpersonal relations (Kešeljevič, 2007).

Also social capital can be defined as the ability of an individual to extract benefits from their social structures, networks and memberships. All these benefits themselves refer to the advantages individuals gained from their relationships with others (Baron and Shane, 2008)

From the above scholars’ contributions, the social capital can refer to a source of benefits that an individual (woman and/ or man) will gain by becoming a part of some external networks (social groups, structures and networks). In terms of ‘benefits’ I mean the social trust being built in the groups, capital generated from the groups and skills gained from the social groups.

Financial capital is the money used by [entrepreneurs](#) in [businesses](#) to buy what they need to make their products or provide their services (from Wikipedia). Therefore financial capitals is the money or cash that individual members of a group access from the group to start and/ or strengthening her or his income generating activities.

Social groups are defined as relationships an individual has with other members (Baron and Shane, 2008). Different actors have different names for the social groups, for example, under Care International in Tanzania through the Village Saving and Loan Associations Programme the groups of saving and loan are called ‘associations or VSL Groups’ and on the side of government, groups under WDF known as ‘Women’s Development Fund’. Therefore I will use social groups meaning associations, VSL groups or women’s groups in my study.

The ‘Social-Financial Capital’

I built this concept during the research design and data collections exercise after understanding the meaning of social capital, financial capital and social groups. It means any capital in the form of cash that has been generated from the interplay of skills, capacity and materials that members of a social group or network pool together from interest they realized during their membership of the groups.

2.2 Relevant Laws

The Constitution of United Republic of Tanzania of 1977

The Constitution of United Republic of Tanzania under the basic rights and duties, in its Article 20(1) provides the Freedom of Association. It states,

Every person has a freedom, to freely and peaceably assemble, associate and cooperate with other persons, and for that purpose, express views publicly and to

form and join with associations or organizations formed for purposes of preserving or furthering his beliefs or interests or any other interests.

(The Constitution of United Republic of Tanzania of 1977, 2008: 34)

Care International in Tanzania (Care International, Tanzania) through its Village Saving and Loan Associations (Village Saving and Loan Associations), is implementing its programme on the basis of the rights that women and men members of the groups have in forming associations with the same interest: saving and capital generation. Also, The Government of United Republic of Tanzania through The Women's Development Fund (WDF) and The Tanzania Social Action Fund (TASAF) is helping women to form groups in order to fulfil the interests and needs of women to attain economic independence and autonomy.

According to Care International in Tanzania, Women Development Fund and Tanzania Social Action Fund women and men have every right to form associations and to express their views in relation to what they want in order to fulfil their interest of accessing capital.

Generally this is an enabling and enforceable article within Tanzanian Constitution that guarantees women's and men's right to participate in economic activities by generating capital from social groups.

International Human Right Laws

The United Republic of Tanzania as a state is obligated under the normative standards of human rights law to adopt necessary measures to bring about equality between men and women. Some of the measures should focus on the areas of control and ownership of productive resources which can be used by both sexes to access formal capital from microfinance institutions. My area of concern is state and non-state actors' facilitative

measures in making sure that women are accessing financial capital. I am not going into details on what state and non-state actors did in improving women's access to capital as per human right instruments. My main reason for using human right laws is to draw attention existing human right provisions in relation to women's access to capital or credits and entrepreneurship skills for women's entrepreneurship development. These human rights standards which Tanzania signed and ratified in different periods, have been provided in The United Nations Convention on Economic, The Social and Cultural Rights², Convention on Elimination of all Forms of Discrimination Against Women³ and The African Protocol on Women's Rights⁴ on Women's Rights.

² Article 3: The States Parties to the present Covenant undertake to ensure the equal right of men and women to the enjoyment of all economic, social and cultural rights set forth in the present Covenant.

Article 6(2): The steps to be taken by a State Party to the present Covenant to achieve the full realization of this right shall include technical and vocational guidance and training programmes, policies and techniques to achieve steady economic, social and cultural development and full productive enjoyment under conditions safeguarding fundamental political and economic freedoms to the individual.

³ Article 13: State Parties shall take all appropriate measures to eliminate discrimination against women in other areas of economic and social life in order to ensure, on a basis of equality of men and women, the same rights, in particular, ... (b) The right to bank loans, mortgages and other forms of financial credit.

Article 16(1): State Parties shall take all appropriate measures to eliminate discrimination against women in all matters relating to marriage and family relations and in particular shall ensure, on a basis of equality of men and women... (h) The same rights for both spouses in respect of the ownership, acquisition, management, administration, enjoyment and disposition of property, whether free of charge or for valuable consideration.

⁴ Article 2(1) State parties shall combat all forms of discrimination against women through appropriate legislative, institutional and other measures. In this regard they shall... (c) integrate a gender perspective in their policy decisions, legislation, development plans, programmes and activities and in all other spheres of life.

Article 13: State Parties shall adopt and enforce legislative and other measure to guarantee women equal opportunities in work and career advancement and other economic opportunities. In this respect, they shall create conditions to promote and support the occupations and economic activities of women, in particular, within informal sector.

Article 19: Women shall have the right to full enjoy their right to sustainable development. In this connection, the State Parties shall take all appropriate measures to:

- (a) introduce the gender perspective in the national development planning procedures;
- (b) ensure participation of women at all levels in the conceptualization, decision-making, implementation and evaluation of development policies and programmes;
- (c) promote women's access to and control over productive resources such as land and guarantee their right to property;

2.3 National and International Policies.

National Strategy for Growth and Reduction of Poverty (June, 2005)

This is the national framework for poverty reduction and economic growth with a view of achieving the goal of the national vision of improvement of citizens' well-being. In achieving equitable growth, the framework put forward the goal of ensuring sound economic management and reduction of income poverty of both men and women in urban areas. To reach these goals there are several interventions proposed; for the purpose of this research, the promotion of credit schemes and stimulation of the informal sector to be productive by the provision of micro-credits through microfinance institutions is the key issue focused upon (NSGRP, 2005: Annexure 2; 2-12 p). The intervention proposed is what the three schemes are doing through the provision of skills and pro-poor packages of loans in the form of grants and/ or capital generated from social groups in Mwanza City, Tanzania.

Tanzania Poverty Reduction Strategy Paper-Tanzanian PRSP (October, 2000)

In terms of objective one of the Logical Framework Matrix for Tanzania Poverty Strategy Reduction Paper, the state is committed to reduce income poverty. In its long-term target the state planned to reduce the proportion of the population below Poverty Line 'by half'⁵ (from 48% to 29%) by 2010 (as cited) which will be evaluated by using the rate of Gross

(d) promote women's access to credit, training, skills development and extension services at rural and urban levels in order to provide women with a higher quality of life and reduce the level of poverty among women;

(e) take into account indicators of human development specifically relating to women in the elaboration of development policies and programmes; and

(f) ensure that the negatives effects of globalization and any adverse effects of the implementation of trade and economic policies and programmes are reduced to the minimum for women.

⁵ This is what is written in the Poverty Reduction Strategy Paper but in reality if the reduction is meant to go from 48% to 29% that is less than half. Half would be 24%.

Domestic Product, expanded investment both human and physical, improvement of investment productivity and the developed private sector from which there were several interventions proposed. One of them is the development of micro-finance facilities and facilitation of access to micro-finance credits (PRSP, 2000). Therefore the work done by The Women's Development Fund, The Tanzania Social Action Fund and The Village Saving and Loan Associations contributed to this goal through the intervention and provision of financial services for poor women and/ or men to access capital from social groups and networks.

National Micro-Finance Policy (May, 2000), under the Ministry of Finance

The Policy was needed because for the majority of Tanzanians, whose incomes are very low, access to financial services offers the possibility of managing scarce household and enterprise resources more efficiently, protection against risks, provision for the future, and the taking of the advantage of investment opportunities for economic returns.

The Policy went further in recognizing the need for saving services that nearly all households need in order to save and protect themselves against periods of low income or specific emergencies and to cover large anticipated expenses like school fees.

For the sake of women and their access to microfinance services the policy provides advice on Why Micro-Finance services are needed. Under clause 1.2.3 it provides:

Credit services can perform some of the same services as savings and can allow enterprises and families to make some important investments sooner.....use credit as a source of short-term working capital and long-term investment capital.

(National Micro-Finance Policy, 2000: 6)

The policy statement, the National Micro-Finance Policy came into existence to establish a basis for the evolution of an efficient and effective micro-finance system in the country that serves the low-income segment of society, and thereby contributes to economic growth and the reduction of poverty. The National Micro-Finance Policy covers areas of the savings, credit, payments and other services from which the policy's focus on micro-enterprise is to provide services for low-income families and their enterprises that have lacked access to financial services from mainstream financial institutions.

The institutions that were earmarked to provide micro-finance services include: government schemes, non-governmental and donor's schemes, formal financial institutions and so forth (National Micro-Finance Policy, 2000). Under the Best Practice Principle, 3.2.5, the policy is committed to Gender Equality in that it states,

Access to financial services should be available to both men and women. In order to achieve gender equity in the delivery of services, it may be necessary to make special efforts to incorporate features that make services accessible to all.

(National Micro-Finance Policy, 2000: 9)

On the roles of actors the policy put forward the regulative role of government in that it should provide a conducive environment for financial and non-financial institutions and non-government organizations to innovate and administer the micro-finance products for rural and poor community members.

The Policy gave me information on the State's guideline on how microfinance institutions should work. It gave directions on non-financial institutions and non-government organizations like Care Village Saving and Loan Associations on employing the best practice principle in the provision of micro-finance services, for example, the gender component I mentioned above.

Beijing Declaration and Platform for Action, 4th Conference on Women (September, 1995)

Women's poverty is directly related to the absence of economic opportunities and autonomy, lack of access to economic resources, including credit, land ownership and inheritance, lack of access to education...

(Beijing Platform for Action, 1995: 19)

This is the Beijing Platform for Action's problem statement under the thematic area of women and poverty while in the area of women and the economy, the policy acknowledges the existence of differences in women's and men's access to and opportunities to exert power over economic structures in their societies in which access to formal capital has become a thorny issue and needs to be considered.

This is an international policy framework which identified gaps between two sexes. Also it provides the action plans for reducing and probably alleviating these gaps and issues which hinder the realization of women's rights and development.

The Beijing Platform for Action looked at women and their access to capital in the two thematic areas of concern which I mentioned above. Now let us examine the policy's focus and objectives for reaching equality between men and women in accessing financial capital from financial and non-financial institutions.

Strategic Objective F.1

In the promotion of women's economic rights and independence, the government of Tanzania is supposed to revise and implement national policies that support the traditional savings, credit and lending mechanisms for women. Although the country tried to implement the National Micro-Finance Policy in improving and giving micro-

financial institutions autonomy to provide saving and credit schemes, the policy needs to be revised to incorporate the burning issues of women's access to capital from the said institutions. This is because the current policy is a regulative framework which only binds institutions.

Strategic Objective F.4

In order for women's economic capacity and commercial networks to be strengthened the policy directs the government, non-government organizations, financial intermediaries, women's groups and associations, women self-help groups to adopt and challenge relevant policies in order to make use of the traditional savings systems, revolving fund schemes and so forth. If these are achieved, women will be able to exert power in the economy and their livelihood will be improved.

All of these overall and specific objectives under the areas of women, poverty and the economy helped me to shape my topic based on the facilitative nature of interventions and affirmative actions to bridge the gaps between women and men in the economy. The interventions focus on improving women's control and ownership of resources, access to capital and capacity building of women by development actors in making sure that women are exploiting the potential for their own economic autonomy.

2.4 The Projects' Focus

The Women's Development Fund was established in 1993 by The Exchequer and Audit Act passed by Parliament in 1961⁶ to provide soft loans to women for economic activities and Mwanza City is a beneficiary of this scheme. Poor women in both rural and urban areas have been reached by this scheme. The scheme supports the existing income

⁶ The Exchequer and Audit Ordinance of 1961. I tried to look up at this Act but I could not locate it. The Parliament database has Acts only from 1962. I even failed to locate it even at the field site at the government offices.

generation activities of women who are in the groups. This is a sharing scheme from which the national government is providing 95% of the fund and the local authority is sharing the remaining 5% of the total fund needed as was reported below,

The national government provides 500 million Tshs per year and local authorities contribute five percent of their total revenue. As of June 2005, the government had contributed Tshs. 3.2 billion since the fund was established.

(SAHRINGON, 2005: 53)

According to Care International in Tanzania-Village Saving and Loan Associations Programme...

... Savings are essential for poor Tanzanians to withstand economic shocks; and access to credit is fundamental to stimulating economic growth and lifting poor households out of poverty.

(VSL Programme Document; 2008: 6)

Care International in Tanzania's Village Saving and Loan Associations scheme is offering a yield on savings and provides loans and micro-insurance in useful and varying amounts at times that are convenient to the borrower (VSL Programme Document; 2008). The differences between Savings Associations and Credit Cooperative Societies (SACCOS)/ microfinance institutions and Village Saving and Loan Associations are that VSL loans are based on savings, so that members have a reduced exposure to risk. Service fees earned on loans go to the VSL's groups and not to external service providers as in the case of microfinance institutions and/ or SACCOS.

The Village Saving and Loan Association's Goal is to improve the quality of life of the rural poor households in Tanzania through ensuring access to financial services. This goal inspired me to take the Care VSL programme as the comparative actor with the

government and examine the efficacy of the works of done in facilitating women's to access to such capital.

The Overall Objective of Village Saving and Loan Associations is to provide 221,760 rural women and men in 40 districts of mainland Tanzania and Zanzibar with access to quality Village Saving and Loan Associations services on a sustainable basis by 2010 (VSL Programme Document; 2008).

The conducted field research at Care International in Tanzania's Western Zone office which is operating in three regions: Kigoma, Mwanza and Shinyanga. The specific location of my research was at Mwanza City which under the VSL programme's implementation is termed a district.

CHAPTER 3

3.0 THEORETICAL METHODOLOGICAL APPROACHES.

3.1 Research Theoretical Framework

The study's perspective emanated from various feminist schools of thought. Different feminists have different views on explaining the nature and forms of women's subordination. Feminists share the ways in which partial and provisional answers intersect, joining together both to lament the ways in which women have been oppressed, repressed, and suppressed (Tong 1989).

Therefore feminism provided the solutions as to how to correct the inequalities that exist between the two sexes i.e. female and male. Feminists: Marxists, Liberals, Existentialists, Radical and others focus on different issues in women's lives and in different aspects of life (Tong 1989). These issues range from access to, control over and ownership of resources, control of sexuality, male dominance or patriarchal domination, motherhood and wifing and even the nature of state administration. For the purpose of this work, I do not propose to go into detail on which feminists take which views. The issue here is that every feminist group gave me information on the nature of women's oppression and the solutions to be adopted to alleviate the problems facing women. In my discussion I will engage not only in affirmative actions but also other applicable interventions mentioned by feminists in making sure that women fully participate in productive economic activities through accessing the loans and/ or credits to start new business ventures or to strengthen their existing business activities.

3.2 Research Methodological Frameworks

Below is a presentation of research methodologies used in the field in revisiting the assumptions and guiding the data collection exercise. Some are broad in the sense that they have sub-approaches within them because all of the approaches in one way or another aimed at investigating women's lived realities from different perspectives. The reasons for taking some of these grand approaches and terming them sub-approaches is because most of them fall into the category of grand approaches. For example, I took a grounded approach as an independent approach because of its nature in the stage of research design and its guidance of assumptions as these shaped the beginning of the research identification up to the stage of data analysis. The Women's Law Approach is a major approach in the field of data collection whereby women's lived realities are explored by using different perspectives, i.e., sex and gender perspectives, actors and structures frameworks and capability and adaptability theory.

3.2.1 Women's Law Approach

Based on obtaining an holistic framework for understanding women's lived realities in relation to economic empowerment, the Women's Law Approach was used to explore the issue of women's access to financial capital in order to sustain and/ or strengthen their businesses. I took the Women's Law Approach as the main methodology that governed my research because for me it is like 'a fruit salad bowl'. By this I mean that the Women's Law methodology deals with a variety of different issues when exploring women's lived realities. For example, sex and gender issues, actors and structures and structuralisation, the capacity of women to explore and act on the rights and opportunities given and/ or awarded to them and other sorts of similar issues on the ground.

The main framework and focus of the Women's Law Approach in exploring the issue of women and access to credits is to investigate women's lived realities by employing a

bottom-up approach toward empirical data collection which informs the situation of women in relation to women's engagement in generating financial capital from social groups instead of using credits that are being offered through Microfinance institutions in Mwanza City. I looked at it from different angles of their lives as they participate in social groups to generate social-financial capital.

Why was the Women's Law Approach adopted to investigate 'women and access to capital'? A leading scholar in the studies of women's law states,

The methodology of women's law is cross-disciplinary and pluralistic:.....It is done from the perspective of one looking from below.....the women's perspective. It implies the wish to see both laws, reality from the women's point of view.

(Dahl, 1987: 10)

My point of departure here is that I used the approach to look at the provision of laws and policies that are in place and which development actors are using in facilitating women's access to capital by means of social groups. In making sure the provisions and objectives set forth are realizing the expectations of women in Mwanza City, I decided to assess the efficacy of the scheme's models that are implemented by actors. There are questions to be asked: Do the actors focus on the obstacles faced by women in accessing financial capital? Do they understand the women's lived realities from the point of view of their roles within the contexts of the household, family, community, discriminatory laws and so forth? How are the impacts of loans accessed by women from social groups measured? Are there sustainability measures in place for the long-term enjoyment of services by women when schemes are phased out?

I understand that development actors are working hard in making sure that women are advancing in their entrepreneurship development as for example in the case of growth in the size of business venture. The question remains, however: Is the work done on the ground offering a promising future for women's entrepreneurial development?

3.2.1.1 CAPABILITY APPROACH AND ADAPTABILITY

This approach is based on assessing the effectiveness of capacity building efforts so that women may access, claim and enjoy their economic empowerment rights. So the question is: Do development actors build the economic capacity of women? And are these empowered women then able to generate and make use of the capital from social groups? The prominent scholar in the capabilities theory, Nussbaum tried to explain the varied nature of the capabilities of human beings when she said:

...what are the people of the group or country in question actually able to do and be?

(Nussbaum, 1999: 34)

Therefore, this approach directed me towards assessing the work done by development actors and women's ability to generate access and make use of the capital generated from social groups.

As far as the actors are concerned, Nussbaum proposed that the social planners should inquire into the needs that individuals have for resources and their diverse abilities to convert resources into practice (Nussbaum, 1999). This insight helped me to look at the groups' formations, choice of income generating activities and ability to adapt their given skills towards the creativity necessary in launching new businesses. A case in point is the Widow Group under TASAF. At the group formation stage, its members decided to start a poultry business. At this point government listened to and agreed with the wishes of the Widows to practice the economic activity of their choice and widows were taught skills on poultry. The group was frustrated by having to wait for a whole year before being able to harvest the chickens generated by the project. The group made use of the profit generated from the poultry business and the simple business skills of business

diversification. In the end they managed to start a new business of tie and dye in order to earn a living while waiting to harvest the chickens.

Also Nussbaum went further in listing and explaining the types of capabilities that human beings should be able to experience and exercise and they include...:

life, bodily health, bodily integrity, senses, imagination and thought, emotions, practical reason, affiliation, respect other species, play and control over one's environment.

(Nussbaum, 1999: 41)

She also categorized the above ten human being's capabilities into three main categories such as basic, internal and combined capabilities. Basic capabilities refer to the innate abilities of individuals that are necessary for developing more advanced capabilities when trained; internal capabilities are states of persons that are....sufficient conditions for the exercise of the corresponding function after given suitable external conditions, informal education and socialization. Combined capabilities are defined as internal capabilities and external conditions that require the promotion of internal capabilities and the making available of the external institutional and material conditions (Garrett, 2008).

Generally the approach was applied at all stages of my research from designing up to the analysis stage from which the central question is: **Are women actually being effectively helped in their efforts to generate, access and make use of the social-financial capital they generate in the process of their entrepreneurial development?**

3.2.1.2 ACTORS AND STRUCTURES PERSPECTIVES AND WOMEN'S AND ACCESS TO FINANCIAL CAPITAL FROM SOCIAL GROUPS

This is the framework that explains how individuals' or groups' responses are influenced by conditions and rules existing and governing a specific structure (Bentzon et al, 1998).

In this case structures include the community, families, traditions, social groups and networks, local government's levels and departments, microfinance institutions and NGOs.

Actors (i.e. government and Care VSL officials) who are operating the policies and procedures set forth by decision makers, automatically and/ or purposely affect women's access to social groups and the capital generated from social groups. They determine the size of the loan/grant that women can invest in their business on the road to their entrepreneurship development. Banks, group members, husbands and family members also have an effect on the level of women's participation in social groups. This was noticed by Bentzon:

Different actors and structurally imposed possibilities ... influence how they (i.e., women) can pursue their goals and resolve their problems.

(Bentzon et al, 1998: 102)

Structures responsible for facilitating women's access to capital from social groups have direct or indirect effects on women:

Structuration theory is based on the assumption that structure is both enabling and constraining, but does not totally determine the actor's behaviour.

(Bentzon et al, 1998: 102-3)

The approach was engaged in analyzing the capacity building approaches of government and Care International in Tanzania through Village Saving and Loan Associations (VSL). It helped me to identify the nature of schemes and approach of delivering the facilitation so that women can access capital from social groups. This is because the structure has an influence on the approach that will be adopted and hence impacts upon the work done by these structures and will have effects on the way women will benefit from the social-

financial capital generation models. For example women members of VSL groups will have skills and capacity that came from the way Care International in Tanzania structures and delivers the VSL Programme. Also the women-only groups under WDF and TASAF will have the skills and the ability to generate social-financial capital in the way government adopts the schemes and delivers its project objectives.

3.2.1.3 *SEX AND GENDER APPROACH*

This involves a systematic gathering and examination of information on gender differences and social relations in order to identify, understand and redress inequities based on gender and sex (Reeves; 2000).

Gender is a concept that refers to the cultural interpretation of the biological differences between women and men, while sex is a biological make up that differentiates between being female or male. Gender is a social and cultural construct based on the norms and customs believed and practised by the society itself.

I used this approach in explaining why most women members of the group do not fully participate in the social-financial capital generation processes in the social groups in Mwanza City. Also it helped me to investigate why customarily women are not entitled property ownership which has resulted in a lack of collateral when trying to access formal capital from microfinance institutions. It also helped to explain how/why sometimes husbands/ male partners take the loans accessed by their partners (women) from social groups.

Another aspect of the theory involves looking at the roles of women and men in the community which were constructed from specific child-rearing practices (Bentzon et al 1998) and the socialization they received from the society they live in. To be specific, traditionally men are perceived to be superior to women. I believed that this affects women in participating in the social groups as some women were not allowed by their

husbands/ male partners to access the social group, for the reason that a woman is expected to stay at home and take care for the children and family in general.

These misconceptions and confusion affect women and cause them to be marginalized by the community. As a result their participation in social groups whose aim is to raise capital is limited by the image those women have of themselves and the expectations imposed upon them.

3.3 Methods of data collections

3.3.1 Consultations

I used the consultation method of data collection to ask for clarifications, guidance and sometimes for the purpose of asking for permission from the authorities responsible for my research. I consulted my research supervisor Professor Julie Stewart on the selection of a topic, the assumptions, the shaping of assumptions and at the field I consulted her for discussions or interviews. Also in respect of the government and Care International this was my most frequently used method at different levels of management and office operation. For example I consulted staff in the registry department on how to go about visiting different offices, how to follow-up my letter that I submitted to ask for permission to do my research at the city council, making appointments and so forth. See Annexure 1 which gives a list of people I consulted at different stages of the field research.

3.3.2 Desk Research

I investigated the works of other writers on the issues of women and access to financial capital. I searched for materials and information in library books, articles, web-browsing, policies, statistical reports and other materials which helped me with the research

preparation, field data collection and research report analysis and write-up. The materials consulted includes but are not limited to: Tanzanian policies on women and development, national strategies on poverty reduction, relevant laws, the Constitution of United Republic of Tanzania, International Human Rights Instruments, related articles on women and economic empowerment on capital issues, access to capital, alternative ways of accessing capital by women, understanding the main elements of social capital, commerce lecture notes and source books, relevant dissertations on women and access to capital or loans.

3.3.3 Key Respondents

This method helped me to get details of implementation models of selected development actors from top management to the field level. I found it is convenient to use this method to the middle management level and at the level of heads of units. These people are the technical personnel who have an insight into what is happening on the ground.

Table 2: List of Key Informants in the field

S/ No	Name	Frequency	Facilitator
1	Agriculture, Livestock and Cooperatives Department	1	Government
2	Women Development Fund	3	Government
3	Village Saving and Loan Associations	6	Care International in Tanzania-Village Saving and Loan Associations Programme
	Total	10	

Source: *Field Diary as of October-January, 2009.*

3.3.4 Interviews

This method was helpful in getting details of issues that affect women in their lives and which prevent them from accessing formal financial capital from microfinance institutions. Different types of interviews were used. For example one-on-one interviews were used when I wanted to have one person's view and concentrate on women's participation in the social-financial capital generation processes,

In-depth interviews were used to get insights into the sensitive issues that women failed to discuss in the focus group discussions and collective interviews. For example socio-cultural dynamics that women face and which prevent them from effective participation in social-financial capital generation.

Collective interviews were helpful when I wanted the views of just a few people. These interviews were confined to two or three subjects at a time. I used this type of interview when I wanted data from a group's leaders like interviewing chairpersons, secretaries and treasurers; sometimes I included the Community Based Trainers with the group's leaders in case of issues pertaining to the VSL programme. Also I used this type of interview when the attendance of group members was not good. Therefore I conducted collective interviews when only a few people attended.

Table 3: List of and Types of Interviews Conducted

Facilitator	Types of Interview	Interview No.	Location held	No. of people interviewed
Government	One-on-One	01	Mwanza City Council	1
		02	Mwanza City Council	1
		03	Isamilo Ward Office	1
	In-Depth	04	Isamilo Ward Office	1
		05	Isamilo at Interviewee's House	1
	Collective	06	Mwanza City Council	4
Care International - VSL	One-on-One	07	Care International in Tanzania Zonal Office-Mwanza	1
		08	Igoma	1
	In-Depth	09	Care International in Tanzania Zonal Office-Mwanza	1
		10	Interviewee's House	1
		11	Igoma-Interviewee's House	1
	Collective	12	Tilapia Hotel	2
	Telephone/Distant	13	-	1
				Total

Source: Field Diary of October, 2009 – Feb, 2010

3.3.5 Focus Group Discussion

I employed this method of data collection at the time and on issues and when I needed to include many people of about five to ten at once. The dialogic nature of discussion where by members were giving out their ideas and impression openly and interactively.

Table 4: List of Focus Group Discussions conducted and number of people attended

Facilitator	FGD No.	Group name	Group Location	No. of People attended
Government	1	Twilele Women Group	Isamilo	04
		Upendo Group	Isamilo	02
	2	Widow Only	Isamilo	10
	3	Tuinuane Women Group	Nyasaka	05
	4	UZOTA/ ASUMA	Nyakato	06
Care International in Tanzania-Village Saving and Loan Associations	5	Mwamko B	Igoma	07
	6	Mwamko A	Igoma	04
			Total	38

Source: Field Diary of October, 2009 – Feb, 2010

3.3.6 Observation

I constantly observed the groups' meetings that I happened to participate in and I was able to see the compliance of the group's members in the meetings and the application of some of the principle and formalities. For example, I saw what took place in relation to the payment of fines when some group members arrived late at their meetings. Also I had an opportunity to look at a group's equipment and the way it was used and also how the individual passbooks are to be filled in when shares were bought loans repayment recorded. Lastly I witnessed the 'shares-out day' where I saw the importance of accuracy in the filling in of members' records of the shares bought and loans records. This is because members who were involved in the exercise were keen to calculate the members' shares and the dividends that a member is supposed to receive.

3.4 Main Sources of Data Collected

A point of reference of data collection was drawn from written and oral sources of information. Written sources include but are not limited to official reports and documents and statistics, while oral sources include transcription from audio files (recorded voices).

The chapter also looked at two main important stages of the field research. The first was the presentation of methodological approaches and their significances in researching women and access to capital. Experience I got from the data collection exercise which inspired and influenced me: two sub-approaches of women's law approach which are capability theory and actors and structures perspective. This is because the contribution and frameworks I got from these scholars in exploring women's lived realities in relation to alternative ways that women are opting to access financial capital from social groups in Mwanza City.

Methods of data collection were dominated by qualitative methods of data collection from focus group discussions, different types of interviews and lastly the statistical reviews were used but not the extent that I was engaged throughout the process.

CHAPTER 4

4.0 THE MODEL OF THE GOVERNMENT OF TANZANIA

4.1 The Government's Approach

The Government of Tanzania is building capacity for women to generate capital in terms of skills and grants and/ or loans. I researched two government schemes on women's empowerment, namely the Women's Development Fund (WDF) and the Tanzania Social Action Fund (TASAF). Though these schemes are being implemented by government, there are slight differences between them on the basis of the nature, origin, coverage and even the content of the kind of facilitation they are focusing on.

The government agent of implementation in Mwanza City is the Mwanza City Council through its City Community Development Department (CCDD) which is overseeing the implementation and administration of the Women's Development Fund which is building the capacity of women who are its only beneficiaries.

The WDF and TASAF share the same methodology of training, monitoring and grants-provision to approved groups. There are different subjects covered by each scheme. The intensity of training, facilitation methodology, amount of loan or grant given is part of it. Sometimes a 100% grant is given and even the type of economic engagement and the groups' composition are different.

As far as the Women Development Fund is concerned:

Women are being trained for one week and then (given) the loan; in form of grants of about 200, 000 Tshs is given to group members in a year who are supposed to be five to share the money to support their businesses.

This was a response from Mrs Mwita from the (CCDD) City Community Development Department on what the government is doing to empower women economically through WDF.

Training in simple business skills takes one week. They include simple book-keeping, how to calculate profits and losses, market search and competition, business diversification, business management skills and cross-cutting issues like HIV/ AIDS, environment, cultural and customary issues.

As far as the loans are concerned, a group is given 200, 000 Tshs⁷ in a year with a 10% rate of interest as service charges to cover the monitoring of the repayments and in-business training by Community Development Officers. The reason behind the lower rate of interest rate was given in the shadow report by non-governmental organizations on the implementation of Convention on Elimination of All Forms of Discrimination Against Women as this was a government report on the implementation of WDF:

10 percent....in order to “assist women loan beneficiaries” and to encourage more women to utilize the funds.

(SAHRINGON, 2005: 57)

Government is providing loans on the basis of a revolving/rotating fund so that the returns will help other women to access loans.

I asked Mrs Mwita what is the difference between loans government is providing and loan provision from other microfinance institutions in Mwanza. She said:

⁷ Exchange rate as at 5th February, 2010 was 1US\$=1,365 Tshs

There are no harassments on the failure of loans repayment because that will disturb the life and welfare of a woman and the family instead of helping her.

The TASAF built the capacity of a Women Widows Women's Group located at Isamilo East Street. It improved the entrepreneurial capacity of women through training and a 100% grant.

In this Group's case the intensive training took two weeks and included subjects on how to start ventures, the specific skills of the poultry business on how to raise chickens, where to look for specialists, how to feed chickens, how to find a market for them, how to calculate profits and losses, how to calculate the reward for labour invested in the business, group dynamics and tolerating one another in a group and other cross-cutting issues like HIV/ AIDS and gender relations.

What I found interesting in this scheme is the way these women were able to diversify their business after the first investment they made from the grants they got from the TASAF. This is the feedback I got from the group discussion I did with widows when I asked them about how much they were getting from their harvested chickens. They said:

At first we were waiting for the right time of chickens to be harvested which took us one year to harvest⁸. Then it was too long for us to wait for profit to share, because we were trained to think⁹ on (about) our business we decided to find other (another) business which will keep us busy and get profit so that we can sustain our selves throughout the year while waiting to harvest the chickens.

⁸ They are raising hybrid chickens as a result of crossing broilers and local chickens.

⁹ 'Think' is the word they distinctly remembered from their training. They said that an entrepreneur should be innovative in her business.

As far as the grant is concerned this Group, after training, was given 100% grant of 6,000,000/= Tshs to start poultry raising chickens. This grant built the project house; they bought equipment, food and chickens to start with.



Figure 2: Widow Women's Group in front of their Project Building and the pieces of *Batiki* they made at Isamilo Ward.

I asked the Community Development Officer of Isamilo ward, Mrs Lucy Yango on how the loans accessed by women were helping women to strengthen their businesses and develop them as entrepreneurs. She said,

....when they came to take loans, it was for businesses and when they are injected with simple business skills it helps them to do businesses, they repays back according to time agreed because they are making profit from their business, so the results is viable. Other women are taking loans for their immediate needs and not intending to do business-though this is not allowed and at the time we are enrolling them for the loan they are not telling us, so their entrepreneurship development is not viable because even the business they showed up before loan approval is not developing. Other women are taking loans but they are not moving forward as entrepreneurs, so it is difficult for the loan to be productive.

She concluded:

Other women are getting loans which are not enough, for example, there is one woman who having a poultry- chickens raising, the 40, 000 Tshs are not enough for the one who is having business of 1, 500,000 Tshs.

Government's efforts towards empowering women are highly appreciated by women who accessed the capital though they raised the concern that the funds are insufficient as in the case of WDF and their skills need to be updated as in the case of TASAF to match the business which is growing. This is the response I got from the secretary of the Widow Women's group under TASAF who said,

We have more than one business now. It is difficult to manage three businesses at time. It is now three years since we were trained in managing one business and we now have three businesses from which we were trained to raise chickens only but now, we are doing tie and dye and tailoring. We called people to train us on how to make 'batiki'¹⁰ but we think we need training from the government at least for three days.

This is the concern from these women who are in need of developing their income generating activities by acquiring the technical and specific knowledge required for the three businesses they have. Another point to be considered here is that these widows managed to make use of the skills they got from TASAF and they were able to adapt the business skills to challenges that they faced. Thus they used available resources they have in their bank account to create other businesses while searching for a source of new skills such making of batiki and tailoring shirts from the pieces of material.

¹⁰ Batiki is a Swahili word meaning tie and dye materials which are sold.

Table 5: The Projects of 25 Widows at Isamilo Ward, Mwanza City

S/ No	Name of Business engagement.	Capital Value.	Year started.	Duration	Actual Profit in a year in Tshs
1	Poultry-Chickens.	2,000,000	2007	3 years	500,000
2	Tie and Dye.	300,000	2008	2 years	500,000
3	Tailoring.	200,000	2008	2 years	300,000
	Total	2,500,000	2009	3 years	1,300,000

Source: Field Diary of October-December 2009

4.2 Group Formation Criteria on Government Schemes

My assumption was that group formation criteria were not informed by women themselves but they were rather imposed on them by means of the importation of other implemented models. As a result women are not satisfied with the way groups are formed.

Group Formation and Size of Membership

The women's group is supposed to have five members of no blood relation who should know each other before joining the group. Therefore, women put themselves into groups of five to meet the requirement of the WDF's procedures and requirement for women to access funds.

Also women should have existing income generating activities as one of the conditions for accessing capital in the form of loans and skills to run the businesses they are operating. All women interviewed and who participated in the group discussion passed through a screening test to show their business engagements before accessing capital and skills. A woman in a collective interview said:

I went to ask for opportunity on accessing capital for my chickens raising business and they¹¹asked me if I have business from which I was applying for capital. After following all the procedures required in accessing capital, they came by surprise in my place because I filled the address of my business location and after that I was called for training and finally I accessed the loan.

After the discussion with the group, I triangulated my research by conducting interviews with a Community Development Officer (CDO), Mrs Lucy Yango on why government is relying on women who have already have income generating projects and not those who want to venture into business for the first time. She said:

You cannot give woman loan to start business that she was not doing before the process, because that will be new investment for her and the amount of money she will be eligible is not enough because government is providing flat rate of amount of money to be given to a group and later divided to individual member of the group.

In the WDF project, the women's groups also consist of five women who have no blood relationship between each other and the group is collateral for loans repayment. The Community Development Department planned for a women's group to have one business engagement so that a small amount of money will be invested and will be productive in the sense that the costs of investment will be minimal and at least the women can gain some profit for their livelihood.

I further asked Mrs Lucy Yango why the plan of one group having one income engagement is not taking place. She said:

The problem is the nature of the economy and varying skills of women on different income generating activities, interests and

¹¹ She meant the Government officials from Community Development Department, Mwanza City.

convenience on a specific business she is engaged with. Therefore as government we saw that, they can still be in a group, accessing skills and capital while they are engaged in different income generating activities.

During the FGD I conducted with Tuilele and Upendo Groups together, I asked her why they are not doing one business as a group rather than having individual income generating activities. One woman responded:

My baby, I am used to making snacks and selling by the road, another group member there is doing cross-border trade, my friend there is dealing with the wholesale business of *dagaa*¹² and on my left she is engaged with chickens raising, now tell me what kind of business will we do together?

This shows that CCDD is trying to deal with challenges facing the implementation of Women Development Fund in making sure that women are economically empowered. Even if every woman gets to have her own economic engagement, she will still be able to access capital by accessing funds in groups.

Group Composition

A women group should comprise five women who are not blood relatives but there are no follow-ups to check that they have known each other. The community development department is relying on information from street leadership.

The way Tanzania Social Action Fund's group was formed was from the special needs of the special group of women in the community that the composition of women in this group is: widows, single women headed families, raising children in difficult situations

¹² Dagaa is a Swahili name which means small fishes popularly known as Kapenta in Southern Africa.

and most of them are elderly women. Therefore, the widow's members under TASAF were formed by the sharing qualifications of being a widow, poor and disadvantaged. They were mobilized to participate in income generating activities together because they share more or the less the same concern in their lives and especially that they are unable to access capital from microfinance institutions. The reason for their group formation was not to generate capital but in the process of generating income they are generating capital for their collective economic activities.

After seeing and talking to them, I discovered that they got 100% support from the TASAF to start the joint business. The group is now generating capital on its own as of now has been independent from government grants since 2007.

Table 6: Criteria for Group Formation and the Group Composition of 3 selected Credit Schemes in Mwanza City

Type of Scheme (s)	Care Tanzania – VSL Programme	Government	
		Women Development Fund	Tanzania Social Action Fund
Membership size	15-30	5	25
Stage/ Group's Composition	New group formation	Existing Groups	Existing group/ sharing of interest
Income generating activities prior to group formation	No evidence is needed	Compulsory and verification is done before approval.	No need
Relationship with other potential members of the group	It is condition set forth but there is no framework to verify knowing and trusting each other.	No blood relation. There is no follow up to verify the relationship with each other, only street leadership guarantee is enough.	It is important

Source: Field Diary of August-December, 2009

In the case of WDF, the approach is 'one size fits all' because they assume that all women have the same capacity and background and that they don't need special attention

and needs in order to generate social-financial capital. I mean, some women in the groups have different forms of economic engagements which need different capacity to deal with in accessing capital compared with other women.

During FGD at Isamilo ward office, one elderly woman said:

My business's capital value is 1,500,000/= Tshs, I got loan of 120, 000/= Tshs. Imagine, I am raising chickens whereby the loan I got is only for buying chickens' food of one week.

The loan she is accessing from WDF is not enough because of the size of her business. I asked her whether the support she got from Community Development Department is not enough. She replied:

For sure the loan for me is not enough but I am grateful for skills I got, because I was not considering my labour dedicated to business as capital that should be paid for.

She is like other women who benefited from the WDF and TASAF acknowledges skills gained and it impacted on the ways of calculating their profit. They were not aware that their labour and time spent in their personal businesses should be paid for as another form of capital invested in their businesses.

Women's entrepreneurship development is viable and valued by women who got skills and capital from City Community Development Department even if is minimal compare to their capital needs.

4.3 Group's governing Principles and Formalities in TASAF and WDF

I thought that social groups in Mwanza City are governed by principles and formalities that guarantee women's participation in the social-financial capital generation process.

In the case of WDF's groups, the schemes adopted the rules and principles that guarantee women's participation in social-financial capital generation through engagement in social groups.

All group members who participated in the focus groups discussion said that they are comfortable with the formalities and principles adopted by their groups from support of the CCDD in drafting the groups' Constitution which governs groups in accessing funds and loans repayments.

Some officials from the CCDD think that women are comfortable with these formalities because there have been no serious conflicts in groups since 1994 when the scheme started its operation in Mwanza. They revealed the only problem is members who are not repaying loans in time at the bank.

The groups are free to write their own constitutions on the basis of what they think should be included so that they can participate well in the group. The agreement must include the names, signatures, business type and location and address of group members, name and number of bank account from which the loans could be repaid back to the WDF account. I interviewed the key informant from CCDD, Mrs. Mwitwa on the formulation of constitution and this is what she said,

..the constitutions that governing the conducts of the groups and behaviour of the members depend on the wishes of the group. There is no common constitution, every group is drafting and approving the constitution.

When interviewing one of group members from one of group under Community Development Department on what is the guiding principle of their group, she said,

We have our own constitution that we drafted and signed, it is guiding us on the issue of paying back loans.

I asked her, what else is included in the group's constitution. She replied,

Group name, our names, our businesses types and locations, meeting days and intervals, account number of our group from which loan can be repaid, the conflict resolution mechanisms and so forth.

I asked a member from the second group at Isamilo ward's office if group members were satisfied with the way the Constitution directs the group in the social-financial capital generation process. She said,

From my group, all of us are comfortable because what else should be included in the constitution? For us we are fine.

I decided to triangulate my data by asking the immediate authority about the operation of groups' constitution. Mrs Lucy Yango reported,

The only problem is loans repayment at the bank; most of the time other members of the groups blaming each other by saying, 'this woman lied to us that she banked money while not having done so!'

In the case of loans, women access them from the CCDD whereby each woman is getting 40,000/= Tshs from the 200,000/= Tshs that was given to the group. In this case, the group can opt for a loan repayment period of between six months to 12 months and the

successful repayment of the loan will mean that the group will be entitled to be awarded a second loan which is double their original loan. When a third loan is requested an additional 200,000/= Tshs is loaned. In other words, each successive loan increases by 200,000/= Tshs. The interest rate is 10% of the total amount loaned from the department.

I asked the Upendo Group at Isamilo ward which round of accessing loans they are in, treasurer replied,

In 2008 we started our sixth round from which we got 1,200,000/= Tshs, that we are supposed to return 1,320,000 and we started with 200,000/=Tshs with interest 20,000/= Tshs.

Table 7: Women Development Fund’s Loaned Fund to Tuilele and Upendo Groups located at Isamilo Ward in Nyamagana District, Mwanza City

Group’s Name	Round	Date of Accessed Loan	Size of the Loan	Loan Repaid	% of Repayment
Upendo	1 st	December, 1999	200,000	224,000	100%
	2 nd	September, 2001	400,000	420,000	100%
	3 rd	November, 2002	600,000	672,000	100%
	4 th	July, 2004	800,000	896,000	100%
	5 th	March, 2006	1,000,000	1,100,000	100%
	6 th	January, 2008	1,200,000	-	0%
Tuilele	1 st	July, 2004	200,000	224,000	100%
	2 nd	March, 2006	400,000	440,000	100%
	3 rd	January, 2008	600,000	-	0%
Total			8,200,000	6,440,000	

Source: The Report on Women Development Fund Loaned amount in Nyamagana District as of November, 2009

In terms of the above table, neither Group made any loan repayments in January 2008. I was told by Mrs Lucy Yango that they did not compile the 2009 data but some repayments have been made.

As far as group meetings are concerned, they have to meet every month to assess the group's loan repayment status. This is the time members are supposed to show bank slips as evidence of the monthly loan repayments and identify who has failed to deposit her share of the repayment. The group and CCDD rely on banks deposit slips and after the group's meeting the follow up of those who did not pay or will be late in repayment will commence.

On the government side, the assumption is holding because beneficiaries are women only and the social-financial capital generation process is easier as group members are given a lump sum amount of the grant to share. The loan accessibility in the second round depends on the repayment compliance of the group. Therefore, the capital generation in WDF starts in the second round.

The governing principles and formalities help the advancement of women by improving skills and lump sum contribution to strengthen their income generating activities.

4.4 Government Schemes' Impact on Women's Entrepreneurship

The use of existing social groups is the acknowledgement of the social wealth that the community appraises though if the group is formed after group members have been informed on the benefits of being in the group, this involves other issue which is not part of my research.

Women should already be engaged in income generating activities before receiving capacity injection from CCDD. This is good as women will think what they want to do with the loans that they will access after the approval of the responsible authorities. I was

following on why government is supporting women who already have income generating activities instead of supporting other women to start businesses, Mrs. Mwita replied;

Money is not enough for women to start business with, for those who have income generating activities it is simple and productive for them to utilize the loan from which the business initiation took place already.

As I explained earlier when presenting findings in assumptions two and three on criteria informing group formation and principles governing the conduct of the groups in social-financial capital generation, we see that government is providing training in simple business skills and loans in the form of grants. This is helping women to make use of skills they got from the CCDD on their investments plus start-up loans of 40,000/= Tshs each in first round of loans.

Women are accessing business skills through which they made use of the grants given to them. The skills¹³ transferred to women are of great importance in helping women to improve their business and rewarding themselves. One woman from one group located at Nyasaka Street said,

I didn't know that I am supposed to calculate the time I spent in preparing snacks it is supposed to be termed as capital from which the value of money should be allocated to pay the labour charges.

These Schemes have a direct impact because there is a follow-up framework¹⁴ on the tracking needs of the group. If the need is fulfilled or not is another issue, my main

¹³ See the government approach under assumption one

¹⁴ Monitoring and Evaluation Framework in making sure that women are engaged with the Income generating activities they had before approval and after accessing funds even though they will decide to change the business engagement later.

concern here is, at least women are seeing and getting help from CDO on difficulties they are experiencing from business competition and so forth.

4.5 Government Frameworks on Women's Future Investment

Due to a lack of an effective framework for future investment by development actors there has been an allocation from capital generated to family expenses by women.

Generally under the government schemes of capital generation, there is a clear and specific framework from which women are supposed to show evidence of business engagements. Also before being given loan, the CCDD should assess the business of the applicant. Therefore there is verification of what a person is going to invest with that the loan/ grant as in the case of WDF.

TASAF has different arrangements: those women should group themselves and should state their contribution. If in the form of labour or land allocated for their business venture. In doing this a scheme is sponsoring all activities of project initiation whereby after initial capacity building a group resumed its full mandate from which no support was given afterwards. The TASAF is taking care for technical support on the monitoring and advising if the group is to be self sufficient.

Still there is no strong evidence that women are using social-financial capital generated from WDF and TASAF to meet family expenses. There is a very clear mechanism under TASAF concerning the fund itself as it is owned jointly by all group members with a bank account and three signatories operating with the consent of its members.

Though I found that in WDF's group, the businesses of many women are not growing in size. Many women claimed that the loans that they are accessing are not enough for their businesses needs. At the stage they accessed loans; they made use of them even though the loans are not helping to increase the size of business. One woman from Tuilele group

at Isamilo accessed a loan in 3rd round whereby January, 2008 they got 600,000/= Tshs and every member of the group got 120,000/= Tshs,

My business's capital value is 1,500,000/= Tshs, I got loan of 120, 000/= Tshs. Imagine, I am raising chickens where by the loan I got is only for buying chickens food of two days

She continued,

This doesn't mean that the loan didn't help me in my business at all; it is difficult for someone to measure the productivity of the loan in short period of time and the loan size I am getting in yearly basis¹⁵. When we started we got 40,000/=Tshs only and now I got 120,000/= Tshs. I hope one day I will get 500,000/= Tshs and make a viable impact on my business.

Government's verification of economic activities is important but it is hard to measure how effective the loans are in terms of productivity.

4.6 Group Dynamics in Government Schemes Models

Most women in social-financial capital groups are facing financial and socio-cultural dynamics that affect their participation in leadership elections, capital generation and accessibility and their relationship with other members.

Government's schemes do not experience too much tension between members and from families and/or community members. This is because of scheme's nature and what the schemes do in assisting women to generate social-financial capital from social groups and how often members have to meet and on what issues.

¹⁵ This woman is well informed on business measure and needs because she said she is in this business for five years now.

The financial dynamics in WDF groups is shaped by business competition and not brought by members of the family. A few women told me that sometimes their businesses are not doing well therefore they cannot repay their loans in time. However after a short period of time they do repay. Then she explained that:

when your fellow group member tried to ask if you banked money, even if you didn't you will tell her you deposited because they will be worried that they will be called by '*Mama Maendeleo ya Jamii*'¹⁶ to be asked to show bank slips.

According to Mrs Lucy Yango so far there is no serious group dynamics. When I tried to probe her on the difficulties that women are facing in repaying their loans? She said,

there are some of the delays in repayments but I can't call it difficulties or financial barriers.

She seemed to be reluctant to talk about dynamics. Thus I asked her why there are not many tensions within the WDF groups.

Everyone is taking 40, 000/= Tshs and works alone so the time of being in conflicts is being minimized. Only in the time of repaying, is when they can be in contact because the 5 group of women is collateral enough and also their meetings are just asking on who paid and verification is done through checking the bank slips. Calculating on what remained to be repaid to the government and brainstorming on procedures of requesting for the new round.

¹⁶ Community Development Officer

CHAPTER 5

5.0 THE VSL MODEL OF CARE INTERNATIONAL, TANZANIA

5.1 Care - VSL Approach

Care International in Tanzania through The Village Saving and Loan Associations (VSL) programme is strengthening men's and women's skills of social-financial capital generation and accessibility through a saving and loaning approach. For this project it is not providing funds, grants or loans to groups or individual members of group.

The VSL Methodology is helping women and men to generate social-financial capital from social groups. This was said by Mr Mbelu Njawa (Mobilizer of Mwanza City) when I asked him, how the VSL is being implemented, he replied:

Care is not providing funds; it is giving skills and capacity on how Village Saving and Loan Associations groups can harvest the benefits of being together as members with equal power, authority and autonomy.

Then I probed him, how about members' capacity building is being established?

Through community mobilization, training of the leaders on technical issues, provision of necessary equipments, monitoring and providing the guidance on the apex association formation after group's graduation/ end of the saving cycle.

Now let us look at the ways Care International in Tanzania is building and improving the capacity of group members in the social-financial capital generation process.

The facilitation of group leadership elections, the development of policies and the rules of the group governing social fund, the share-purchase/ savings and credit activities, the constitution drafting and so forth are part of VSL agenda. VSL have their own basic principles that apply to all members of self-selected group that voluntarily form a VSL and save money, through the buying of shares (Allen and Mark, 2007). They then bought shares is a loan fund from which depositor can borrow and repay with services charges (the interest rate agreed by members in the constitution).

The selected leaders undergo technical training on the basis of the VSL's methodology and general training in the areas of group management skills and team works. Also periodic training takes place to review the needs and capacity of the leaders in handling the groups' operations. When I asked about the content of the training that he attended, the chairman of a group at Kiloleli Street responded

Trainings I attended were basically tailored to cater for skills and technical issues of group leadership for example, operation of saving and loaning activities, how to handle conflicts and so forth. Training of groups' treasurers is different because it focuses on issues of counting money, faithful and so forth.

In the same interview, a Community Based Trainer (CBT) who is the supervisor and trainer of groups allocated to her around the area said:

As Community Based Trainer, I am participating on all groups' trainings that are in my area of work so that I can learn too and get details of skills. This is because if problems arising in reading groups' policies; always I am responsible in clearing the situation.

The distribution of working equipment: bicycle, shares, loan record book, an iron box, stamps and other running cost of a management committee from programme level at Care Western Zone.

Distribution of an iron box by the VSL programme to VSL groups is for reasons of safety and convenience and to have the group's documents in a one storage point. See figure three below on the type and model of an iron box that each VSL group receives.



Figure 3: Iron Box that the VSL Group receives

Normally the iron box is locked by three locks and three keys are distributed to three members of the group (every one three keys for three different locks). Key holders are members selected using the criteria that their residence locations should be scattered to make it difficult for anyone to steal three locks at a time and gain access to the box. Again the box is stored in a different location from the residences of key holders.

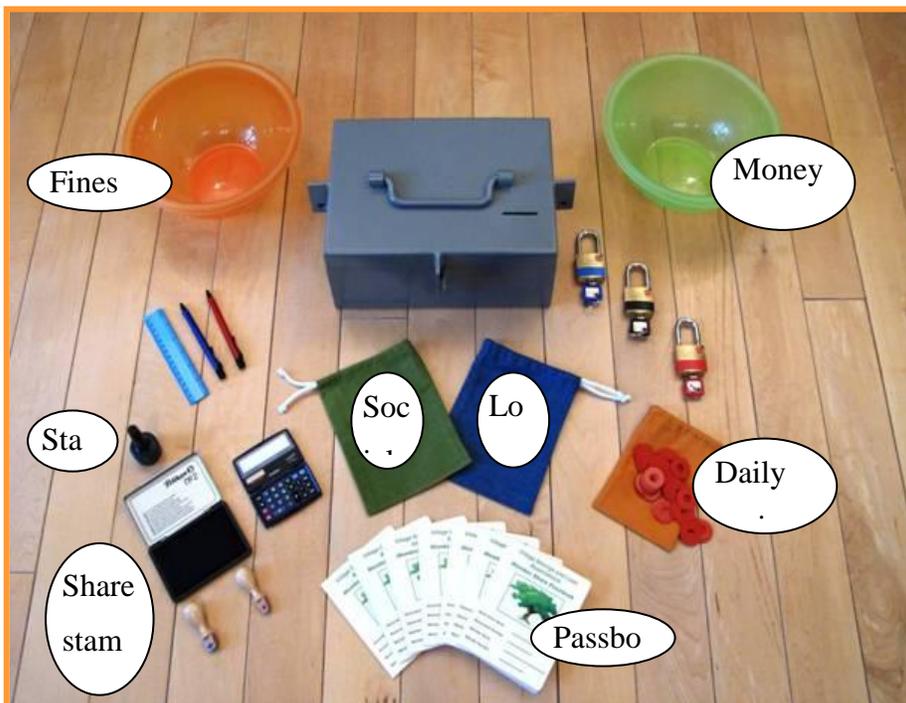


Figure 4: Tool Kit that the VSL Groups use

The VSL programme is facilitating groups' activities through the provision of individual shares books to record shares bought and loans applied for and accessed by individuals. On top of that, from figure five there are other pieces of office equipment like a stamp, stamp pad and ink for records of individual saved money, acknowledgment of money deposited. Also there are bags in which to store social funds for members' security during times of difficulty. These are separated from the loans fund that is made up of shares and fines levied because of different mistakes made by members. See the fines' bowl as you at the upper left of the picture.

Bicycles are given to all Community Based Trainers (CBTs) in different areas so that, they can be more easily to monitor the groups easily and create new ones. The CBTs' duties include but are not limited to, teaching group leaders how the VSL operates. They also remind people of the rules and clear confusion in the understanding and application of the group's specific policies mentioned under the group's constitution. They also mediate in the conflicts and misunderstandings between group members. They prepare data for Management and Information System (MIS) for each group's located in her or his place of work. All these activities require transport. This is the reason for CARE to distribute.

Sustainability building of the project; VSL is doing the preparation of project phasing out from the project conception stage up to the end. The project is engaged in capacity building for CBT who are managing VSL on behalf of the Mobilizers. CBTs are not employed by the project. They receive an allowance of 2,000/= Tshs from each group at the time that they provide their technical knowledge. They receive a bicycle and stationary from the project so that they are mobile and write monthly reports. In doing this, when the apex association was formed (one per district), he CBT will be employed by the associations to resume Mobilizers' works. I asked one CBT her views on the process of saving and loaning when Care phrase out, her responses were:

We will survive because I can do approximately 75% of what Diana¹⁷ is doing in the groups because of the capacity that Care built to me.

I probed her on new skills that her groups will need at the time Care is phased out? She confidently replied:

Because there will be our apex association which will employ people to run the association, we will always make use of the association to submit the groups technical and general needs so that new and needed skills will be built to us.

Therefore, the approach adopted by Care International is basically for building capacity of groups in managing their own finances and providing equipment that is needed by the social groups they engaged with.

I interviewed Madame Ndayan Lukumay who is a Zonal Manager of VSL programme why Care is building capacity for poor men and women on the issues of capital generation only and not simple business skills to make use of capital accessed in the form of loans. She replied:

This is the challenge that we are facing currently, everyone in the programme starting with Mobilizers, CBT and Village Saving and Loan Associations group members that, there is a need to provide skills on business so that loans accessed by beneficiaries will be productive. Just to tell you, we reported and had dialogue with country office and donors on this issue.

I asked her if business skills will be provided in the second phase of the project, she said,

¹⁷ Another VSL Mobilizer of Mwanza City

Malula my daughter, I am confident that you practiced project management with three programmes at once before; you know the project reviews and appraisals take time because we are supposed to adhere to existing programme document.

The component of business skills is acknowledged as important and it was made clear that she is not sure about the second phase of the project whether business skills will be included in the programme's review and appraisal stages.

From a VSL monitoring and evaluation tool such a Management and Information System (MIS) for the month of December 2009, it shows that Mwanza City had 134 Village Saving and Loan Associations' Groups and that 80% (1,748) of 2,185 who are active members of these groups are women. The report shows that, many women are active members in the groups. Therefore more women are involved than men and this mean that the VSL project reaches more women than men, but do not mean that women are effectively participating, buying more shares and accessing high value loans for which they applied.

Care International in Tanzania's approach is not only giving skills on capital generation but also building sustainability in a sense that women members of the groups-who are many (as per above statistics) can adopt the methodology to generate social capital in their lives, even if Care International in Tanzania is phased out. This means women will not be constrained with a lack of grants being given to them. They will use skills to see how best they can access social-financial capital for their small businesses.

5.2 VSL Group Formation Criteria

VSL Programme establishment

CARE's experience with VSL began in 1991 in southern Niger where it launched the "Mata Masu Dubara" (Women on the Move) project. Today, the program is the largest financial services system in Niger, with more than 182,000 women

organized into more than 6,000 groups. Most importantly, more than 90%¹⁸ of the associations are fully independent of CARE.

(VSL Programme Document; 2008: 5)

This demonstrates Care's success in other part of Africa and justifies the programme's initiation in Zanzibar. We see as below what has been cited in a programme document referring to the introduction of VSL methodology in Zanzibar:

Based on this experience, CARE in Tanzania introduced a slightly modified version of VSL in Zanzibar in 2001, and as with the Niger experience, the scheme became popular and quickly spread. CARE subsequently extended the program to other parts of mainland Tanzania, and has reached a total of 70,000 people so far, primarily in rural areas.

(VSL Programme Document; 2008: 5)

Therefore, VSL introduced in Zanzibar from experience drawn from Niger whereby The Tanzania Mainland adopted strategies from its performances in Zanzibar. In this case, criteria set forth for group formation was the importation of programme of the same type and from the same non-governmental organization.

My problem is not the importation of the project but whether what has been imported to inform practice in groups by women and men in VSL project. Does the development of this model take into do take into account what members of VSL want on how to join the group, who to be with, what criteria need to be satisfied for one to join or not. At the end of the day it will affect their participation.

Regarding criteria for group formation and required membership size in a group Allen and Mark write:

¹⁸ This is what has been cited in the Programme document.

Village Saving and Loan Associations are made up of 10 - 25 members. This strikes a balance between being big enough to create a useful pool of capital and small enough to keep meetings manageable. The members are self-selected, usually from amongst the adult population. Membership is open both to women and to men.

(Allen and Mark, 2007: 8)

I interviewed several women and one man, most of them joined the groups after being mobilized on how the VSL operate and after being convinced on the methodology and benefits of the scheme.

I did FGD with Mwamko Group located at Igoma on the membership size in one group. They told me that the size varies from 15 to 30 members per group. The operation manual indicates different sizes for groups. I decided to ask Care's authority about which criteria are applied, Mr Njawa responded:

Previously the membership size was 10-25 members but now is 15-30.....the more the people in the group, the larger the capital accessibility and sharing of skills.

Therefore idea of a group having 10-25 members was the case of old version (15-30 revised), many respondents said they were not asked for the lower and upper limits of group members. They heard this in VSL's mobilization meetings they attended at the time of introducing programme and operation methodology.

In group composition, it was found that some VSL's members of groups knew one another but others do not before the group's formation. How was the composition of the groups arrived at or how were groups formed and what was the basis of their coming together?

Those who are interested must form groups...stresses that members must know and trust each other.

(Allen and Mark, 2007: 10)

Though Care International in Tanzania put lower and upper limits on a group's membership size, it still left room for the potential members of the VSL groups to form their group on the basis of knowing and trusting each other.

In Allen and Mark, 2007 (VSL: Field Operation Manual), they were clear that each group member should possess the certain qualities in order to join group (that not everyone can join VSL groups just because they were members of other social groups). Before deciding on whether to join the group or not, a community member should ask herself or himself if she or he meets the qualities of being confident in each other has a reputation for honesty, a cooperative personality, the ability to save regularly, even in small amounts and the ability to repay loans reliably.

VSL's field operation manual continued by mentioning the responsibilities of Associations' members after joining groups. Members must attend all meetings and be on time. Late and missing members must pay a fine agreed by all members in a constitution. Members must pay attention in meetings. Members must contribute a minimum share-purchase/saving at each meeting. Borrowers must repay their loans on time. Members will cooperate to approve loan requests and requests for help from the social fund. Members will cooperate to resolve disagreement and members will help and encourage one another to be successful and active members of an Association.

When one looks at and examines the above criteria for joining a group, one will come up with an understanding of the criteria and responsibilities that each potential member should possess and be aware of what duties she or he should perform. The duties are neutral in such a way that they do not discriminate against any sex. Bu if one looks at the practicability of these qualities which inform the responsibilities and focus on women's

lived realities, one realizes that it is difficult for a woman to save regularly, based on the nature of the economy as women are termed as '*mama wa nyumbani*' (a housewife and unemployed). There is no recognition and payment for the monetary value of the works they do. They have no source of income for saving either every day or even every week of the saving cycle of about 9-12 months.

The question needs to be asked. Did some women decide not to join the group because of the above criteria? In an in-depth interview with one of the group members at Igoma, she said,

When I heard about the qualities of a potential member of the Village Saving and Loan Associations group, I was confident that I possess some of them, but then I asked myself that, will I be able to buy shares they are talking about. Then I decided to join the group to see for myself that if I won't manage, I will quit. One of my neighbours whom I was with at that meeting she didn't join because she don't have any income generating activities which will give her surplus to save in the group¹⁹.

From various methods of data collection varying from interviews, focus group discussions and statistical reviews, it showed that the groups' formation principles and application of those qualities have effects on the way women are joining the group. For example I found that members forming groups came from different social backgrounds varying financial and educational capabilities, different personalities, different income generating activities/ economic or livelihood engagement, different marital status and so forth. I was worried about the issues of knowing one another in capital generation processes. I decided to ask about the groups' composition and if women were comfortable with it in their participation in VSL's groups. One woman said:

I am not confident to be mixed with other people who are working in the offices or have businesses. That is why; I am thanking God that, in our group we found ourselves in the same economic level that most of us are selling perishable goods like

¹⁹ She is a talkative person.

vegetables and fruits. As you can see, most of us are aged people and/ or married or widows so we are not experiencing the childish things that we are hearing that other groups are blaming each other.

As with the Widow Women's group under the TASAF it seems a good idea for group members to have similar and other concerns. For example there are commonalities of marital status, age and economic status and even economic engagement. Thus may to reduce conflict, but not in all groups.

Basic criteria were formulated by Care - VSL programme as to who should join. I found that, on the issue of being able to buy shares and attend meetings, it is difficult for a woman whose husband refused to let her join the group and she decides to join secretly. It is different for this woman to attend meetings and buy shares in a regular basis (one to five shares in a week of nine months to 12 months). This is difficult even if she has an income to do so and sometimes the group needs to make collective decisions when she is absent. Will the group tolerate her as a shadow participant?

The VSL's criteria for group formation which informed me of the qualities and duties of each member in VSL groups is the good starting procedures of placing rules on the process of social-financial capital generation to which members are supposed to respect and adhere.

Generally, though group's membership size, qualities and duties of every potential member of the group were set forth by Care International in Tanzania, do not have direct negative impacts on women's participation in social-financial capital generation.

5.3 Governing Principles and Formalities in VSL Groups

The idea I had was that VSL's groups in Mwanza City are governed by principles and formalities that guarantee women's participation in the social-financial capital generation process.

There are group formalities and principles governing these associations in matters like shares deposits, meetings, loaning, the social fund, shares-out and penalties applicable to discipline members. The basic principle of the VSL system is that members of a self-selected group voluntarily form a VSL and save money, through the purchasing of shares. These were highlighted by the Mobilizer of Mwanza (Mr. Mbelu Njawa) of Care – VSL Western Zone on how they are implementing the programme and what the procedures are for operating the groups. He replied that:

Care is doing a sustainable credit and saving cycle from which members of the groups joined together for the same interest of saving and accessing loan and social ties from the social fund deposited and contributed by all members so that, the fund will help members in the time of mishaps.

The findings presentation in this assumption will base on the specific services and benefits of the scheme in question; therefore here is the presentation of Village Saving and Loan Associations' basic principles governing the social-financial capital generation in Mwanza City;

Leadership selection. Each association is comprised of a General Assembly and a Management Committee. My interest is in The Management Committee which is elected by the General Assembly in which every member has one vote. The Management Committee consists of five people: a Chairperson, Record-keeper, Box-keeper and two Money-counters; the leaders are elected at the start of cycle. Three out of five leaders should be women in the case of mixed groups. There are three other members of General Assembly who keep the three keys of the iron box.

Savings, each member of VSL group is supposed to buy one to five shares in a week, the value of each share is set forth by association members and signed by all members in the constitution and it is not supposed to be changed in the middle of the saving cycle (not less than nine months and not exceeding one year). It is set at a level that allows the poorest members reliably and regularly to buy at least one share per meeting and it should not be so low that the five bought shares will not meet the objective of saved capital by majority. The saved money is the loan fund that a member may borrow when she or he has saved for 12 weeks, which is thrice the value of shares bought.

In the FGD I conducted with Mwamko B -Village Saving and Loan Associations Group at Igoma on the way the saving cycle it operates specifically buying of shares, secretary of the group had this to say:

Every groups' member is supposed to buy one to five shares in a week but it depends on the capacity of an individual.....in my group the value of one share is 1, 000/= Tshs and I can buy four shares in a week which is 4,000/= Tshs....

There are some circumstances where members are facing difficulties in buying shares for different reasons. The VSL methodology is acknowledging the difficulties and allowing for the suspension of a member from purchasing shares for a limited time while repaying the loan if any.

Suspension of share-purchase/savings; an association may allow a member who is experiencing financial difficulties to stop saving (buying shares), but only for a limited period.....it may be hard to save, or there may be no time to attend meetings. While it is important to ensure financial discipline and regular share-purchase, it is a reality that rural incomes are unstable and variable.

(Allen and Mark, 2007: 8)

Lending/ Loan, the primary objective of Village Saving and Loan Associations methodology is to provide simple saving and loan (loan fund composed of members' share purchase money, loan service charges and fines) from which poor people cannot access the services from financial institutions. After 12 weeks of saving an individual member of the group can access social-financial capital on the basis first come, first served. Every after four weeks after the commencement of the scheme the new loans are disbursed and repayment begins immediately from the day loan was reimbursed with the service charges set forth by the group.

The same woman from Mwamko B - Village Saving and Loan Associations Group at Igoma continue by saying:

After 12 weeks of my saving I got a loan, remember that I saved 4,000/= Tshs in a week so in 12 weeks I had 48,000/=Tshs from which I got 144,000 Tshs after my saved share being multiply by 3..... After three months I finish to repay back the loan with the charge of 10% which was 14, 400 Tshs....

Loans			
Loan No	Item	Amount	Signed
1	Loan Amount	30,000	<i>Monica</i>
	Service Charge	3,000	
	Paid	3,000	<i>Monica</i>
	Loan Amount	30,000	
	Service Charge	3,000	<i>Monica</i>
	Paid	10,000	
	Loan Amount	23,000	<i>Monica</i>
	Service Charge	2,300	
End	Paid	25,300	<i>Helen</i>
	Loan Amount	0	
	Service Charge		
	Paid		
	Loan Amount		
	Service Charge		
	Paid		
	Loan Amount		
	Service Charge		
	Paid		

Figure 7: Passbook-Loan Record

Loans			
Loan No	Item	Amount	Signed
1	Loan Amount	30,000	<i>Monica</i>
	Service Charge	3,000	
	Paid	3,000	<i>Monica</i>
	Loan Amount	30,000	
	Service Charge	3,000	
	Paid		
	Loan Amount		
	Service Charge		
End	Paid		
	Loan Amount		
	Service Charge		
	Paid		
	Loan Amount		
	Service Charge		
	Paid		
	Loan Amount		
	Service Charge		
	Paid		

Figure 8: Passbook-Loan Repaid

The social fund is contributed to by all the group's members monthly, but the amount to be shared depends on VSL groups' agreement put forward in their constitution. The same woman responded during the collective interview at Igoma. When I asked the group, the introduction of the value of social fund to be paid in a monthly basis and what is the use of the fund:

It came from Care VSL that it is good to have amount of money to help each other but we agreed everyone will contribute 1,000/= Tshs for the social fund when we were drafting the constitution and every member of the group consented on it, so now it is compulsory. The fund is for helping each other in distress, we are not loaning it.

Then I asked the woman, if she remembered her overall budget in a group on buying of shares and social fund, she said,

Minimum is 5,000/= Tshs as I told you, I am buying four shares of 4,000/= Tshs and 1,000/= Tshs for Social Fund. Also I can carry the amount that I am supposed to pay back loan if I have, but currently my budget is 5,000/= Tshs only.

Therefore the social fund idea came from Care International in Tanzania on VSL programme but the amount of the social fund is proposed by the group itself so that the saved money will not be interfered with. The fund is acting as social security of members in helping one another in difficulties like sickness, deaths of relatives and even other natural calamities faced by a member, for example, a fire at her/ his work place or home.

Saving Cycle and Shares-Out Day, the cycle is of minimum of nine months to 12 months, the group's assets²⁰ are derived from members' accumulated shares and at this time when the end of the saving cycle is approaching no new loans are issued and all outstanding loans should be paid so that at the shares-out day the group's assets can be divided as per the number of shares deposited by an individual.

²⁰ Saved money from shares bought throughout the cycle, service charges from loans, but not social fund.



Figure 9: VSL's Group Members counting Money at a Shares-out Day

There is no discrimination on the procedures applicable in managing the group and the rules and principles that the social-financial capital generation processes. There is consideration of the value of one share in such a way that there is a middle ground for considering the poor in setting the share value so that even women who are poor and are found in the informal sector can buy shares to their capacity in terms of number and values.

There is another aspect members can suspend other member in buying shares whilst participating in the group. Thus group members to adjust their economic engagement and/ or source of income while continuing with their commitment of loan repayment to give room for business recovery. The suspension is also for the reason that, the member's participation in VSL group doesn't mean the suffering of a members at the time when they can not afford to buy shares. I asked a one chairman which sex category in his group is buying more shares than other, he said,

Many men are buying shares and are keeping trends, for example you may find a man is buying five shares in every week while women's trend in buying shares is fluctuating that this week the woman buys one share, next week five shares, the other week she can't buy at all. I remember one woman was not able to buy shares for a week.

He continued by saying that,

Sometimes I even think that, some women in the group should be suspended for some time while waiting for the things to be fine with their businesses so that they will be able to buy shares, contributing to the social fund, repaying the loans and service charges and so forth.

Rules and procedures are the ones that inform any kind of gathering and practices especially if it involves money issues. Therefore, I see progress in the entrepreneurship development of women by obtaining skills in achieving social-financial capital generation. They can then apply in different areas of the economy.

5.4 The Impact of the CARE/VSL Model on the Development of Women's Entrepreneurship

Ownership of the financial services offered by the scheme, women like men in the social-financial capital generation process are members and shareholders of the scheme. They feel a sense of ownership of the process and dedicate themselves to be part and parcel of success, rewards and failure of outcomes of social groups.

Social financial-capital generation skills, members are aware of the capital generation stages from group formation, formulation of group's policies on shares and loans all the way up to shares-out day. The VSL's process is clear and simple for a woman at the market to understand and practice because it is learning by doing.

Saving skills, many women felt that they know how capital can be generated from the experience they got from Care – VSL methodology. For example one woman from VSL's group, who is earning her living through selling of second hand cloths said:

Even me who did not go far in education; I can calculate shares in a shares-out day by looking on the saved shares from stamps, looking on the profit.²¹

In addition, more women compared to men are saving at their own pace because the limit of the shares to be bought at a specific time is known and also taking into account their low income level.

Women are accessing capital as per saved shares (three times of the bought shares). This gives a woman the ability to access capital within 12 weeks of saving in the group in which the saved amount is collateral enough to get a loan. The saved amount is multiplied by three which will be the size of the loan. This is simple and very user friend as women said, everything is clear for them and it helped them to understand how to generate capital even outside of the group.

There is freedom and laughter on the faces of the women because of the reasons they put forward before me that. They are not afraid of the late submission of the loan as no penalties can be applied because of late repayment and completion of paying back the loan. One woman who is the member of Mwamko B in Igoma said,

I am not worried that group members will come to my house to take my cooking pots, spoons, stoves, sofa coach, beds and mattresses like the way PRIDE Tanzania or FINCA or other SACCOS are doing.....

I asked, why you are mentioning these other microfinance institutions while we are talking about Care International in Tanzania in its Village Saving and Loan Associations methodology. Confidently she said,

²¹ For her profit is the money someone is getting from the amount of shares bought which is coming from fines, services charges and so forth, therefore it is 'dividends'

My young sister, don't pretend that you don't know what are they doing to us women who are going there²² to look on the way we can get capital to sustain our Income generating activities.

Again I asked for clarification that it is only women and not men who are being affected by the consequences of late payment or failure to repay the loan accessed from microfinance institutions, she replied,

Let me tell you, more men are accessing loan from microfinance institutions than women, you know the reason?, is because they have '*mali zisizohamishika*'²³ like houses, shops, productive farms and so forth, while me, I don't have and even if they will decide to help me on accessing loan through group's collateral, if I failed what are they going to do is to take my cooking pots. But men are able to use collateral to pay the loan.

Maximum compliance, men and women are complying with loan repayment because otherwise saved money deposited by individuals in a loans' fund will be confiscated to meet the loan repayment values and the dividends that she is supposed to get at the end of saving cycle. Therefore, saved money is collateral enough for loans repayment.

Sustainability, the way the scheme was formulated and the modality of its implementation take into account the key issues that need to be taken for the programme to be sustainable. For example the training of CBTs and group leaders, Care is not paying salaries to CBTs and also the idea of not paying salaries CBTs as a matter of donor funded programmes are not there forever. Last but not least the is the plan of the apex association from which graduated groups can have 100% freedom and autonomy from Care International in Tanzania.

²² She meant microfinance institutions and other banks which are lending money to women and men.

²³ It is a Swahili meaning of collaterals

Gaps created as the more shares you have the higher amount of loan and dividends distribution at the end of the cycle. This means that, the more the income you have in buying shares, the bigger the size of loan you will get and the more the dividends you will be able to get at the end of saving cycle and the opposite is true.

Many women are not buying many shares because they are not in a position of having disposable income. For example, the caring economy and domestic works are not recognized and remunerated. Many men have the capacity to buy shares regularly because of the economy they are engaged in. However, some men are facing difficulties in buying shares but that is rare in case of the VSL's groups.

In terms of skills transfer, both sexes are targeted and benefited in the same way though when talking about material benefits from buying of shares and loan accessibility, women seem to be more disadvantaged than men. As the size of loan is obtained after multiplication of shares, women are not getting large enough loans to help their business, whereas men are.

There was a confession by one group member that she took a loan to pay for school fees and then she went to another social group to take another loan to buy shares and repay the loan,

It is difficult for a woman even if you are married or not to buy enough shares to meet your objectives, for example I took loan of 600,000/= Tshs from my saved shares and now I don't have any income engagement activities which will give me assurance of buying shares for period that I am supposed to repay my loan.

I asked her how she is coping with this situation, she told me,

I know as per Care International in Tanzania it is not allowed but I again accessed another loan from other social group to be able to pay back the loan with service charges, buying shares and

supporting my family. So it is like moving loans from one group to another.

I then asked one male group member in a specific group about the men's capacity to buy shares, below is what he confidently told me,

You know you women²⁴ sometimes you are not thinking twice on starting anything is like, if your fellow woman is telling you to join the group; you are just running without asking yourself will you manage?

I asked him what he meant by '*you women sometimes you are not thinking twice*' and why a woman is rushing in joining the group? He said,

You know what, when women heard that, "you will participate in proposing the value of the share in a group, it can be 500/= Tshs or 1,000/= Tshs" for a woman she will just say, "Me! I will manage", then when she is facing difficulties in buying shares it's when now she realized that she was supposed to think twice. She is rushing to join groups only because she wants economic autonomy from depending too much to her husband.

Women like men they are in a better position to access social-financial capital from social groups because they acquired the knowledge required for an entrepreneur to find a way of having capital for business ventures. Now what is the efficacy of accessed loans? Do groups' members invest the accessed capital for their entrepreneur development?

Generally, the scheme does not have a direct impact on women's entrepreneurship development because there is no follow-up framework on what a group' member is going to invest with the loan she or he accessed as a result members (women specifically) are moving the credits to repay other groups' debts to meet extra family obligations. Most men are not affected in the same way as most women responded that, because of the love

²⁴ He meant women members of the group and me, he is an older man, married and has five children

and intimacy they have for their children they cannot afford to see their children skipping meals, not going to school and so forth. Also many women responded that, practically they are obliged to in-laws for ceremonial contributions because they want to maintain their marriages. Otherwise it will be alleged that they failed in their marriages and they will be treated badly in their families and community.

5.5 Care/VSL Frameworks on Women's Future Investment

According to FGDs and interviews conducted with different VSL groups' members revealed that members are not bound to indicate their businesses activities and the source of their income to buy shares and social fund contribution. The woman at Igoma Street said,

Care International came to mobilize us on the benefit of saving and how the Village Saving and Loan Associations methodology is operating.

In the course of discussion, the same woman said, she is not accountable to the group for what she is going to do with her loan. She is only accountable to the group in repaying the loan, the service charge and for depositing to the social fund. To add on this a secretary/ record-keeper of VSL group at Igoma said,

I took loan twice from my group, it needs discipline as most of the times it is hard to add my capital from the loan I took, though I am trying, but still the discipline is not that much. Therefore, if Care International in Tanzania through this VSL will consider training us on how to do business that will be great because we will learn by doing which will help us from dedicating the whole amount of loan to pay for school fees and uniform, buying food and so forth.

From that perspective women are accessing social-financial capital without having a clear picture of what is she going to invest and if she has, the problem is extra family obligations such as school fees, food, garbage collection contributions, in-laws ceremonial contributions, water and electricity bills to mention just a few. Therefore this is increases the burden of women while they are buying shares, social fund deposits and taking loans and making interest repayments. This is not to say that, men are not affected by the non-existence of specific frameworks for future investment, but the discussion shows that women are most vulnerable to domestic spending from the income or capital they are getting from social groups or businesses.

As it is clear from the beginning that this study is not looking at women and access to capital from social groups only, it also investigated the added values of the social-financial capital accessed by women for women's entrepreneurship development. This piece of work, at the end of the day, should answer: how women benefited from their engagements with the social-financial capital generation process. Are they benefited by savings, loans and the social trust they built or the positive impacts to their income generating activities, the growth in the size of the business, the quality of their products to the market or the courage in taking risks?

5.6 The Group Dynamics at play in the VSL Model

From the idea that, most women members of the social-financial capital groups in Mwanza City, Tanzania are facing financial and socio-cultural dynamics that influence their participation, leadership elections, capital generation and accessibility and relationship with other members.

Many women are financially are not able as a result their capital generation process is being affected as the value of share will determine the amount of loan and dividends she will get at the end of the saving cycle.

The governing principles are gender insensitive on financial and socio-cultural issues that women are facing. I have a strong belief that issues faced by women affect their participation and need special attention. It is only in the policy of leadership election in the management committee that, in the case of mixed groups, three out of five leaders must be women. This is not enough; because numerical representation without proper policy on women's effective participation which also addresses socio-cultural barriers is problematic. For example there are the issues reported on abuse of capital generated from social groups by male partners and refusal of permission for a wife to have access to social groups and access to generate capital.

Financial Dynamics

When posing this question for discussion in the FGD that, 'are women members of the group facing any financial dynamics that affect their chance to be elected as a leaders or the size of the loan that they will get and other benefits or perhaps their relationship with other members of the group will suffers?

..we women do not have financial capacity as our fellow men members because we do not own houses, plots or '*shamba*' (farm), cars, shops, you name it. So it is difficult to buy enough shares in a week....

I tried to get other side of the story from her if male members of the VSL' groups are not facing this problem like women?

Which world are you coming from sister? You mean men are not having money? My sister, if that happening its accidental but many women do not have enough money for buying shares.²⁵

I again asked her if she was aware about where men are getting money to buy shares and contributing to the social fund. She said

...men are getting money from their business and buy shares so that they can access loan and dividends to invest in their existing businesses. Many men like joining groups because there are low interest rates that members incur, not like at the bank.

Socio-Cultural Dynamics

A few VSL' members who received loans and their partners took the accessed loan. Therefore, when they failed to repay back the loan their relationship with other members of the group is not good. This means tensions started because a woman was supposed to pay her loan. In this case, how can she continue in buying shares? How she can repay the loan and the service charges? How will she contribute to the social fund?

Most women did not see a big challenge of income rather the problem is if someone is beating you, refusing you permission and so forth. One woman from Igoma said,

At first my boyfriend refused me permission to join group on the reasons that what I am going to do in the group is developing friendship with other women and we will end up with gossiping and searching for other partners. Also he told me that, when I will access funds, I won't obey him anymore because of money that I will get at once.

²⁵ She is aggressive respondent and she has negative attitude towards men on the way men treat women because of her background when she was married.

I asked her why she was still in the group,

Later he agreed after I fell sick and group members came to see me at the hospital and they gave him 50,000/= Tshs as a way of saying sorry.

I tried to explore the existing mechanisms in solving socio-cultural dynamics faced by women members of the groups. I asked one CBT, what would happen if the male partner of one of the group's members took her loan money and she replied,

That is her problem, what we want is our money back and service charges.

I again asked her, don't you think that a woman has every right to participate in groups and raise capital like you, why don't you go to her husband with the team leaders and talk to him may be he will understand?

...we are dealing with this individual that is her problem....you can go to the house and you will end up being beaten by her husband....

I further asked her if they tried to talk to a husband in order to help a woman to participate in the group, she replied,

...no but you know men the way they are...even if husband won't beat you, but if our fellow member (a wife) will be beaten that will be our fault.

After getting details of the socio-cultural barriers that women members of the groups are facing at home which then extended to the group as it is affecting her participation, I decided to seek for more information. I interviewed Madame Ndayan Lukumay, The Manager of the Care – Village Saving and Loan Associations Western Zone, on the issue of oversimplifying the gender dimension of the project. She agreed on the dimension of the socio-cultural dynamics that can affect women in the groups and she said that the project is concerned with dynamics that are happening within the groups and between the group members and not outside the group. I probed her for those dynamics that she was talking about that Care International in Tanzania can intervene with and what are the mechanisms in place if that happen. She replied,

We are using the Women And Girls Empowerment Programme (WAGE) to work on gender issues arising from group dynamics.

I probed further what basis do WAGE's officers have for collaborating with the VSL' Mobilizer of Mwanza City to intervene on the group's dynamics. She said,

In other areas we are working together with them, unfortunately in Mwanza City we don't have the presence of WAGE. Most of the time it is the initiatives of CBT and Mobilizers in making sure that there is not much tensions in the groups from women discrimination in the group and not from family members.

CHAPTER 6

6.0 DISCUSSION ON THE EFFICACY OF THE MODELS

6.1 Assessment of the Efficacy of the Models

6.1.1 Constitution

Drafting a constitution is the mixture of template or guidance prepared and monitored by a facilitative agent such as Care or WDF and the members' decision as to how they want to govern their groups. Women and men members of the groups fill in the information needed. Therefore, the drafting and content of the constitution are not 100 per cent the members' or facilitative agent's wishes. For example Care is using a constitution template for members to put in monetary values, managerial codes of conduct and fines for the offences committed by members of the group²⁶. Thus is to facilitate the VSL's groups on the way groups should govern themselves.

Constitution and Women's Capacity

Women should be given capacity in such a way that they will be able to exercise the skills they got and turn them into a productive resource to earn a living. This was contributed by Nussbaum in 1999 when she was explaining the aspects of life that human beings' capacity should be built upon. She pointed out under capability classification number four: sense, imagination and thought that, it involves being able to use imagination and thought in connection with experiencing and producing expressive work. Women and men members of the groups used their sense, thought and imagination to

²⁶ See Annexure 2.

consider their capacity to contribute in informing the value of the shares to be bought and the amount to be contributed to the social fund.

Constitution and Women's Law Approach

A Women's Law Approach points out the views that the drafting of a constitution is a top down approach of making sure those women's groups are consistent and organized. Another explanation is that, although it is a top-down approach, it can still be applied to explore women's lived realities. The value of shares and income status of women and/ or men will need to be known.

Article 19 (b) and (d) of the African Protocol on Women's Rights make it clear that women should be facilitated to access capital from their participation in the process of conceptualization as is the case in constitution making, decision-making, implementation and evaluation of capital generation schemes.²⁷

6.1.2 Gender Sensitivity

These schemes of social-capital generation in Mwanza City differ on the issue of gender-sensitivity during the models' initiation and implementation phase. In analyzing two government schemes they are 100% gender sensitive in terms of beneficiaries and implementers of the schemes such as CCDD. Care – VSL is non-gender sensitive in its initiation and implementation, though it tried to talk and act on gender issue like. An example would be the rule that 3 out of 5 management committee's leaders should be women in the case of mixed groups. This doesn't explain that women are effectively participating only because they are in the management. Care assumes that everything on the ground is clear and that women and men could participate equally in the social-financial capital generation process. This was explained by Moore (1989) on the subject

²⁷ See footnotes under 2.2.

of semi-autonomous social fields that: some women members of VSL groups are obliged to adhere to norms, taboos and customs imposed their husbands/ male partners in a one-sided manner. The other side is the market dynamics that constrain the level of income accrued from income generation activities and the group's formalities and principles that they are supposed to respect if participation in capital generation is to be successful.

Liberal feminists proposed for inclusion of women in development programmes and that men and women work together to solve women's problems (Tong, 1989). As far as I am concerned, I don't have problem with financial barriers that women are facing in groups as I am categorising it as competition, so that women could work hard for their income generation activities to get a surplus for adding to the groups' contributions. The issue is how best women can be included in development programmes? Does inclusion mean effective participation?

In Article 19 of the African Protocol on Women's Rights there is a gender issue that has been covered to the effect that women shall have the right to full enjoyment of their right to sustainable development. The state is required to introduce the gender perspective into national development planning procedures and take into account indicators of human development specifically relating to women in the elaboration of development policies and programmes. One indicator is the financial and socio-cultural aspect of project that constrain women beneficiaries to participate full, in the process even though Care overlooked it²⁸.

Under Article 2 (1) of CEDAW, Tanzania as a state and Care International as a non-state actor are obliged to remove all forms of discrimination against women through appropriate legislative, institutional and other measures. Specifically the state should integrate a gender perspective in their policy decisions, legislation, development plans, programmes and activities and in all other spheres of life. These schemes accommodate gender perspectives in their programme, but the way it was expressed in the policies and

²⁸ See footnotes under 2.2

projects is problematic. For example, in VSL it is only applies in respect of the composition of management committee leaders in case of mixed groups²⁹.

6.1.3 *The Saving Culture*

This was appreciated by many women and men interviewed. They admitted that they were not saving money especially if it is not much (they said if it is less than 20, 000/= Tshs). For them to save money, they believed that one is supposed to have a bank account rather than a box. This is the case for Care, that for 20,000/= Tshs one member can buy shares approximately for two weeks and at least they will be earning little dividends from loan repayments. The WDF and Widows Women's Group's members said that the issue of repaying the loan is stimulating a saving culture among them every day.³⁰

6.1.4 *Data Aggregation*

Data aggregation is a way of analyzing data in such a way that it at least meets the requirement of a majority. I mean how the audiences and users of the data are expected to meet their needs. For example, Care international is using Management and Information System to show groups' names and numbers, active and non-active members at the same time as a visit as well as percentages of women whereby percentage of men. Normally readers should calculate these for themselves. Also data on do not disclose on the basis of gender categories which sex accessed loans of specific size per group and so forth. These are observations that because I am a reader, and interested to see aspects of women and their access to loans, these are my needs. Also development actors will need to see the percentage of implementation so far. The MIS report is difficult to assess in this regard. It would be useful if transactions and data entry fields could be gender coded.

²⁹ See 5.3

³⁰ See 5.3

On the government side although the CCDD is not using advanced data entry methods. It has reports in excel format that tells us which group, from which district, division and ward accessed how much and its repayment status and in which round each group is accessing loans. One will explain that in government it is easier perhaps because of schemes of one sex only and it is, therefore a long time since 1994, whereas the Care programme started in 2008.

My feelings and experience in project management impel me to predict that either Care will advance and solve certain issues like this one once it gains momentum or things will not improve because of the long learning time for project to adjust to the needs of group members, government and donors. On the other hand, it is readers of the programmes like me and also other development actors that are interested in economic empowerment especially when women are involved.

6.1.5 Future Investment for Group's Members

Basically my topic is not only exploring women and access to social-financial capital but knowing what the efficacy of such capital in women's entrepreneurship development is like. My interest was in looking at the size of the business before and after the capacity injection.

A case study of Government shows that there is verification of women's projects without notice to women. This was also explained by Temu (2000). These unannounced verifications make sure that the loans women get will be invested in existing businesses. Even if women's business are verified, women can still use the accessed capital to meet other needs from which the exercise will not help them to develop their entrepreneurship undertakings. As far I am concerned, I am convinced that the process that government is employing to satisfy itself that the loan will be used to expand and to improve women's businesses and welfare is a useful framework for investment. Also if you will not be able

to show the effectiveness of your business after one round, a member will not be given a loan for another round.

On the Care side there should still be efforts for the welfare of members to be improved through entrepreneurship development. That will be contributed by the proper investment of capital accessed from the provision of simple business skills to members of VSL groups. I am not replying that women and men should be given everything they needed for their entrepreneurship development, but at least basic support like this for the development of future investment skills in terms of capacity building and monitoring of ventures so that loans will be productive. This challenge might be an indicator for the VSL project review to make VSL services productive and viable for women's entrepreneurship advancement.

6.1.6 Time spent in the Process

Women are spending minimal time in the saving cycle and in social-financial capital generation process. This gives women a chance to do other work with their family and work on their income generating activities. They are spending approximately one day the monthly meetings and/ or one day in a week to deposit repayment at the banks or buying shares from the groups. Although it is sometimes difficult for a few women whose husbands to allow them to participate, but still not much time is lost arguing about refusals to grant permission.³¹

6.1.7 Resource Capacity of Women

The case study of the VSL programme in which women as well men are consenting to the value of shares from which members will be able to save their money. The budget of one woman to participate in the VSL approach of capital generation is approximately 5, 000/=

³¹ See 5.6

Tshs in a week. However, with some women this budget's ceiling is not affordable, but at least they have the option of reducing the number of shares they are capable of buying. This is why the African Protocol on Women's Rights directs development actors that women should be included and involved in the formulation, implementation, monitoring and evaluating the development projects and policies. This will help them to indicate their capacity to participate.³²

6.1.8 Social Security of Group Members

Care/VSL came up with the good idea that their members' contributions should help each other periods of difficulty. This is a mechanism not only to prevent saved money from being tampered with, but it is also a form of social security which the majority of women as well as men in the informal sector are not entitled to. They are not included in the public and private social security schemes, because they are unable to provide the evidence of their ability to manage fixed contributions to the schemes³³. For example, in Tanzanian social security schemes like the National Social Security Fund (NSSF), one of its products provides cover for retirement benefits for members aged from 45 years to 59 years, after they have contributed to the NSSF scheme for 45 to 165 months. They need the consent of their employer on application (NSSF website source). This applies to other social security funds like The Local Authorities Pension Fund (LAPF) for Local Authorities. Therefore, these women members of the VSL groups are excluded because many women are found in the informal sector and not in government employment such as local authorities.

³² See 5.2, 5.3 and Footnotes under 2.2 on International Human Rights Laws.

³³ See 5.3.

In terms of Article 13 of the African Protocol on Women's Rights, Tanzania, as a state party is required:

to adopt and enforce measures to guarantee women equal opportunities in work and career advancement and other economic opportunities. In this respect, they shall:

- (e) *create conditions to promote and support the occupations and economic activities of women, in particular, within informal sector.*

Social Security is one of the services that women who are found in informal sector they need security of themselves as individuals, their families and even insurance of their income generating activities from which private sectors and parastatal organizations do not take into consideration in their schemes and funds.³⁴

6.1.9 Group's Dynamics Mechanisms

Financial and social-cultural dynamics are still barriers that women are facing from the families, community and within the group while participating in social-financial capital generation. CEDAW requires under Article 13 that Tanzania as signatory of the convention that the state should take all appropriate measures to eliminate discrimination against women in other areas of economic and social life in order to ensure, on a basis of equality of men and women, the same rights, in particular. Also under sub-article (b) women should be facilitated to access bank loans, mortgages and other forms of financial credit. In article 16(1) the same convention instructs Tanzania to take measures to eliminate discrimination against women in all matters relating to marriage and family relations, for example, as the basis of equality for men and women. Therefore Care International in Tanzania as a non-state actor is obliged to have special consideration when dealing with women's rights on economic empowerment in recognizing that women are vulnerable group in the community.

³⁴ See 2.2 under the footnotes of International Human Right Laws

The Existentialist Feminists talk about motherhood and wifing. They think that the nature of women's oppression is because they are wives and care takers for families and communities. Tong in 1989 explained in detail the norms imposed on women because they are supposed to respect their husbands and practice what communities need them to do.³⁵

6.1.10 Skills and Adaptability

This is the ability of women to adapt and make use of skills to improve their welfare and advance their entrepreneurship skills.³⁶ In Article 19 (d) of the African Protocol on Women's Rights states that Tanzania should promote women's access to credit, training, skills development in order to provide women with a higher quality of life and reduce the level of poverty among women. This is to ensure that women are participating fully in sustainable development.³⁷

6.1.11 Viability of the Impacts and Outcomes

VSL, WDF and TASAF have positive contributions towards women's entrepreneurship development in one way or other. The VSL tried to assist women in generating capital from social groups. In these groups, women are now able to use the process of social-financial capital to generate other capital because of the method of learning by doing to the process.³⁸

³⁵ See 5.6

³⁶ See 4.1 on Widow Women Group on innovation after adapting the skills they got from TASAF.

³⁷ See 3.2.1.1 on the Capability Approach and the way Widow Women's Groups under TASAF managed to expand their business size.

³⁸ See 4.4. and 5.4

The WDF's process does take as long as Care's method. The government tried to help poor women in the informal sector to acquire skills and capital to start and/ or strengthen their income generating activities. This is what the African Protocol on Women's Rights says in its Article 19 that women shall have the right to enjoy fully their right to sustainable development under which government and non-government actors are obliged to take care all necessary measures to ensure that the negative effects of globalization are reduced to the minimum. Therefore government and Care through VSL tried to reduce effects of regulating its financial institutions by allowing them to operate independently. As a result women are not accessing formal capital from these institutions.

6.2 Lessons Learnt

I was assuming that, government schemes on women's economic empowerment do not provide a road to women's entrepreneurship development. I thought only Care International in Tanzania through VSL is an example of the 100% women's empowerment schemes through which women can access social-financial capital through social groups to improve their entrepreneurship development. I learnt that, both actors are taking different facilitative roles and approaches in making sure that, either directly or indirectly women are developing their entrepreneurship development from skills transfer and capital accessibility.

Actors' flexibility contributed to short term initiatives to reduce existing problems. For example, CCDD marketing sometimes the products of women in groups to help women to participate in trade fairs. Sometimes they do this because of the pressing needs of women in the market search.

Many women are joining and participating in groups compare to men, though some of them face socio-cultural dynamics but are still struggling on. If many members of VSL's groups are women, this tells us that women are struggling and fighting for their

independence and autonomy from male dominance in their families and in the community at large.³⁹

6.3 Models for Change

6.3.1 Care -Village Saving and Loan Associations Programme

VSL does not have the objective of dealing with issues that woman members of the group are facing in relation to their sex and gender relations in their families. The VSL should think of planning for gender mainstreaming as an independent objective in the work plans though a responsible implementer could be Women and Girls Empowerment Programme (WAGE).

Harmonization of the working framework, for example; the VSL and Care – WAGE should find a way in working together in trying to deal with the socio-cultural dynamics that those groups are facing from the community and the families they are living in. This will help women to participate fully in generating capital for their businesses.

VSL should think of training members of the groups in business skills so that members of the groups can make use of accessed capital to develop their entrepreneurship development.

Care International in Tanzania should focus on adopting an effective framework for monitoring and managing the future investment of members from accessed capital and / or loan. This will contribute to its goal of ‘improving quality of life of rural poor households in Tanzania through ensuring that access to financial services will be appraised by members who at the end of the day, will show their economic engagement

³⁹ See Annexure 2

as a result of the facilitation of Care International in Tanzania through VSL methodology'.⁴⁰

VSL should rethink the issue of aggregating of data. This will help readers, researchers, funders and other stakeholders to make use of the data and learn from Care International in Tanzania.⁴¹

6.3.2 Government

The content and the usefulness of the trainings were examined. The TASAF gave The Widows Women's Group the specific skill of raising chickens as a business. That was well and good, but then the groups thought about new businesses to keep them alive while they were waiting to harvest the chickens. Therefore, at least the training should to be conducted to impacting women with income generating activities. Skills should start with general business skills and be followed by technical facilitation of expected income generating activities undertakings from the type of the business they had opted for.

The monitoring and evaluation component of these government schemes should incorporate regular and on-business training. This is to ensure that women's need is met at a particular time. Even if groups are independent from government, still there will be capacity building activities to cater for their current needs. For example, Widows Women's Group supported by TASAF ventured into other businesses such as tie and dye and tailoring when they were first faced with the challenge. This is because they were given technical skills in the area of rising poultry. They decided to find alternative businesses after seeing that they could not wait for the chickens to mature and be sold only once a year.

⁴⁰ See 6.1.5 on VSL's Efficacy in relation to future investment.

⁴¹ See 6.1.4 on VSL's Efficacy in relation to data.

Supporting women's business innovations and creations, for example, Widows Women's Group, women were creative in dealing with business and life challenge by creating two other business ventures as in above explanation. Therefore, government should think about how to support women's groups which have the potential for creativity that will improve economic productivity.

Schemes' reviews and appraisal;⁴² In the WDF there should be a framework of regular data collection to inform the satisfaction and needs of women members of the group and the efficacy of the model. This will help every time in commencing the government budget years whereby there will incorporate these needs and possible adjustments in their planning.⁴³

Loan Repayment time; from my findings, women are happy about loan repayment in a year. From observation from discussion I had with WDF's Groups, they are saying that for one to repays 40,000/= Tshs, is a long time that is not giving an entrepreneur the challenge of struggling to repay the loan. Though they told me that loan can be paid in six months or one year, their views were that, period is too long not only for someone to repay the loan but also for loan accessibility by groups. This is because the group is supposed to wait for the monthly repaid to be put together and for the budget to be approved, even if on repaid in six months.

Existing Groups' support against formulation of new groups; I think the criteria for group formation and at what stage in the group's capacity the government assists women is exciting for the reasons given by CCDD officials.⁴⁴ My observation is that many women do not have sources of credit to start their business ventures. I think the United Republic of Tanzania should review this provision to introduce new groups to reach more women at a time.

⁴² See paragraph two under government recommendations above on Monitoring and Evaluation.

⁴³ See 4.2 on WDF's Group concerns on the size of the loan.

⁴⁴ See the justification of WDF supporting existing groups with established income generation activities under 4.2.

One group, one business engagement; from the experience I got from Widows Women's Group. It is encouraging for many women (25 Members) to work together. This was possible because of shared interests, difficulties in life and other concerns. Therefore there is a need for sorting women applicants for the WDF fund so that, their business specialisations will be sorted out and the sharing of one business will be helpful.⁴⁵

Harmonization of schemes on Women and Economic Empowerment, the reason why I decided to explore the two schemes under government is that I wanted to look at the works done by the government and how government is making progress in reducing the duplication of works done by government departments. Every scheme (TASAF and WDF) is doing training with more or less content and giving grants and/ or loans. What I am looking at on the possible adjustment that government can make the best in using the resources. For example, TASAF will do business training and the WDF will manage the loan provision.

⁴⁵ See 4.2 on WDF's Women Groups' concern on why they are not having one group business and every group members are doing her own business.

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ANNEXURES

Annexure 1: List of People Consulted at different Stages of the Research

S/ No	Name	Sex	Profession/ Title	Place (s)	Issue (s) of consultation
1	Hakeem Kalunde	M	Project Management/ Care VSL Mobilizer	Kahama and Mwanza City.	Demarcating the research and place of conducting research. He was guiding me on which structure within VSL should I communicate for research permission.
2	Ndayan Lukumay	F	Project Management/ Care VSL PM	Mwanza	Coordinating the conversation between me and VSL at Country Office, Guidance on researching the VSL Programme
3	Lisa Zavala	F	Project Management/ Care VSL Human Resource	VSL Country Office, Dar Es Salaam	Application to conduct research at VSL - VSL Programme
3	Julie Stewart	F	Lecturing/ Director of SEARCWL	SEARCWL- Harare Mwanza City- Tanzania.	Research Design, Guidance, Supervision, Findings Presentation, Drafts and completion of my dissertation.
4	Francis Mkabenga	M	Head of Department- Agriculture, Livestock and Cooperatives.	MCC	Asking for a help on the guidance of the government protocols on the issue of informal groups and women.
5	Mr. Mkama	M	Head of Department - Gender, Children and Women's Affairs.	MCC	To inform him on my concern and what I need from his office. Appointment to interview him.

6	Mama Mwita	F	Head of Section, WDF	MCC	Interview appointment, where to go from her area of concern, connection to talk to the groups.
7	Lucy Yango	F	Community Development Officer	Isamilo Ward	Group selection and invitations. Also appointment to interview her.

Source: Field Diary, September, 2009 to February, 2010.

Annexure 2: Template of Village Saving and Loan Associations Group's Constitution

PART 1: HOW THE ASSOCIATION WILL GOVERN ITSELF

I. BASIC INFORMATION ON THE ASSOCIATION

Name of the Association: _____

Address: _____

The Association was formed on: _____

Date of official registration: _____

II. OBJECTIVE OF THE ASSOCIATION

The purpose of the Association is to be an independent, profitable provider of financial services to the members

The services the Association provides to its members in order to achieve this objective are: _____

III. RELATIONSHIP TO EXTERNAL SOURCES OF FINANCIAL SERVICES

The Association will not borrow from financial institutions during the first cycle of savings and lending. If it does so in subsequent cycles it will use the following principles:

- * The Association must be the borrower and not individual members
- * The Association will not allow the lender access to information on individual loans

- * Members' savings cannot be used as collateral for an external loan
- * Any borrowing by the Association must not exceed the total value of all members' paid up shares

IV. WHO MAY BE A MEMBER OF THE ASSOCIATION?

Lower age limit _____

Gender _____

Residence _____

Other common circumstances _____

V. COMPOSITION OF THE MANAGEMENT COMMITTEE

Chairperson

Record-keeper

Box-keeper

2 Money-counters

VI. ELECTION PROCEDURES

The maximum number of consecutive terms any one person may serve on the Management Committee is: _____

Elections must be held at the beginning of each new cycle.

The minimum number of members who must be present to hold an election is: _____

The election procedure will use a system that allows everyone's vote to be secret.

The minimum number of people that must stand for each position is 2.

A candidate for election to a post must be proposed for office by another member.

VII REMOVAL OF OFFICERS FROM THEIR POSITION BETWEEN ELECTIONS

Any member of the General Assembly can call for a vote of no confidence in a member of the Management Committee. If a majority of the members the member decide that the person should be removed from the Management Committee, the member must step down and another member be elected to the same position.

VIII MEETINGS

To mobilise savings the Association will meet every_____

To disburse loans the Association will meet every four weeks.

The cycle of meetings will continue for a maximum of 52 weeks before the Association shares out its assets.

IX MEMBERS LEAVING THE ASSOCIATION

If a member leaves the Association because they have no alternative, the Association will calculate how much they must be paid using the following principle:_____

If a person leaves the Association before the end of the cycle for no reason, except their wish to leave, the Association will calculate how much they are paid using the following principle:_____

If a person is expelled for failing to make regular share-purchase/savings deposits, the Association will calculate how much they are paid using the following principle:_____

If a person is expelled for failing to repay a loan, the Association will calculate how much they are paid using the following principle:_____

X EXPULSION FROM THE ASSOCIATION

The reasons for which a person should be expelled from the Association are:_____

XI DEATH OF A MEMBER

If a member dies the Association will calculate how much money should be given to their heirs using the following principle:_____

XII FINES

The following table lists the fines that can be charged for offences committed by members.

Types of Offence	Amount
Failure of a member of the Management Committee to perform their duties	
Non-attendance at a meeting for personal reasons	
Late arrival at meetings	
Not remembering Association rules	
Loss of member number card	
Forgetting key	
Chatting through the proceedings	
Showing disrespect to a fellow member	
Not remembering decisions and activities of the preceding meeting	

XIII AMENDMENTS TO THE CONSTITUTION

2/3 of the members must agree before the Constitution can be changed

Anyone may propose an amendment to the Constitution

III SOCIAL FUND

The contribution to the social fund will be:_____

The social fund contribution will be paid:_____

The benefits for the death of a spouse will be:_____

The benefits for the death of a child will be:_____

The benefits for the death of a parent will be:_____

The benefit to a member whose house or workplace is accidentally destroyed will be:_____

The benefit for sickness of a family member will be:_____

Note: Each Programme will develop a list of benefits from the social fund that most participants think are the most important. What is shown here is a suggested list that may need modification.

Name:..... Signature:.....

Name:..... Signature:.....

Name:..... Signature:.....

Etc.