

CONCEPTUAL REVIEW OF MICROFINANCE AND WOMEN HOUSEHOLD, ECONOMIC, AND SOCIAL EMPOWERMENT OF MICROFINANCE BORROWERS



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ABSTRACT

The poor women are ignored in most parts of the society, having no opportunities for self-sufficiency, losing of their self-confidence and self-supporting; in turn, leads to suffer of their psychological, social, and mental health problems. Therefore, the study aims to investigate rigorous review of literature on the women empowerment for developing of a conceptual framework of microfinance and women household, economic, and social empowerment of the microfinance borrowers in the world. The present study used existing available materials and resources from reputed online data based such as google scholar, science direct, Scopus, web of science data based etc. The present study findings revealed that the poor women are marginalized, lack chances for self-sufficiency, and depend on charity or welfare. Without means to support themselves, poor women lose their self-confidence, and this disposition can lead to psychological, social, and mental problems. The study also found that the women can be empowered through encouraging and developing skills for self-sufficiency. The study also revealed that the major problems facing the poor and the lower-income group was access to credit. Their lack of assets for collateral and financial records, and limited credit history make obtaining credit from formal financial institutions almost impossible. The concluded that the Microfinance can be a powerful and effective way of access to credit of the poor has been rapidly expanding in hopeless and helpless societies accordingly. Finally, the present study developed a conceptual framework based above summary of findings to do a practical investigation to further examine the relationship between microfinance and women household, economic, and social empowerment of the microfinance borrowers in the world.

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INTRODUCTION

Empowerment involves encouraging and developing self-reliance skills with a focus on eliminating the need for future charity or well-being. Moreover, the poor women are ignored in most parts of the society. They are marginalized and have no opportunities for self-sufficiency, and thus, become dependent on charity or welfare (Bhuiyan, Siwar, & Talib, 2012). Hence, poor women lose their self-confidence because they cannot be fully self-supporting; denied opportunities lead to deprive poor women from the pride of accomplishment; and a such situation, in turn, leads to psychological, social, and mental health problems (Haque, Siwar, Bhuiyan, & Joarder, 2019). The major problems facing the poor and the lower-income group was access to credit. Their lack of assets for collateral and financial records, and limited credit history make obtaining credit from formal financial institutions almost impossible (Basher, 2010; Hossain, 1988; Hassan & Tufte, 2001; Morduch, 1999; Schreiner, 1999). The poor are tied to low productivity and are usual involved in self-employed economic activities because of the lacks of capital. Thus, providing the poor with credit generally helps them minimize the poverty rate. Microfinance has been recognized as a powerful and effective way of access to credit of the poor has been rapidly expanding in hopeless and helpless societies all over the world over the past few decades (Basher, 2010; Hossain, 1988; Hassan & Tufte, 2001; Morduch, 1999; Schreiner, 1999).

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The pioneer of microcredit Muhammad Yunus manifests his anxiety that profit orientation would give priority shareholder's interest compare to the poor (Salmon, 2011). Recently, the effects of microfinance have been questioned, and many studies state that the effects of microfinance differ between positive, non-effects and even negative effects (Becchetti & Castriota, 2011; Cull, Demirgüç-Kunt, & Morduch, 2011; Islam, Nguyen, & Smyth, 2015; Raha, Osbahr, & Garforth, 2013; Rokhim, Sikatan, Lubis, & Setyawan, 2016). Moreover, it was not even considered as microcredit that save poor from loan shark (Business, 2007; Economist, 2008; Malkin, 2008; Mohammad Yunus, 2010). Studies indeed infer that if MFIs exclude the poorer clients (G. Woller, 2002; G. M. Woller, Dunford, & Woodworth, 1999). As a result, many MFIs transform and commercialize from not-for-profit to for-profit institutions for broader credit access in different region (Burgis, 2008; Christen & Cook, 2001; Gokhale, 2009a, 2009b; Ledgerwood & White, 2006; Nestor, 2011; Olivares-Polanco, 2005; G. Woller, 2002). Despite, these some believe that those MFIs are in danger as they act nearly predatory money lenders and fear of losing original mission through chasing profits for institutional investors (I. Ahmed, 2018; I. Ahmed, Ibrahim, Bhuiyan, & Mohd, 2018). The literature also argues that the impact of microfinance works differently in one context and depends on population density, attitudes towards debt, group cohesion, business development, financial literacy, financial service providers and others. As the current study notes that poor women are marginalized, lack chances for self-sufficiency, and depend on charity or welfare. Without means to support themselves, poor women lose their self-confidence, and this disposition can lead to psychological, social, and mental problems. Empowerment was the way to achieve basic opportunities for poor women. Women can be empowered through encouraging and developing skills for self-sufficiency, which could result in eliminating the future needs for charity or welfare among individuals of the group. In such circumstances, this study will have filled above gap by deep study of review of literature on the women empowerment and developed a conceptual framework of microfinance and women household, economic, and social empowerment of the microfinance borrowers in the world. This research can draw out a future direction for the effective use of microcredit for income generating activities (IGAs) for ensuring of health nutrition, basic education and sustainable living of the poor women in all over the world.

Background of the Study

Concept of Microfinance

Microfinance has been recognized as a powerful and effective tool for combating poverty; the poor access to credit has been rapidly expanding over the past few decades in the area of hopeless and helpless society all over the world. It was also noted in the United Nations World Summit Outcome Document, 2005, (United Nation 2005). According to the United Nations, microfinance and micro-credit programs have recognized the need to provide financial services, especially to the poor. On the other hand, the impact assessment showed that microfinance helps the poor, although not all participants can benefit equally. An early study by Grameen Bank found support for the poor, especially women, through empowerment and income generation. Microfinance is recognized as an effective and efficient tool in the fight against poverty. Poor access to credit has grown rapidly in recent decades in a hopeless and helpless society around the world (Basher, 2010; Hossain, 1988; Kabir Hassan & Tufte, 2001; Morduch, 1999; Schreiner, 1999).

Yunus et al. described that Grameen Bank, founded in 1976, has both pioneered the development of micro-finance, and created nearly 30 businesses designed to alleviate poverty. The article traces the gradual development of Grameen's expertise in formulating social business models, which require new value propositions, value constellations and profit equations, and as such, resembles a business model innovation. The article presents five lessons learned from this experience: three are similar to those of conventional business model innovation that challenges conventional thinking, finding complementary partners and undertaking continuous experimentation; two are specific to social business models: recruiting social-profit-oriented shareholders, and specifying social profit objectives clearly and early. They suggest new business models - where stakeholders replace shareholders as the focus of value maximization - could empower capitalism to address overwhelming global concerns (Yunus, Moingeon, & Lehmann-Ortega, 2010). Hartarska and Nadolnyak examined whether microfinance rating agencies were able to impose market discipline on microfinance institutions (MFIs) during the period of 1998-2002. The results indicated that not all rating agencies had the same impact. Rating by some rating agencies helped MFIs raise funds, while rating by other agencies did not. The evidence also suggests that subsidizing rating did not help MFIs raise more funds (Hartarska & Nadolnyak, 2008).

Microfinance refers to the provision of microloans with savings, insurance, and service, whereas microcredit offers only a small loan. Moreover, "microcredit is a program designed to extend small loans to very poor people for self-employment projects that generate income, allowing them to care for themselves and their families" (Daley-Harris, 2005). "Microcredit is a component of microfinance which was used to provide a small credit to the poor people, but microfinance also involves additional non-credit financial service such as savings, insurance, pensions, and payment service" (Buckley, 1997). In addition, "microfinance is the practice of offering small, collateral-free loans to the members of cooperatives who otherwise would not have access to the capital necessary to begin a small business or other income generating activities" (Hossain, Bose, & Ahmad, 2004). Finally, microcredit is a provision of access to small amounts of credit to the poor and others who do not have assets for collateral, financial records, and credit history. Borrowers can use the loan obtained through microcredit for IGAs to alleviate them to rise from poverty and to ensure livelihood development. These developments can result in improving good health, accessing children's education, achieving skills, acquiring assets, and taking part in social activities.

Concept of Women Empowerment

The term empowerment comes from the word "empower," which means "to give power or authority to someone." Moreover, empowerment is an intrinsic quality of a person, which cannot be bestowed by a third party. The behaviour of an empowered

person is considered to undergo a change. Briefly, empowerment is a process that enables one to gain power, authority, and influence over others. Scholars have given their opinion on the concept of empowerment. People assume “control and mastery over their lives in the context of their social and political environment.” Some researchers describe empowerment as a continuous, on-going, and interactive process that leads to the enhancement of abilities and a wider scope for choice and action of an individual (Al-Mamun & Mazumder, 2015; Al-Shami, Majid, Rizal, Muhamad, & Rashid, 2015; Al-Shami, Majid, Mohamad, & Rashid, 2017; Ismail, 2001). Thus, empowerment leads to equity and well-being of the individual and the community (Wallerstein, 1992). Moreover, “the empowerment as a process of enabling or authorizing an individual to think, behave, and take action and controlling work in an autonomous way. It involves some degree of personal development. Individuals become empowered when they obtain the right to determine choices in life and to influence the direction of change through the ability to gain control over material and non-material resources. The World Bank ‘Empowerment Source Book’ also defines empowerment in the same way” (Rowlands, 1997).

By contrast, women empowerment is an active and multi-dimensional, process, which enables women to realize their full identity and power in all spheres of life. Power is neither a commodity to be transacted nor alms that can, be given away. Power has to be acquired, and once acquired, power needs to be exercised, sustained, and preserved. There are a number of studies about the issues of women empowerment. Stromquist (1995) explains that empowerment includes both cognitive and psychological elements. It involves “women’s understanding of their conditions of subordination and the causes of such conditions at both micro and macro levels of society. It involves understanding the self and the need to make choices that may go against cultural and social expectations” (Stromquist, 2002). Moreover, women empowerment is a process of improving the status and abilities of women to enable them to lead their lives in an autonomous way. Women empowerment is a complicated and continuous process, which aims to change the way of thinking of the whole society to ensure the equal enjoyment of human rights for all. Women empowerment is a continuous process of increasing the economic, social, political, and psychological strengths (Rowlands, 1997; Stromquist, 2002; Wallerstein, 1992). Finally, the study summarizes the concept of women empowerment as a process that allows one to gain knowledge, power, skill-sets, and attitude that are needed to cope with the changing world and the circumstances in the environment in increasing the productivity of self, family, and the society as a whole.

Linkage of Microfinance and Women Empowerment

Microfinance is considered the provision of access to small amounts of credit to the poor where 95% of microcredit borrowers are women of the MFIs. The women are ignored in most of society, marginalized and have no opportunities for self-sufficiency, situation in turn leads to psychological, social and mental health problems. The Empowerment of women is a means of achieving the basic opportunities for poor women. Empowerment involves encouraging and developing self-reliance skills with a focus on eliminating the need for future charity or well-being. (Stromquist, 2002). Moreover, women empowerment is a process of improving the status and abilities of women to enable them to lead their lives in an autonomous way. Women empowerment is a complicated and continuous process, which aims to change the way of thinking of the whole society to ensure the equal enjoyment of human rights for all. Women empowerment is a continuous process of increasing the economic, social, political, and psychological strengths (Rowlands, 1997; Stromquist, 2002; Wallerstein, 1992). Finally, the study summarizes the concept of women empowerment as a process that allows one to gain knowledge, power, skill-sets, and attitude that are needed to cope with the changing world and the circumstances in the environment in increasing the productivity of self, family, and the society as a whole.

LITERATURE REVIEW

As women comprise half of society, they have the right to move into the main stream of development. Their ability to take advantage of opportunities to increase their income or economic status, to protect themselves against other risks, and to increase their ability to cope with risks when they occur was very important. The reduction of poverty was partly a process of increasing income and economic stability, which enables the fulfilment of basic needs and access to different kinds of service. Poverty reduction has come into the forefront with the revolution of microcredit when Yunus realized that women empowerment was an essential and a precondition, as well as with men, to remove poverty from the society. Studies revealed the extent to which microfinance has contributed to women empowerment in controlling family decision. For instance, microfinance of Grameen Bank allowed women borrowers to increase their involvement in controlling assets and social welfare (Zaman, 1999). Moreover, the study of Abdullah-Al-Mamun et al. examined how the participation in the microcredit program of AIM affected the employment rate of hard-core poor households and community in Peninsular Malaysia in 2011. The participation in the microcredit program of AIM increased employment, which generated opportunities at the household and community levels. The policy may be reviewed and re-organized to increase the employment rate and income-generating opportunities by providing appropriate training and diversified, flexible loan offers (Mamun, Wahab, Hossain, & Malarvizhi, 2011).

Khandker examined the effects of microfinance on poverty reduction at both the participant and aggregate levels using panel data from Bangladesh. The results suggested that access to microfinance contributes to poverty reduction, especially for female participants, and to overall poverty reduction at the village level. Thus, microfinance helps not only poor participants, but also the local economy (Khandker, 2005). Hazarika and Sarangi (2008) examined the effect of household access to microcredit on work by 7 to 11 year old children in rural Malawi. Microcredit organizations fostered household enterprises, which engaged child labour. Thus, the study also looked into whether access to microcredit increased child labour. During the peak season of labour demand, household access to microcredit, which was measured as self-assessed credit limits at microcredit organizations, raised the probability of child work in households with average landholdings and retail sale enterprises (Hazarika & Sarangi, 2008). Angeles and Hill in 2009 conducted a parallel field

research in two peri-urban villages in Naga and Valencia in the Philippines. The article applied gender analysis to understand livelihood diversification indicated in agrarian change. The role of state organizations and NGOs in (re)producing gender differences, hierarchies, roles, and identities within agrarian settings brings poststructuralist and postcolonial theory in the political economy to explore how gender was at stake in daily livelihood struggles. The study showed how structural constraints and institutional discourses still rendered livelihood diversification a gendered project and how the state and other development organizations perpetuated gender inequalities and rein scribed normative gender discourses (Angeles & Hill, 2009).

Bose and Ahmad in 2009 described two ways to analyse how women work. The first way depicted the patterns of the work of women and analysed the factors that influenced the gender division of labour. The second way showed a women empowerment index developed from the 2000 survey data on intra-household decision-making in different spheres and explored its relationship with the work of women. Their study revealed that enabling and improving the quality of education for women was necessary to increase their participation in marketing activities, where the gender disparity in earnings was less. Moreover, developing desirable social and institutional infrastructures enabled women to move outside the home to participate in economic and social activities and to reduce the burden of their domestic work (Bose, Ahmad, & Hossain, 2009). Moreover, Zahra et al. in 2009 observed that social entrepreneurship was the subject of several studies. They discussed its contributions to creating social wealth, offered a typology of the search processes of entrepreneurs that led to the discovery of opportunities for creating social ventures, and articulated the major ethical concerns that social entrepreneurs might encounter. Their study concluded by outlining implications for entrepreneurs and advancing an agenda for future research, especially on the ethics of social entrepreneurship (Zahra, Gedajlovic, Neubaum, & Shulman, 2009).

Serrona and Yu in 2009 discussed that one of the potential solutions in social and environmental sustainability in municipal solid waste management in Metro Manila, Philippines was the combination of community-based recycling and sound landfill management strategies. The combination emphasized recycling as a source of livelihood, and proper landfill management improved the aesthetic and environmental quality of disposal facilities in urban areas. Their study showed that development interventions in disposal sites, such as WTE, were not opposed by host communities as long as alternative livelihood opportunities were provided. Regulating the flow of waste-pickers into the landfill has advantages, such as improved income and security. The felt needs, such as the provision of financial support or capital for junkshop operation and skills training, were also articulated. Overall, a smooth relationship between the local government and community associations paid well in a transitioning landfill management scheme such as Payatas (Serrona & Yu, 2009). Bhole and Ogden in 2010 noticed that the group and individual lending with strategic default suggested that unless group members can impose costly social sanctions on one another, or unless the bank uses cross-reporting mechanisms, group lending may do worse than individual lending. If the amount that a successful borrower owes for his defaulting partner is optimally determined and the penalty is allowed to vary across group members, then expected borrower welfare is strictly higher with group lending when both group and individual lending are feasible. Moreover, group lending is feasible for a greater range of the opportunity cost of capital even without any social sanctions or cross-reporting. However, a robust collusion occurred among borrowers (Bhole & Ogden, 2010). Shimamura and Lastarria Cornhiel in 2010 evaluated the effects of participating in agricultural credit program on the school attendance of children in rural Malawi. Their paired-site sampling survey revealed that credit decreased school attendance for young girls. This finding raised concerns that young girls were exploited through child labor either at home or in the field because working adults became more involved in IGAs that were financed by credit. However, the data did not show clear evidence that young girls in households that obtained credit, stayed at home to do household chores or to work in the fields. The study only found simultaneous occurrence of attending school and taking responsibilities for domestic chores by young children. Therefore, credit uptake delayed the realization of this concurrence among young girls and led to delayed school enrolment (Shimamura & Lastarria-Cornhiel, 2010).

Misturelli and Heffernan in 2010 noticed that poverty was often presented as an evolving concept linked to dominant development paradigms. Changes in the meaning of specific topics that comprised the definitions of poverty have been largely overlooked. The authors adopted a synchronic approach to evaluate changes contained within 159 definitions of poverty from 1970s to 2000s. Their study revealed that component terms were investigated for their stability in meaning through the application of the concepts of the signifier and signified of De Saussure. The results illustrated that terms often did not share the same significance (Misturelli & Heffernan, 2010). Moniruzzaman in 2011 analyzed the experiences of two major NGOs in Bangladesh and argued that community development paid greater attention to the effects of empowering inputs, such as microcredit, than the internal management of the group. The study examined the serious defects that may have direct negative effects on empowering outcomes. The study argued that paying greater attention to the internal management of the groups can make the group approach more effective in community development (Moniruzzaman, 2011). Hermes et al. in 2011 used stochastic frontier analysis to examine whether outreach to the poor and the efficiency of MFIs had a trade-off. They found convincing evidence that outreach was negatively related to the efficiency of MFIs. More specifically, they found that MFIs that have a lower average loan balance (a measure of the depth of outreach) were also less efficient. Evidence also showed that MFIs with more women borrowers as clients (again, a measure of the depth of outreach) were less efficient. Their results of the study remained robustly significant after adding a number of control variables (Hermes, Lensink, & Meesters, 2011).

Similarly, Hearn and Piesse in 2011 assessed the effect of stock exchange funding in the Shari'ya compliant Islamic economy of Sudan. Evidence indicated that although Islamic financial instruments have considerable potential in facilitating development finance through partnership, development finance was better achieved by the banking system than the Khartoum Stock Exchange. A case study of the Sudan Telecommunications Company showed that larger firms that can cross-list elsewhere were likely to choose regional over domestic markets, and thus, benefit from the lower costs of equity. Chan and Ghani in 2011 discussed if microfinance programs reached the intended target in vulnerable remote villages, and

whether borrowers improved their lives through microfinance. Seventy-two borrowers from three villages were studied. Remote villagers living below the poverty line were reached. Ninety-three per cent of the borrowers observed an increase in income, assets, and spending on family members. Improvement in non-income aspects was also reported. Hence, small loans can encourage the development of rural enterprise, skills, and confidence, and the social standing of rural women (Chan & Ghani, 2011). Esnard-Flavius and Aziz in 2011 examined the relationship between microcredit, microenterprises, and the social welfare of the rural poor in North-eastern Trinidad. Guided by the main propositions of social capital theory, the researchers conducted 45 semi-structured interviews with active participants or clients within a case study framework. The fragmented social relations within the network, conflict, distrust, and the loose structure of the program limited the effects of access to microcredit on social welfare and the financial potential of the lending organization (Esnard-Flavius & Aziz, 2011). Ahmed and Siwar in 2011 examined if rural women in Bangladesh had a lower socio-economic status than men even if they contributed significantly to their families. Rural women had limited access to income generation and social activities because of social, cultural, and religious barriers. The participation of rural women in decision-making regarding family matters was very low. The study discussed the relationship between microcredit, IGAs, awareness, and women empowerment, and highlighted a review of the existing evidence on the role of microcredit program in developing socio-economic status and poverty alleviation (F. Ahmed, Siwar, & Idris, 2011a). Ahmed and Siwar described that women, who constituted almost half of the total population of Bangladesh, are victims of socio-economic inequality and gender disparity. Women were also economically dependent, vulnerable, and socially discriminated. Their study focused on the status of women in Bangladesh. However, the government has taken many initiatives to ensure the political rights and to increase the awareness, empowerment, and participation of vulnerable and disadvantaged women (F. Ahmed, Siwar, & Idris, 2011b).

A microcredit program was designed to improve the socio-economic status of rural women in Bangladesh. An examination of the relationship among microcredit programs, vulnerability, and sustainability livelihood indicated the improved socio-economic well-being and sustainable livelihood of rural women who participated in microcredit programs of Bangladesh (Ahmed, Siwar, & Idris, 2011c). Ahmed and Siwar pointed out that microcredit programs provided small loans to the very poor to undertake self-employment and other financial and business activities. These activities should give them the capacity to care for themselves and their families and to achieve a level of independence. Their study examined how microcredit programs contributed to the participation in microcredit program for their development. The paper also discussed the participation of women in microcredit programs of NGOs, such as GB, BRAC, and ASA (Ahmed, Siwar, & Idris, 2011d). In addition, Ahmed and Siwar stated that rural women in Bangladesh are the most deprived in the society, and most rural women are extremely poor. The study examined the extent of changes in the livelihood status of rural women through their involvement in microcredit programs in Bangladesh. The study revealed that after joining the microcredit program, the rural women engaged themselves in IGAs and, consequently, improved their livelihood status significantly (Ahmed, Siwar, Idris, & Begum, 2011). Moreover, the monthly average income of the respondents with credit was US\$27.6, which was three times higher than that of the respondents without credit, which was US\$7.9. The increased income of the women borrowers contributed significantly in improving the income level of their households, and thus, help them reduce vulnerability more effectively than the women who did not borrow (Ahmed, Siwar, Idris, & Mia, 2011).

Hearn and Piesse in 2011 assessed the effect of stock exchange funding in the Shari'ya compliant Islamic economy of Sudan. The banking system has a better potential than Islamic financial instruments, such as the Khartoum Stock Exchange, in facilitating developmental finance. A case study of the Sudan Telecommunications Company showed that larger firms can cross-list elsewhere, but chose regional markets because of the lower costs of equity. However, larger firms were likely to favour block shareholders following the concept of Islamic finance partnership (Hearn, Piesse, & Strange, 2011). D'Espallier and Guérin in 2011 used a global data set of 350 MFIs in 70 countries to study the common belief that women were generally better credit risks in microfinance than men. The study confirmed that a higher percentage of female clients in MFIs associated with lower portfolio risk, fewer write-offs, and fewer provisions, but women and men borrowers were equal in other factors. Interaction effects revealed that women, in general, were associated with enhanced repayment, but this trend was stronger for NGOs, individual-based lenders, and regulated MFIs (D'Espallier, Guérin, & Mersland, 2011). Moreover, Bhuiyan and Siwar in 2011 reported empirical evidence on the common findings from the existing literature on the performance of the Islamic Bank in microcredit and the poverty alleviation in Bangladesh. Their study examined the effect of the microcredit program of an Islamic Bank on the progress of poverty alleviation and socioeconomic development of its members. The study revealed that the borrowers reduced their vulnerability and poverty and improved their socioeconomic status after access to credit (Bhuiyan, Siwar, Ismail, & Talib, 2011).

Mirghani and Mohammed in 2011 determined that poverty was the central problem to sustainable human development. Islamic microfinance has been recognized as the best alternative to conventional microcredit, which promised the same benefits based on Shariah. Islam provides the complete code of life. Thus, the religion covers poverty reduction as one of its premier agenda. Islam considers that poverty induces other indecent acts, and thus, poverty should be treated with much care. Their study revealed a scarcity of skilled individuals in Islamic finance because of the lack of interest of academicians in the Middle East in Islamic finance. Despite the prospects for microfinance, Islamic financial systems faced specific challenges (Mirghani, Mohammed, Bhuiyan, & Siwar, 2011). By contrast, microfinance programs increasingly targeted poor women in developing countries with the expectation that access to microcredit advanced their empowerment while reducing poverty. Variations in the socio-cultural, economic, and microfinance organizational contexts explained why some programs were more successful than others by comparing the results of two microfinance providers in Ethiopia (Haile, Bock, & Folmer, 2012).

Development of Conceptual Framework

As the current study notes, poor women are marginalized, lack chances for self-sufficiency, and depend on charity or welfare. Without means to support themselves, poor women lose their self-confidence, and this disposition can lead to psychological, social, and mental problems. Empowerment is the way to achieve basic opportunities for poor women. Women can be empowered through encouraging and developing skills for self-sufficiency, which could result in eliminating the future needs for charity or welfare among individuals of the group.



Figure 1. Conceptual Framework

CONCLUSIONS

As the main aim of the study was to investigate rigorous review of literature on the women empowerment and developed a conceptual framework of microfinance and women household, economic, and social empowerment of the microfinance borrowers in the world. The present study revealed that the poor women are marginalized, lack chances for self-sufficiency, and depend on charity or welfare. Without means to support themselves, poor women lose their self-confidence, and this disposition can lead to psychological, social, and mental problems. The study also found that the women can be empowered through encouraging and developing skills for self-sufficiency. The study also revealed that the major problems facing the poor and the lower-income group was access to credit. Their lack of assets for collateral and financial records, and limited credit history make obtaining credit from formal financial institutions almost impossible. The concluded that the Microfinance can be a powerful and effective way of access to credit of the poor has been rapidly expanding in hopeless and helpless societies accordingly.

The study also summarized that there are very limited studies justified with most relevant existing theories with the comprehensive review of literature and summarized literature gap, to justify with established knowledge which are already justified, criticized and accepted by the scholars in a particulars area. The study also has found very few study used different types of methodological tools that are used descriptive statistical, econometrics techniques as well as indexes to measure impact of microcredit on the poverty alleviation, livelihood improvement and socio-economic development of the MFIs borrowers. The existing review also concluded that very few studies used cutting edge methodological tools in this area of research. Finally, the present study developed a conceptual framework based above summary of findings to do a practical investigation to further examine the relationship between microfinance and women household, economic, and social empowerment of the microfinance borrowers in the world.

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