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One NGOs Contribution to Women's Economic Empowerment and Social Development in Zimbabwe

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ABSTRACT

Poverty, due in part to the lack of economic self-sufficiency, has been recognised as one of the key impediments in the empowerment of women in Africa. Although Non-Governmental Organisations (NGOs) have been frequently criticised, they have more often played a facilitating and leadership role as catalysts in empowerment and development in relation to the socioeconomic needs of women in poverty. Zimbabwe Women Finance Trust (ZWFT), a micro credit NGO, provides vivid illustration of financial assistance and educational and emotional support provided to women entrepreneurs. The goal is to expand women's opportunities through the promotion of access to and participation in economic processes and, thereby, larger social structures. By helping improve the socioeconomic circumstances and self-reliance of women, NGOs such as ZWFT are simultaneously strengthening African society.

Introduction

At the 1994 African Women's Preparatory Meeting for the Fourth Women's World Conference in Beijing, China, African women gathered to articulate their position in what eventually resulted in the African Platform for Action. The Platform identified priorities for combating the increasing poverty of African women, and the United Nations 1995 Beijing Conference that followed committed countries and Non-Governmental Organisations (NGOs) to implement the African and Beijing Platforms for Action. Both conferences stressed the economic empowerment of women as a central development goal for the 21st century.

Women's poverty, due in part to their lack of economic self-sufficiency, has been recognised as one of the impediments in the empowerment of women in Africa. In 1998, as part of ten strategic actions, the United Nations Economic Commission for Africa proposed to reduce gender disparities on the African continent. The goal of the action is to expand women's opportunities for entrepreneurship by promoting access to and participation in economic processes and structures, including access to employment and control of economic resources.

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People-centred socioeconomic development emphasises the need to strengthen and support the capacity and self-reliance of women. The opportunity for advancement of economic power can facilitate and result in empowerment and a sense of self-worth brought about by economic self-sufficiency and self-reliance, *"under conditions that give people both the opportunity and incentive to mobilise and manage resources in the service of themselves and their communities"* (Korten, 1987:147).

In Africa in particular, investments in women's micro-enterprises provide essential resources that women need in order to improve their productivity and capacity for self-reliance.

Although NGOs have been frequently criticised (Zmolek, 1980; Korten, 1998; Lal Das, 1998; Kam, 1998), they have more often played an enabling and leadership role as catalysts and vehicles of empowerment and development in their responses to the economic needs of women. NGOs are considered a *"most promising solution"* for one of the most difficult problems women face, *"including the most intractable of all social problems – poverty"* (Bar-On, 1998:5-6). According to Korten (1987), in an *"era of declining financial resources and deepening poverty,"* NGOs have been looked upon as a means of getting women the economic benefits they need more directly and cheaply than governments have been able to accomplish. While many NGOs are involved in community development, only a relative few are *"active in giving small loans to entrepreneurs in the micro enterprise informal poverty economy for income and employment generation purposes"* (Waly, 1998:4).

I spent a week at the home of the Zimbabwe Women Finance Trust (ZWFT), one of the first and most successful women's NGOs of its kind in Zimbabwe. [1] As has been traditionally the case with NGOs, ZWFT relies for its funding on a number of North American and European foundations, such as CARE. ZWFT opened in Harare in 1985 as a micro-credit programme, providing financial assistance and incentives in the form of loans to women entrepreneurs who are denied access to credit by the formal banking sector. Operating under the leadership of its founder and executive director, social worker Eisenet Mapondera, the Fund encourages the development of informal sector micro-enterprises for improving economic opportunity and activity among women.

Following a number of conversations with the ZWFT staff, I was allowed to observe interviews between ZWFT staff and loan applicants, conversations with ZWFT clients, and on a subsequent spontaneous role play between a staff member and the author, the following scenario captures a typical interaction between an African woman entrepreneur and the ZWFT staff. The italicised commentary indicates steps in the process used by the ZWFT to introduce a prospective loan applicant to the opportunities that ZWFT has to offer.

[1] I wish to acknowledge the unconditional availability and generous sharing of information and time of the staff and clients at the ZWFT. Special appreciation goes to Ms Eisenet Mapondera, ZWFT Founder and Chief Executive and to Mrs Kudzai Gwasira, staff member.

An Illustrative Scenario

It was 8:30am when I arrived at the Zimbabwe Women Finance Trust (ZWFT). The offices are located in a suburb of Harare in a converted agency house. On this cool October morning, I am overtaken by the magnificence of the jacaranda in bloom and by the serenity of the surroundings in this sub-Saharan African city. As I enter the house, I hear murmuring in a back room. As I move toward what seems to be the living area (reception area), I realise that the staff has gathered to pray. I learned later that prayer is part of the staff's daily routine before they start their work activities.

The walls of the living/reception area are covered with familiar posters: *"If it is not appropriate for women, it is not appropriate," "As a woman I have no country...my country is the whole world."* I especially like those posters targeting prevention of abuse of women. All of the areas of the house are simply furnished, but the handcrafted pieces made by some of the clients fill up the place with colour and, even more, with humanness. A cheerful woman with a big smile greets us. I must digress to emphasise these genuine, frequent, welcoming smiles that are so pervasive, and that make people feel so welcomed and give an almost immediate sense of belonging.

"Good morning. I am Kudzai, who are you?"

"Good morning, I am Maria."

"Where are you from, Maria?"

"I come from Marondera."

"What brings you here this morning?"

"I would like to receive a cheque."

"Do you mean a loan, Maria?"

"Yes that's it, I guess. A loan."

"That will take a while to process. There are papers to complete, and we'll need to talk about your ideas. Then, assuming you qualify to receive a loan..."

"Oh!"

"It's okay, Maria. Let's talk a bit. What do you want a cheque for?"

"For herbs. I want to grow and sell herbs. A woman in the waiting area was telling me that she sells "freezits" (plastic packets containing frozen individual servings of fruit juice), and she seems to be doing financially very well. She says you helped

her get started by providing a cheque for the plastics and the machine to seal them. Maybe I should try working with “freezits” instead of with herbs...”

“There might already be too much competition for “freezits” in the Marondera region. I want to hear more about your original idea of growing herbs. Where are you planning to work?”

“At home. I want to be near my home.”

“Do you have experience growing herbs? Do you know what you need to do to grow herbs?” (*Kudzai makes an initial assessment of skills*).

“Yes. I have about half an acre of good soil for planting herbs. I have grown small amounts for myself and my family.”

“That sounds wonderful! What herbs do you think you would grow to sell?”

“I do not know yet, but maybe marjoram and mint – you know, maybe medicinal herbs.”

“Why those particular herbs? Tell me more about them.”

“I am not sure. I like growing herbs that cure ailments in people. I learned from my grandmother how to identify and use medicinal herbs, and how to grow them too.”

“What will your herbs cure?”

“Everything! Tummy-ache, headache, burns and sores, colds, anything.”

“Have you thought about the possibility of ending up growing herbs that noone will buy? Who are going to be your clients?” (*Here the staff member begins to create awareness of the need to assess competition in the market*).

“Women at the market.”

“Have you checked who are the women that will want them and how much are they ready to pay for herbs?”

“Not yet.”

“Have you checked which are the kind of herbs that the women at the market will want to buy? Have you met any of your possible buyers to see what herbs are they looking for?”

“Mmm...”

“It’s alright. We are just trying to sort it out. Do you have an idea about how much money you will need to start the business?”

“No.”

"Do you have any money saved to start the business?" (*Here Kudzai begins a credit assessment*).

"No. I have the land and my work. But listen, I did not think that this was going to be so complicated. I want to work. I want to start my own small business. I want to make money to help feed my family – a "push" is all I need. Do you know what I mean?"

"Yes, I know what you mean, but we need to talk more about this. Why don't you take a seat and we'll talk some more?"

"A woman from my community came here about a year ago and she told me that you sent her to sell peanuts before you gave her any cheques."

"Yes, you need some business experience before we give you a loan. Even selling peanuts for a while will give you some experience. You need to learn to speak the language of business. Maria, you have the most important part of what is needed – the interest – but let me explain this to you a little bit better. First, you are going to be invited to take part in training where, among other things, you can learn how to approach and get potential suppliers and clients, how to find out what clients need, where to get the best materials for the business, such as the seeds for the herbs for your garden, and how much it will cost. The training also includes information about how to manage money, how to prepare a budget, and how to save a part of the money you make."

"Mmm..."

"I notice that you are a bit hesitant. Not being timid or shy is very important in having a business. The training that we offer includes working on your shyness. (*Assertiveness training*). You will also have fun with other clients and our staff, sharing ideas and suggestions on how to deal with the business and carrying on with the responsibilities of the family and the house (*Balance between household and business demands*). Are there other women in your community who would like to get into business or who are interested in going into business with you?"

"Of course! Why?"

"You need to become a part of a group of about seven women with an interest in business. You can form this group with people whom you know and who are interested in a business, or we can put you in contact with some existing groups where the women are already in business. Only three members of a group receive loans at a time. (*Explaining the informal rotating credit system*). The remaining members of the group will not receive loans until after the first three loan recipients pay their first instalment." (*The group-based lending strategy results in peer/group pressure, and ordinarily group cohesiveness develops rather quickly*).

“But when do I get the cheque?”

“After you gather your group or join an already existing group, together we will assess the kind of training that you need before starting a business. You take the training, and in the process determine how much money it is going to take for you to get the business going, how much you foresee making after you start the business, and how you are planning to save the required 15 percent of the profit (*Savings model*).

“Is that when I receive my cheque?”

“At that point, your group decides which members are ready for a loan. We also decide if you get your loan in a lump sum or if you receive it in instalments.”

“Great! And then what?”

“You will have three years to pay your loan back, and you can also reapply in three years. After that, you would have become a business woman whom we will refer to a bank.”

“Sounds a bit scary...”

“There’s nothing to be scared about. We will be following up on how things are going with the business and will be providing you with consultation, assistance, and additional, ongoing training, if you need it and choose to take it. You need to understand that you, the staff who work here, the women whom you will join in the group – all of us become a part of this business of yours because we all have something invested” (*Partnership*).

“Where do I go to make payments? Here?”

“Not necessarily. There are some cooperative offices in different parts of the area where women gather either to form groups, to take training, or to conduct their business. You can pay in the office closer to you.”

“What do you mean by saying that the women conduct their business in these cooperative offices?”

“There are women in the business of weaving, knitting, embroidering, all kinds of crafts. Many of them go to the cooperative offices and do their work there.”

“I would not be able to do that. I have two children who are still small and require my staying home with them.”

“That is not a problem. Women bring their children to the co-op office when they come to work. Maria, we have guests here today who we are taking to visit some of the women’s businesses to whom we have given loans. We are going to the

marketplace and to one of the co-op offices. Do you have time to join us?"

"Sounds like a good idea."

"Would you like to meet some of the women who are growing herbs? One of them might agree to help with your training and with starting your business."

"I'd love to!"

In the marketplace women are selling produce that they purchase wholesale from women who have received loans from ZWFT; others are selling what they have been funded to grow themselves. Caterpillars, corn, rice, mealie meal, and greens are some of the most popular products. The woman in the "freezits" business is there selling her product. We learn that she now employs six young men to help with her business. We visit the stalls of funded women who buy and sell craft materials to women who are funded by ZWFT for craft-making and craft-selling businesses. Bangles, baskets, musical instruments, and stone figures are particularly popular items. Some of the businesses have become family enterprises, where the children and husbands are now employees of the women who started the enterprises.

In the route to the co-op office we stop at an herb-processing laboratory run by a university professor of pharmacy. He is buying from some of the women in the herb-growing business for his experiments with different kinds of indigenous medicinal remedies, as well as for his involvement with the growing international market for potpourri.

We also stop for lunch at a locally-owned and operated restaurant featuring typical food geared to tourism. This sort of establishment was virtually non-existent in Harare until ZWFT funded the owner of this restaurant. It is now one of the best of its kind in Harare. At the co-op office – one of five in Harare – a group of women is waiting to make their loan payments. Other women are talking about forming a group. Still other groups are weaving or receiving lessons from a master in the craft of their interest (*on-site training*). Women are showing up with their babies "packed" (wrapped) on their backs. They are breast-feeding and telling jokes, and they are satisfied. They are essentially happy. I am impressed with the evident camaraderie, contentment, and fulfilment that they project. Despite the evident conditions of poverty, I sense hope and an implicit message of comfort and satisfaction that one does not easily find under the prevalent socioeconomic situation. I sense being in the presence of empowered women; I am experiencing a classic example of an NGO encouraging and strengthening existing communities.

While ZWFT leadership began to develop the idea of financing women's micro-enterprises in 1985, it did not start funding projects until 1991. More than 4 500

women have received loans of anywhere from a few Zimbabwe dollars up to between Z\$4 000 and Z\$10 000. Their repayment rate is 97%, and most of the women have been and continue in business for years.

The Role of NGOs

Nyang'oro (1993) argues that the economy of the sub-Saharan countries of Africa has performed in an extremely poor manner in the last decade: "*Bad government policy, natural disasters such as drought and famine, civil unrest...and the general structure and consequence of underdevelopment*" (citing Mittleman, 1988:283) characterise the African continent of today. According to the World Bank (1989), Africans are almost as poor today as they were 20 years ago. The economy has performed poorly, and foreign capital becomes less interested in investing in the region, causing peripheralisation of the country, the people, and the women in particular, from the global economy.

Zimbabwe is no exception to this discouraging picture. Although independence was obtained almost 20 years ago (1980) after 15 years of a struggle for freedom, the qualitative difference in living standards between the colonial period and post-colonial times has been minimal for the majority of the people. The economic development difficulties experienced by the country have resulted in the need for people to look for alternative means of meeting socioeconomic needs. The informal economy referred to as *magendo* has proliferated in response to the harsh socioeconomic situation.

In Zimbabwe, it is estimated that job creation in the informal sector may average 25 000 to 35 000 new employees a year. In general, however, "*women's lack of access to affordable credit, information, technical advice and services prevents them from expanding their enterprises*" (Manuh, 1998:7). In Africa in general, and in Zimbabwe in particular, women face the constraints of formal credit institutions demanding collateral in the form of landed property and male approval before loans can be made. They have to depend on money lenders whose loans are too expensive, and the repayment schedule is too short to allow for growth. Banking procedures require literacy, time, and documentation, not always possible or available, and the banking system believes that lending to the poor, particularly poor women, is risky (Waly, 1989).

In the context of the overall situation in Zimbabwe, NGOs have tried to help the plight of women in particular. Assessments of such NGOs range from praise to harsh criticism. The NGO practices in work with women that have been assessed as negative include ignoring the structure of households and of the social relations that influence women's roles in production, as well as the larger social processes

that shape women's lives (Manuh, 1998). Other negative evaluations emphasise economic-related aspects, such as too early withdrawal of financial support, too many requirements before assistance is given, providing funding before adequate planning, giving inadequate explanations of implications of a loan, lack of following up and monitoring, inappropriate training, inadequate spelling out of mutual obligations, and handing over of financial management before the individual is ready (Hancock, 1996; Ziswa & Else, 1991; Bibars, 1998).

Despite the mixed, inconclusive, and frequently contradictory critiques resulting in lack of a consensus about the value of the role of NGOs in social development, negatively-laden assessments of NGOs tend to "overpower" and "blur" the service/assistance provided by successful NGOs. There has been some tendency to ignore those NGOs that have made significant contributions toward "making a better world" (Nyang'oro, 1993:155). Waly (1998:6) makes it clear that:

"successful programs depend on well trained...officers who would reach out for the poor, identify them, promote the program, train the beneficiary when needed and collect loan payments."

According to Waly (1998:7),

"the best model for NGOs running a micro credit program would be lending cash and giving technical support in the form of advising on best suppliers, best markets, suggesting innovative activities to avoid market saturation and linking beneficiaries to each other so that they can complement each others activities."

According to Bar-On (1998:3), the advantages of successful NGOs are well known:

"They deliver services that governments find difficult to arrange and that the market is unable to deliver." He emphasises that, "it is mainly in the realm of moral values that NGOs are said to make their special mark: in promoting social justice."

Looking Ahead

The illustrated example of ZWFT as an NGO speaks for itself in its upright ways of overcoming the earlier-mentioned criticisms. This is but one instance where an NGO is successfully making a difference in the lives of a segment of society in great

need of assistance in Zimbabwe. The assessments of Ziswa & Else (1991:18) have concluded that NGOs are and have been an *"important element of Zimbabwe's future."* Several other writers and researchers (Clark, 1991; Bratton, 1990; Nyang'oro, 1993) go beyond the Zimbabwe situation and recognise the crucial role that NGOs have played in Africa, where they have been legitimised by their closeness and responsiveness to their constituencies, while governments have lacked the insight and flexibility to adapt to local conditions.

ZWFT illustrates that in a country generally characterised by, *"weak agricultural growth, a decline in industrial output, poor export performance, climbing debt, deteriorating social indicators, institutions and environment"* (World Bank, 1989:2), NGOs have the *"opportunity to exert badly needed leadership in addressing people-centred development"* (Korten, 1987:147). NGOs such as ZWFT have positively affected people by devising strategies to alleviate women's poverty, serving as a vehicle for empowerment, representing the interest of women at the grassroots level and developing a self-sustaining system of magendos that encourage and facilitate women's efforts to independently meet their needs.

According to Bratton (1990:91), developing organisations consist of *"efforts to maximise factors that affect realisation of goals."* ZWFT is playing a key role in women's realisation of goals, making a difference in the lives of people – differences that are and will be sustained beyond the period of NGO assistance (Korten, 1987). Projects can only be considered successful if they improve the overall quality of life of those involved, and if they contribute to the socioeconomic development of society (Mapondera, 1998). Capable, committed individuals who combine a long-term vision with well-developed skills in leadership and management, all framed within altruistic desires, have relied on high moral purpose, good will, hard work, and common sense to achieve this success. Micro-enterprises funded through ZWFT have had long-term implications for improving day-to-day living conditions and social development in the Zimbabwean society.

By improving the situation of women, NGOs such as ZWFT are simultaneously strengthening the African society and enhancing the broader development prospects of the continent. We have seen that *"Africa is overflowing with women leaders. They lack only the training and the means to bloom"* (Manuh, 1998, citing Ndiaye Ba from the Women's Development Enterprise in Africa, p1). The key to what is needed for advancing the position for women in Africa is strengthening their capacities and skills and expanding their opportunities to fully develop their socioeconomic roles and power. As ZWFT is demonstrating, and as Waly (1998:1) emphasises very well in her work, there is evident need to *"back micro credit for macro changes."*

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