MICRO-FINANCE INSTITUTIONS: A VEHICLE FOR EMPOWERMENT OF RURAL WOMEN AND URBAN POOR IN NIGERIA

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Abstract
This study sought to investigate microfinance institutions (MFIs) as a vehicle for empowerment of the rural women and the urban poor. Part of the efforts of most governments seems to be geared towards narrowing the income gap between the urban and the rural sectors through breaking the cycle of unemployment, economic stagnation and poverty. The specific objectives of the study sought to: (i) determine how rural women and the urban poor could be organized to benefit from microcredit of the microfinance institutions and (ii) examine how to reduce or eliminate the inherent challenges associated with accessing microcredit from microfinance institutions. The study is a survey study comprised rural women of Nachi and Amokwe towns both in Udi Local Government Area of Enugu State, while the urban poor were drawn from Achara Layout and Maryland towns in Enugu South Local Government Area, also of Enugu State. Data used in the study was collected through primary and secondary sources. The data was analyzed using descriptive statistical techniques. The findings of the study revealed that organization of the rural women and the urban poor into membership-based organizations such as street vendors, garment makers, shoe makers, waste pickers, construction day labourers etc could facilitate access to microcredits. The researchers recommended that the “decent work for all” campaign by United Nations Development Programme (UNDP) through special initiatives on the economic empowerment of working poor women in the informal sector of the economy should form an alliance with growing international movement of working poor women. This should be seen as dependable ally of decent work for all campaign. It is concluded that there is need for advocacy so that the playing ground can be level even for the poorest of the poor women.

Key words: Microfinance Institutions, Microcredits, Empowerment, Rural Women, Urban Poor.

Introduction
The economic independence of women is critical to achieving Millennium Development Goals (MDGs). The type of occupations executed by women has consistently been characterized as lacking in status and poorly paying, which are often temporary and informal. Greater percentage of women perform majority of the poorly or unpaid jobs, thereby encumbering their access to employment opportunities outside of their homes. Moreover, they shoulder disproportionate share
of marital responsibilities. Microfinance institutions (MFIs) focus on the poor, and known to be successful in some developing countries such as Tanzania, Ghana, South Africa and Bangladesh (Ogwu, 2008:16). In Nigeria, the rural women and urban poor are among the groups that require financial services to grow their businesses and improve their livelihood. When empowered, they could to a large extent impact positively on poverty reduction, engender financial inclusion and economic development in the country. In view of this, these micro finance service entities statutorily provide micro credits to the active poor who are traditionally not served by the conventional banks eventually came on board.

Like other financial service institutions, microfinance institutions are meant to grant loans to rural women and urban poor to help them finance their agricultural projects such as poultry, food and animal production etc. They should also be provided access to their basic financial needs aimed at economic empowerment of the rural populace, poor households and petty traders which will enable them move from subsistence living to planning for the future, investing in better nutrition, health, children education and wealth creation. The rural women are denied access to financial services by the conventional financial institutions because of their poor literacy level, inability to provide required collaterals among other terms and conditions. It may be stating the obvious to note that an efficiently run microfinance institution that adequately cater for the capital needs of the population could create a multiplier effect on the economic wellbeing of the nation.

Statement of the Problem

The evolution of microfinance initiative as established practice in Nigeria dates back to several decades with the establishment of numerous poverty alleviating programmes such as Better Life for Rural Women, National Poverty Eradication Programme (NAPEP), Community Bank, and local economic empowerment programme (LEEP) among others. In spite of the long existence of these institutions and programmes in Nigeria, it has been almost impossible for the rural women and the urban poor to access credits from these institutions. Most of the urban poor and the rural women are characterized by unusually acute foresight and imagination, and ever ready to work harder to get out of poverty because they suffer most. For instance, they suffer discriminatory treatments from conventional financial institutions unlike their male counterparts on account of inability to provide collaterals needed to access soft loans. Other borrowing encumbrances such as “KYC” requirements, minimum deposit amount and evidence of formal employment have aggravated the destiny of the group being studied. In that regard, sustainable access to micro credits help to alleviate poverty by generating income, creating jobs, allowing children to go to school, enabling families to make the choice that best serve their needs.

Moreover, the recent recapitalization, merger and acquisition exercise embarked upon by the banking sector virtually made all the banks “mega banks”. The position of the rural women and the urban poor thus became even worse because the so called mega banks now concentrate on big businesses of similar status particularly companies in the oil and gas industry thereby making their financial services inaccessible to the group in focus.

Following from the foregoing the problem which this study addressed therefore is that even though microfinance institutions have been in existence for long, it has not been possible to discover how to effectively organize the rural women and urban poor to enable them benefit maximally from the services of microfinance institutions and also reduce/eliminate identifiable challenges associated with accessing micro credits.
Objectives of the Study

Specifically, this study sought to:

(a) Determine how the rural women and urban poor could be organized to benefit maximally from microfinance institutions.
(b) Examine how stringent cultural practices and lack of information hinders access to microfinance services.
(c) Ascertain how poor literacy level, poverty and inability to provide collaterals hamper access to microfinance services.
(d) Make recommendations based on the findings.

2. Review of Related Literature

2.1 Definition of Microfinance

According to CBN (2005:5), microfinance involves providing services to the poor who are traditionally not served by the conventional financial institutions. Also, microfinance is the provision of very small range of financial services to the poor to help them take up new opportunities and engage in productive ventures (Igbokwe, 2012:5). Furthermore, Microcredit Summit (2005:10) defines microcredit as programmes intended to extend small loans to very poor people for self-employment projects that generate income, thereby allowing them to care for themselves and their families. The Summit affirms that definitions of microcredit differ from country to country. For instance, some of the defining criteria applied are size, which means that loans are micro or very small in size; target users refers to micro entrepreneurs and low-income households, while utilization denotes the use of funds for income generation, enterprise development, as well as for community use (provision of health/education facilities). Others are terms and conditions, which implies that most terms and conditions for microcredit loans are flexible and easy to understand, and suites the local conditions of the community.

Nwachukwu (2008:46) regards microfinance as the supply of financial services such as loans, savings, insurance, transfer services, payment facilities to low income groups. He maintains that microfinance presents a unique initiative that offers financial services to the poor who do not have the resources, collateral, minimum deposit amounts, formal employment or official identification papers to obtain access to existing deposit money banks facilities.

An interesting stand has been taken by the Virtual Library on microcredit. According to Anita (1999:1), Virtual Library has taken microcredit beyond the confines of “money” stressing that microcredit as a concept is as much about money as it is about information. She argues that sustainability and non dependence on external resources are key to the growth of microcredit programmes. The Homepage focuses on providing pertinent and timely information in the form of strategies, tools, ideas and guidance to grassroots and intermediary organizations, and at the same time, educating the general public on broader issues related to microfinance and microcredit.

There seems to be overwhelming consciousness in Nigeria on the need to improve the living standard of the people. The desire to attain economic growth and development whether collectively or individually requires enormous capital infusion either from accumulated or procured sources. The Microfinance policy for Nigeria is expected to expand the financial position of the country in order to meet the financial requirements of the poor, low-income groups and micro-entrepreneurs. Serving these target groups is expedient for three reasons:

- It creates benefits to the poor through provisions of increased self-employment opportunities, reduction of poverty level and vulnerability, empowerment of rural women
and the urban poor, improved educational and nutritional level of family members, and better access to basic goods and services.

- The micro-entrepreneurs constitute a target group to which microfinance institutions could supply profitable services.
- It creates better economic opportunities for both clients and financial institutions that lend to boost economic growth and development of the macro economy (Ugwuanyi, 2006:623).

Empowerment, according to Anita (1999:1) is essentially about being able to see how to negotiate one’s condition in a process of sustained change that build capabilities for well-being and autonomy, even as it allows societies real choices to determine their paths to progress. Wiego (2008:3) in his work on economic empowerment of working poor in the informal economy notes that the working poor women are typically concentrated in the following trades or occupations:

**Urban Poor:** They are the street vendors, home-based producers, garment makers, shoe makers, electronic assemblers, artisans and weavers, waste pickers, domestic workers and construction day labourers.

**Rural Poor:** This group is made up of the peasant farmers, livestock and poultry rearer, home-based producers, artisans and weavers, forest gatherers, agricultural day labourers, etc. The researcher observes that what the rural women and working urban poor need most includes: increased assets and skills, increased economic opportunities and access, improved and more secured workplaces, legal identity and rights as workers, as entrepreneurs, increased bargaining power, reduced economic risks, increased social protection, better price and terms of trade. He further proffers ways of addressing the needs of working poor women in the informal economy as follows:

- Enactment of appropriate and fair policies and legislations.
- Supply of microfinance for macro-enterprise development.
- Through other interventions such as fair and ethical trade, livelihood promotion, economic rights, ownership of land, property, intellectual property, etc.

Also, Wiego recommends three important enabling conditions, which he describes as the 3Vs that include the voice, visibility and validity summarized as presented below:

- **Voice:** Organizing the working poor women into membership based organizations (such as unions, cooperatives, and others associations) accountable to their members and representation of these organizations in relevant policy-making and rule setting institutions.
- **Visibility:** Official recognition of the economic contribution of working poor women through improved labour force and other economic statistics.
- **Validity:** Legal identity and recognition of working poor women and their membership-based organizations.

The decent work for all campaign should seek primarily to promote the voice, visibility, and validity of working poor women. This is because voice, visibility and validity are essential preconditions of the economic empowerment of working poor women (Wiego, 2008:4).

2.2 **Why Microfinance Bank in Nigeria.**

According to Ugwuanyi (2006:621-622) the formal financial system provides services to less than 35% of the economically active population, and thus the remaining 65% are excluded from access to financial services. This 65% excluded from financial services are often served by the informal financial sector mainly moneylenders, friends, relatives and credit unions. The above reasons led to the emergence a microfinance policy for Nigeria which was expected to expand the
financial requirements of the poor, low-income groups and micro-entrepreneurs. Such policy services are expedient for three reasons:

(a) Such services created benefits to the poor through provisions of enhanced employment opportunities, reduction of poverty and vulnerability, empowerment, improved educational and nutritional level of family members, and better access to goods and services.

(b) The micro-entrepreneurs constitute a target group to which microfinance institutions could provide profitable services.

(c) It provides better economic opportunities for both clients and financial institutions that lead to growth and development of the entire economy.

2.3 The Goals of Microfinance Banks

According to CBN (2005) cited in Okwor and Nze (2010:185) the goals of microfinance banks include to:

(i) Provide diversified affordable and dependable financial services to the active poor in a timely and competitive manner that would enable them to undertake and develop long-term, sustainable entrepreneurial activities.

(ii) Mobilize savings for intermediation.

(iii) Create job opportunities and boost the productivity of the active poor in the country, thereby increasing the income accruing to individuals, households, thus uplifting their living standards.

(iv) Enhance organized, systematic and focused participation of the poor in the socio-economic development and resource allocation process.

(v) Provide veritable avenues for the administration of the micocredit programmes of government and high networth individuals on a non-resource case basis. In particular, this policy should that state governments would dedicate an amount of not less than 1% of their annual budgets for the on-lending activities of microfinance banks in favour of their residents, as well as render payment services, such as salaries, gratuities, and pensions for various tiers of government.

2.4 Constraints faced by the Microfinance Subsector

According to Oluyinka (2008:7), the microfinance subsector is faced with constraints summarized as follows:

(a) Macroeconomic constraint: At the macroeconomic level, inflation rate has remained high and unstable; discouraging domestic saving and this has further reduced the amount of loanable funds. Prices of inputs have often increased at rates higher than output prices and this makes micro investments unprofitable. To keep pace with the rising prices, banks charge high interest rates, and thereby increase the cost of borrowing. The constant devaluation of the local currency (the naira) does greatly reduce the purchasing power of credit by entrepreneurs.

(b) Financial sector policy constraint: The structures of the rural financial markets impose additional constraints. The is because a bank branch may serve several rural areas, which results to lack of competition, use of conservative lending practices and provision of limited financial services. As at today, the environments where most micro-borrowers reside are usually served by small unit banks (the microfinance banks). Their services are constrained by inadequate capital, low savings of long-term credits due to lack of long-term funds. The volatility in interest and exchange rates create uncertainty and risk for long-term loans. Where deposit money bank branches exist, they do not provide financial services to micro entrepreneurs.
Most financial service providers offer narrow range of financial products. Deposit mobilization has not been aggressively pursued because of inherent high cost, while services like payments, transfers, insurance and leasing are virtually non-existent. In specific terms, the MFIs that operate in Nigeria have been confronted with a lot of handicaps that have continued to hamper their operations. Prominent among these are:

a. **Under-capitalization**: Most of the MFIs operating in Nigeria, the micorfinance banks, NGOs and informal intermediaries do not have sufficient capital for their operations. This has negatively affected their outreach and increased their quest for grants, donations and concessionary loans.

b. **Default**: The short-term and uncollateralized nature of credit facilities provided by microfinance institutions, as well as the risks associated with micro enterprises makes the portfolio of MFIs highly vulnerable to loan default.

c. **Underdeveloped operations**: The standard of operation and financial performance of most MFIs in the country is still rudimentary when compared with best practices.

d. **Unskilled manpower**: Most MFIs’ staff lack the requisite technical expertise in banking needed to operate in the subsector. Also, inexperience and lack of in-depth knowledge on financing micro enterprises by conventional bank staff often lead to inefficiency.

e. **Low Literacy Level**: Many MFIs clients are not sufficiently literate thereby limiting their operations.

f. **Poor infrastructural facilities**: Availability of infrastructural facilities such as good road network, pipe borne water, steady power supply remain a mirage in most rural areas, and this uncontrollably shoot up the operating cost of MFIs and their clients (Oluyinka, 2008:7).

3. **Methodology**

3.1 **Sources of data, population of the study, sample size and data analyses**

The survey research method was applied in line with the objectives of the study. Data were collected from both primary and secondary sources. A set of questionnaire containing 20 questions was drawn in connection with the key objectives of this study, such as: (1) whether organization of rural women and urban poor into membership-based group will facilitate empowerment (2) whether stringent cultural practices and lack of information hinders access to microfinance services. (3) whether literacy level, poverty and inability to provide collaterals hinder access to microfinance services. The sampling frame consists of rural women in Nachi and Amokwe both in Udi LGA and the urban poor in Maryland and Achara Layout in Enugu South all in Enugu State. The population of the study was 205. The sample size was obtained using convenient sampling techniques with 103 respondents from the rural women of Nachi and Amokwe in Udi LGA, 102 respondents from the urban poor of Maryland and Achara Layout, Enugu South LGA. Out of 205 questionnaires administered 132 responded giving a response rate of 64.4%. The analyses of data were conducted using simple distribution tables and percentages.
4. **Presentation and Analysis of Data**

Table 4.1: Distribution of respondents on whether organizing Rural Women and Urban Poor into membership-based groups will facilitate access to microcredits

<table>
<thead>
<tr>
<th>Occupation/Trade</th>
<th>Yes</th>
<th>%</th>
<th>No</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Vendors</td>
<td>10</td>
<td>7.56</td>
<td>3</td>
<td>2.27</td>
<td>13</td>
<td>9.8</td>
</tr>
<tr>
<td>Garment Makers</td>
<td>12</td>
<td>9.09</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6</td>
</tr>
<tr>
<td>Waste Pickers</td>
<td>13</td>
<td>9.85</td>
<td>2</td>
<td>1.52</td>
<td>15</td>
<td>11.4</td>
</tr>
<tr>
<td>Construction Day Labourers</td>
<td>12</td>
<td>9.09</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6</td>
</tr>
<tr>
<td>Small Farmers</td>
<td>10</td>
<td>7.56</td>
<td>3</td>
<td>2.27</td>
<td>13</td>
<td>9.8</td>
</tr>
<tr>
<td>Livestock and Poultry Rearees</td>
<td>10</td>
<td>7.56</td>
<td>4</td>
<td>3.03</td>
<td>14</td>
<td>10.6</td>
</tr>
<tr>
<td>Artisans and Weavers</td>
<td>11</td>
<td>8.33</td>
<td>3</td>
<td>2.27</td>
<td>14</td>
<td>10.6</td>
</tr>
<tr>
<td>Fish folk and Forest Gathering</td>
<td>12</td>
<td>9.09</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6</td>
</tr>
<tr>
<td>Agricultural Day Labourers</td>
<td>10</td>
<td>7.56</td>
<td>3</td>
<td>2.27</td>
<td>13</td>
<td>9.8</td>
</tr>
<tr>
<td>Shoe Makers</td>
<td>8</td>
<td>6.06</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>6.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>108</td>
<td>81.8</td>
<td>24</td>
<td>18.2</td>
<td>132</td>
<td>100</td>
</tr>
</tbody>
</table>
Source: Field Survey, 2016

Table 4.1 above shows the responses on whether forming membership-based group will facilitate access to microcredits by the rural women and urban poor. The analysis of the Table indicated that waste pickers had the highest number of 13 (9.58%) of those that agreed to the statement, while garment makers, construction day labourers, livestock and poultry rearers, artisans and agricultural day labourers recorded 10 (7.56%) each. Fish folk and forest gathering and small farmers had 12 (9.09%) each. Shoemakers had 8 (6.1%) coming behind the others in the number of respondents. The result showed that all the respondents were in support of forming membership-based groups to facilitate access to microcredits.

Table 4.2: Distribution of respondents on whether stringent cultural practice and lack of information hinders access to microfinance services

<table>
<thead>
<tr>
<th>Occupation/Trade</th>
<th>Yes</th>
<th>%</th>
<th>No</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Vendors</td>
<td>14</td>
<td>10.61</td>
<td>2</td>
<td>1.52</td>
<td>16</td>
<td>12.1%</td>
</tr>
<tr>
<td>Garment Makers</td>
<td>12</td>
<td>9.10</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Waste Pickers</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>6.1%</td>
<td>8</td>
<td>6.1%</td>
</tr>
<tr>
<td>Construction Day Labourers</td>
<td>10</td>
<td>7.58</td>
<td>4</td>
<td>3.03</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Shoe Makers</td>
<td>10</td>
<td>7.58</td>
<td>4</td>
<td>3.03</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Small Famers</td>
<td>11</td>
<td>8.33</td>
<td>3</td>
<td>3.03</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Livestock and Poultry Rarers</td>
<td>12</td>
<td>9.10</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Artisans and Weavers</td>
<td>8</td>
<td>6.1</td>
<td>4</td>
<td>3.03</td>
<td>12</td>
<td>9.2%</td>
</tr>
<tr>
<td>Fish folk and Forest Gathering</td>
<td>12</td>
<td>9.10</td>
<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6%</td>
</tr>
</tbody>
</table>
From table 4.2 above, it becomes evident that most of the respondents agreed to the fact that stringent cultural practice and inaccessibility to information hinders their opportunity of obtaining microcredit from microfinance institution. A total number of 98 or 74.2% of the respondents confirmed the view. 14 or 10.61% of street vendors, 12 or 9.10% of the garment makers, 10 7.58% of construction day labourers, 10 or 7.58% of shoe makers, 11 or 8.33% of small farmers, 12 or 9.10%, livestock poultry rearers, 12 or 9.10% and 9 or 6.8% of agricultural day labourers agreed that stringent cultural practice and lack of information hinder access to microcredit from microfinance banks. The waste pickers with 8 or 6.1% disagreed with the view.

Table 4.3: Distribution of respondents on whether Illiteracy level, poverty and inability to provider collaterals hinder access to microfinance services

<table>
<thead>
<tr>
<th>Occupation/ Table</th>
<th>Yes</th>
<th>%</th>
<th>No</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Vendors</td>
<td>10</td>
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<td>2.27</td>
<td>13</td>
<td>9.8%</td>
</tr>
<tr>
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<td>2</td>
<td>1.52</td>
<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Waste Pickers</td>
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<td>4</td>
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<td>14</td>
<td>10.6%</td>
</tr>
<tr>
<td>Construction Day Labourers</td>
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<td>2</td>
<td>1.52</td>
<td>12</td>
<td>10.6%</td>
</tr>
<tr>
<td>Small Farmers</td>
<td>10</td>
<td>7.58</td>
<td>3</td>
<td>2.27</td>
<td>13</td>
<td>9.8%</td>
</tr>
<tr>
<td>Livestock and Poultry Reares</td>
<td>13</td>
<td>9.85</td>
<td>2</td>
<td>1.52</td>
<td>15</td>
<td>11.4%</td>
</tr>
<tr>
<td>Artisans and Weavers</td>
<td>11</td>
<td>8.33</td>
<td>3</td>
<td>2.27</td>
<td>14</td>
<td>10.6%</td>
</tr>
</tbody>
</table>
Table 4.3 above shows the responses in respect to the view that literacy level, poverty and inability to provide collaterals hinders access to microfinance services. The analysis of the table indicated that livestock and poultry rearees have the highest total number of 13(9.85%). This indicated that they are in agreement with the view that illiteracy level, poverty and inability to provide collaterals hinders access to microfinance services. While construction day labourers, waste pickers, artisans and fish folk and forest gatherers have 10(7.58%) each. Shoemakers has 8 or 6.1% coming behind the others in the number of respondents.

5. DISCUSSION OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1 Discussion of findings:

The study analyzed the role of microfinance institutions as a vehicle for employment of rural women and urban poor. Table 4.1 above analyzed the responses on whether forming membership based group will facilitate access to microcredit by the rural women and urban poor. The analysis revealed that 81.8% of the respondents agreed on forming membership-based organizations as a source that would facilitate obtaining microcredit from microfinance institutions for empowerment. 24 or 18.2% of the respondents disagreed with the statement. The waste pickers had the highest total number of 13 or 9.85% respondents, while 8 or 6.1% shoemakers of the respondents disagreed to that effect. Following from the findings above, it is concluded that organization of the rural women and urban poor into membership-based organizations could facilitate empowerment by microfinance institutions. Seeking the assistance from microfinance institution individually does not have much positive impacts. Empowerment is essentially about being able to see how to negotiate one’s condition in a process of sustained change that builds capabilities for wellbeing and autonomy even as it allows societies real choice for determining their paths to progress.

Table 4.2 analyzed the responses on whether stringent cultural practice and lack of information hinders access to microfinance services. It showed that 98 or 74.2% of the respondents agreed to the fact that stringent cultural practices and inaccessibility to information hindered the opportunity of obtaining microcredit from microfinance institutions/banks. 34 or 25.8% of the respondents disagreed with the view. These decisions were informed by some government and financial institutional policies, which were meant to be harder on women than men.

Table 4.3 sought to find out whether poor literacy level, poverty and inability to provide collateral hampered access to microcredit. It was revealed that a total number of 106 or 80.3%
respondents agreed that poor literacy level, poverty and inability to provide collaterals encumbered access to microfinance services by the urban poor and rural women. 26 or 19.7% of the respondents disagreed with this view.

Other findings:

In the case of lending to membership-based organizations, there were decrease in loan default through penalty and social sanctions. This was achieved when the group is allowed to select its members; this could partially solve the first stage asymmetric information problem. Since the individuals know one another better than the lender, they would not allow in the group someone with a high probability of imposing an externality on the rest.

Lack of education, work experience and financial literacy skills result in an inability for women to navigate the system which leaves them disadvantaged when it comes to seeking finance (Hallward-Driemeier, 2011 cited in Triki and Faye, 2013:80)

Women having access to credit is not a traditional practice in many countries of the world. Indeed, many had argued that social revolution made poor women to have the access, while men in the family did not, was certainly bound to create many unforeseen social problems.

There are other institutional based constraints such as; under-capitalization, loan default, underdevelopment, inability to mobilize public deposit and unskilled manpower etc.

5.2 Conclusion

Membership-based organization is an international issue. There is a growing international movement of working poor women in the formal economy, inspired by the Self Employed Women’s Association (SEWA) of India, the largest trade union of informal workers of all women in the world which now has over a million members. The association has the capabilities of sourcing credit for women empowerment and the urban poor (Zander, 1997:45). Formation of such strong groups needs to be encouraged in Nigeria to enable them benefit from the world association.

5.3 Recommendations

In view of the above findings, the research recommended as follows that

a. Decent work for all campaign of UNDP, through special initiatives on the economic empowerment of working poor women in the informal economy, should form an alliance with growing international movement of working poor women and should be seen as essential partners in the decent work for all campaign.

b. Government and financial institutions should not only focus on micro enterprise for the rural women, but also on large-scale investment.

c. There is need for advocacy so that the playing ground can be level even for the poorest of the poor women.

d. There is also the need for the lobbying to enable rural women and urban poor to lobby for pieces of relevant information.

e. Government and other stakeholders should pay more attention to microfinance institutions as a key vehicle to empowering the rural women and the urban poor.

f. The Federal Government should ensure that State Governments’ set aside if they have not done so 1% of their annual budget for lending to the microfinance institutions.

g. The fact that not all the poor can transact business effectively should be appreciated. Eligibility should be considered in giving loans.

h. Government should organize seminars and training programmes in the rural areas to create awareness of the importance of microfinance.
i. Government should ensure that officials of microfinance institutions do not compromise their positions as precondition before delivering funds to credit seekers.

j. Efforts should be intensified by the various tiers of governance to diversify Nigerian economy in order to reduce high dependence on export of primary commodities. This is to enhance the pace of job creation and economic growth and development that will bring about tremendous reduction in abject poverty or preferably eradication of the phenomenon.

k. Women need to be granted a more important role in policy-making process both in agenda setting and decision-making as well as through the integration of gender-specific aspects in legislation (Triki and Faye, 2013:81).

References


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