

Women Empowerment and Micro Finance Programmes in Southern Punjab: An Empirical Study

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ABSTRACT

Women Empowerment is the most debatable issue in the world's literature, nowadays. It is one of the Millennium Development Goals in relation to the microfinance programmes; a latest issue in the literature of microcredit. Not only the founder of the Grameen Bank, Dr. Yunus was awarded the 2006 Nobel Peace Prize on the microcredit programme of Bangladesh but it has also been a topic of great interest to researchers since its introduction in mid-1970s. This study views women empowerment in an empirical way as it is very hard to measure this qualitative term. An attempt has been made to develop an Empowerment Index which has three important dimensions. Regression Analysis is used to compare women empowerment between microcredit borrowers and non-borrowers. Results obtained show that borrower women obtained higher points in Empowerment Index. It has also been observed that education of women and household education, community norms and impact of media are significant factors in women empowerment.

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Introduction

Poverty is the root cause of all the problems, and that is why United Nations when drafted its developmental goals for the Millennium in 1995, declared poverty and hunger reduction as most important of these eight goals.¹ They have placed poverty reduction on top priority based on their declaration that 1.4 billion people live under extreme poverty. The report shows its concern that 'no society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable.'²

After poverty eradication second most important Millennium Development goal of the United Nations is women empowerment and gender equality. Women are almost half of the population of the globe, now it is recognized that if we want to attain a sustainable growth then we have to empower them and bring them into the main stream. It is admitted that investment on a man is the progress of a single person while the investment on women is the progress and prosperity of whole family and then whole society. Because when women will be educated and economically and socially empowered then they will not only bring a positive change in their personality but would bring a revolution in the life of their family and community.

Now all the world's attention and efforts are directed towards attaining the goal of sustainable development. Such policies are going to be planned and adopted which will help the masses to be independent and economically empowered. Microfinance is a very successful strategy to achieve this goal of sustainable development. Development and prosperity would be sustainable when all the population groups will be economically and socially empowered. And to achieve this goal we have a single tool i.e. Microfinance.³

1 Human Development Report, *United Nations Development Program* (UNDP) (New York: Oxford University Press, 1995).

2 Adam Smith, *The Wealth of Nations* (London: W Strahan & T, Caddel, 1976), 79.

3 M. Yunus, *Banker to the Poor* (New York: Oxford University Press, 2003)

Dr. Muhammad Yunus initiated this concept of giving small loans to poor rural tenants in Bangladesh in 1970. He founded a bank named as Grameen Bank, which started giving small loans to small farmers and especially to women. Their policies attained remarkable success and the entire world followed them. They spread credit to such people who had nothing for guarantee but the whole world witnessed the miracle that giving credit to such poor people is very safe as Grameen and such banks showed 100 percent recovery. The success of Grameen bank has opened a new window of hope for the entire world to attain the target of sustainable development.

All the institutions working on small loans are trying to obtain their aim of reducing poverty and hunger along with improving women empowerment, which are two major MDG's. Different institutions and organizations are throughout the world are promoting and following the microfinance programmes because microfinance work as a catalyst to attain the twin issues of women empowerment and poverty reduction. The United Nations declared the year 2005 as the Year of Microfinance, and its then General Secretary Kofi Annan said, "Microfinance recognizes that poor people are remarkable reservoirs of energy and knowledge. And while the lack of financial services is a sign of poverty, today it is also understood as an untapped opportunity to create markets, bring people in from the margins and give them the tools with which to help themselves."⁴ That's why this study analyzes the women empowerment potential of Microfinance Programs in the remote and rural area of Southern Punjab i.e. Dera Ghazi Khan.

Microfinance Programs means a wide range of services which include small loans, skill training, insurance and saving facilities providing to poor families so that they may

4 Kofi Annan, *Investing Private Capital in Micro & Small Business Finance*, Geneva, October 10, 2005 - Secretary-General's remarks at Microfinance Symposium. Accessed 6.2.2009 Available at <http://www.geneva-conferencemicrofinance.com/powerpointpresent/kofannanopening.pdf>

run their tiny businesses and become independent. Credit shortage is the main problem of all developing countries it is main hindrance in the way of development. Economists suggest credit provision is the only solution to break viscous circle of poverty which then will start a process of development.⁵

Microfinance and Micro credit are two different terms used for single purpose. But there is a slight difference between them Microfinance is a series and group of programs like skill training, educating, insurance etc. while micro credit is only a scheme to disburse small loan to poor.

Poverty is of multidimensional in nature and is a curse for economy and society as well. The financial services provided to poor people help them to fight against this curse. When poor people with the help of these small and easy loans start their business then income earned from them not only uplift their status but increase household income and expenditure on food and education of children. Moreover women of the society also benefit with this opportunity which are the deprived portion of the society. They can start their home based tiny business like poultry and livestock development, handicrafts making many other such businesses. With such income generating activities started a process of hope and prosperity. Household expenditure on health, food and education of children and other family members increases. With this a process of development initiated which leads to sustainable development.⁶

There is still a great biasness in the access of these microfinance services to women. There is a great emphasis from 1990s as all NGO's and banks working on poverty reduction are targeted to increase women access towards small loans and saving facilities. Because it is realized that microfinance is a very significant tool to combat the issue of women empowerment. Micro Credit Summit Campaign

5 Salman Asim, "Evaluating the Impact of Microcredit on Women's Empowerment in Pakistan," *CREB Working Paper 2*, no. 9 (October 2008).

6 B. Aghion & J. Morduch, *The Economics of Microfinance* (Cambridge: The MIT Press, 2005).

presented a very attractive vision of expanding the services of microfinance especially to women it will help them to initiate a 'virtuous upward spiral' for women empowerment.

Women as a target of microfinance institutions is a very effective tool to ensure whole family and community well-being but also it is beneficial for these institutions as women clients showed 100 percent loan repayments. Women are called very reliable and credit safe clients there are very less cases when women do not repay loan. Increased women income not only assures higher status of her family and children but also she herself enjoys higher level of women empowerment.⁷

Dera Ghazi Khan, the district in focus, has specific historical characteristics and attributed with typical cultural norms and feudal thoughts. The data was collected by using Random Sampling Technique. The selected women respondents belonged to the age group of 14 to 70 years. This study is different from others as an Index has been developed to measure empowerment of women which is a qualitative concept. To get the econometric results Regression is used and for this purpose the OLS Technique of regression is selected.⁸

Dera Ghazi Khan District is divided into two main areas i.e., Rural and Urban. The population of rural areas is more than urban. There is significant difference in between the rural and urban areas in terms of basic facilities of life and cultural and social norms. So women Situation in both areas is quite different. Population of Urban women is more educated, facilitated with all basic facilities of life and more

7 Syed M. Hashemi, Sydney Ruth Schuler and Ann P. Riley, "Rural Credit Programs and Women's Empowerment in Bangladesh," *World Development* 24, no. 4 (1996): 635-653.

8 Imran Chaudhry, F. Nosheen, "The Determinants of Women Empowerment in Southern Punjab Pakistan: An Empirical Analysis," *European Journal of Social Sciences* 10, no. 2 (October 2009): 216-229.

Imran Sharif Chaudhry, Farhana Nosheen, Muhammad Idress Lodhi, "Women Empowerment in Pakistan with Special Reference to Islamic Viewpoint: An Empirical Study," *Pakistan Journal of Social Sciences (PJSS)* 32, no. 1 (2012): 171-183.

empowered. It is also observed that the urban area women also have comparatively good religious knowledge and awareness.

In contrast to urban, in the rural areas situation is different. Women of rural areas have different cultural and social setup and are facing hardships. The life of a rural woman is very hard and difficult. She does not have an access to basic facilities of life like education, health, sanitation, balanced diet, and outdoor mobility. The women of the tribal areas of D. G. Khan are living in the worst conditions. In short, women whether living in rural or urban areas, both are doing their best for their family and country. They are working and competing with their man folk in all the spheres of life.

Women Empowerment Index Formation

Women Empowerment Index formation is now a new trend in this context. Score of index quickly reveal the status of women whether empowered or not. Following are the important studies included in this research, which measured the women empowerment empirically by an index like Amin et.al (1998), Parveen and Leonhauser (2004) and Sathar and Kazi (2000). Impact of micro-finance on women empowerment is studied by Goets and Gupta (1996), Kabeer (2001), khan et al. (1998), Khandker (1998), Hashemi et al. (1996), Morduch (1999).

Women Empowerment is a complex process which includes many aspects and has many inter-linked dimensions. That is why it is very difficult to construct Women Empowerment Index (WEI). WEI is main dependent variable and mainly domestic empowerment is used in accordance with the dimensions used by Mason and Smith (2003). The three main spheres of empowerment are chosen which are:

- i. Economic Empowerment i.e. Women's Economic Decision Making power.
- ii. Household Empowerment i.e. family decision Making power.

- iii. Social Empowerment i.e. their physical freedom of movement.⁹

An index of Women Empowerment is constructed where minimum and maximum values are chosen for each indicator. Each indicator is noted as the minimum and maximum value between 0 and 1 according to the construction method of the Human Development Index (UNDP, 2005).

The Women Empowerment Index is constructed by a simple average of these three indices according to the formula below:

WEI = 1/3(economic decision making index) + 1/4 (Household decision making index) + 1/3 (Freedom of Movement index).¹⁰

$$\left[\text{Women Empowerment Index (WEI)} = \frac{\text{ActualScore} - \text{MinimumScore}}{\text{MaximumScore} - \text{MinimumScore}} \right]$$

There are three aspects of women empowerment in the Index i.e.

1. Economic Decision Making Index (EDM)
2. Family Decision Making Index (FDM)
3. Freedom of Movement Index (FOM).

Different variables were used to measure these three aspects.

Economic Empowerment

Three questions were asked from women to check their involvement in economic decisions of their family. Women empowerment is calculated by three options of answers. There were given three options: taking decision alone or joint or no participation. Many studies have included the

9 S. Rahmanet et al, "Factors Influencing Women's Empowerment on Microcredit Borrowers: A Case Study in Bangladesh," *Journal of the Asia Pacific Economy* 14, no. 3(August 2009): 287–303.

10 Dr. Thresiamma Varghese, "Women Empowerment in Oman: A Study based on Women Empowerment Index," *Far East Journal of Psychology and Business* 2, no. 2 (February 2011).

economic aspect as very important factor in measuring women empowerment.

Household Empowerment

Second important variable of the Index is Family Decision Making (FDM). Here, three variables included: first is the final decision about child health care/education, secondly women's share in decision of family size and her decision about her own health. Women's share in the decision about children health and education and family planning shows her importance and increase her self-respect and worth. It is also a very important element of women empowerment across the globe.

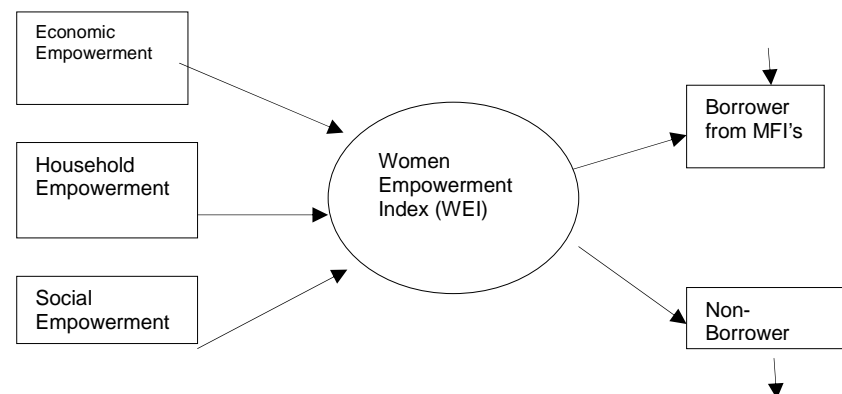
Social Empowerment

Third and last important variable of the Index is Freedom of Movement (FOM) which is measured by four Variables, First is movement to relatives and then to market movement of women in her resident area and outside that area is such a matter which shows full empowerment of women.

In this paper an attempt is made to measure the women empowerment by an index in the above-mentioned three basic spheres of life, and then score of this index is compared amongst the women who participated in micro financing or not. Data is divided amongst the two groups of women: one who took loan from any microfinance institution working in the study area, and second who did not participate in micro financing programme.

Conceptual Framework

Obtained Higher Scores of WEI



Obtained Lower Score of WEI

In the above described flow chart the theme of the study is described, and Women Empowerment Index (WEI) is constructed which has three basic dimensions of women empowerment: economic, household and social empowerment sectors are taken in which related questions are asked from women of the selected area. As it is hypothesized that borrower women from MFI's are more empowered than non-borrower so results show that those women who took loan from any MFI obtained higher scores of WEI than those who did not take loan.

Data and Methodology

For an empirical analysis, it is very essential that source of data must be adequate and reliable. Similarly, construction of variables is also an important task. In this study, for regression analysis we collected primary data from Dera Ghazi Khan District of Southern Punjab.

A. Profile of the Study Area

The province of Punjab is divided into three areas namely Upper Punjab, Central Punjab and Lower Punjab that is also called 'Southern Punjab'. Southern Punjab has three divisions i.e., Multan Division, Bahawalpur Division and Dera Ghazi Khan Division. As a study area, Dera Ghazi Khan District was selected because it has its own specific history and cultural norms. Dera Ghazi Khan was divided into Rural and Urban areas. Women in these areas, especially in rural and tribal areas suffer a great deal and have limited access basic facilities and human needs i.e. health, education, work opportunities, outdoor mobility, political awareness and recreational facility. The selected district has three Tehsils: Dera Gazi Khan Tehsil, Taunsa Sharif Tehsil and Tribal Area Tehsil named De-excluded Area of D. G. Khan. According to the latest 1998 Census of Pakistan, the district had a population of 1,643,118 of which only 13.76 percent lived in urban area.

B. Data Sources and Selection of Variables

The sample size is 600 and female respondents are selected for survey using stratified random sampling technique. The author filled the questionnaire in English language after getting information in the local language commonly Saraiki. Age group of the respondents is between 14-65 years. All the respondent women, all the married, unmarried, working, non-working, educated and uneducated were included. Among the 600 respondents, 390 are selected from rural and 210 are selected from urban area of D. G. Khan Tehsil, Since in D. G. Khan Tehsil rural population is more than urban. Data is equally divided into two groups: Borrower and Non-borrower. And at the end comparison of the results between the two groups is recorded.

Since the term 'women empowerment' is a complex phenomenon and has multifaceted dimensions, a list of variables is constructed for making women empowerment indices and to identify its determinants. Different variables regarding women empowerment are also included. The summary of selected variables is presented in table 1.

According to our hypothesis that the following variables like women' education (Wedu), having access to health facilities (Health), having access to any type of media (Media), women having possession to any type of asset (Asset), education of the women's household head (HHEdu) all have strong positive impact on WEI, while the variables like living in a community believing on typical outdated socio-cultural norms (Community), number of women's household members (NOHM) and fear of violence from father/husband (VOIL), have negative relationship with WEI.

TABLE 1. LIST OF SELECTED VARIABLES FOR EMPIRICAL ANALYSIS

Variables	Description of Variables
Explained Variables	
WEI	$\frac{\text{Actual Score} - \text{Minimum Score}}{\text{Maximum Score} - \text{Minimum Score}}$
EDM	Economic Decision Making Index
FDI	Making Index Family Decision

FOM	Freedom Of Movement Index
Explanatory Variables and their relationship with Explained Variable	
FAMILY	Type of family structure=1 if live as joint OR=0 if live as nuclear family structure having Negative relationship with WEI
HHIncome	Income earned by household head, it has positive relationship with WEI
WIncome	Income earned by women, it has positive relationship with WEI
BACT	Having any bank account= 1 If yes OR= 0 If not, it has positive relationship with WEI
MEDIA	Access to any type of media =1 if yes OR=0 if not, it has positive relationship with WEI
ENTERTAIN	Going occasionally outside home for outside for entertainment =1 if yes OR=0 if not, it has positive relationship with WEI
HEALTH	Status of women health, if good=1 otherwise=0, it has positive relationship with WEI
AccessHealth	If women have access to basic health facility, if yes=1 otherwise=0, it has positive relationship with WEI
WPROF	Different codes assigned to different professions of women, it has positive relationship with WEI
LOANTYPE	Different types of loans for different purposes, it has positive relationship with WEI
LOAN Amount	Amount of loan taken from MFI's, it has positive relationship with WEI
Loan Guarantor	Different persons who were guarantor of women, it has positive relationship with WEI
Loan Control	Woman having full control on loan taken=1, others=0, it has positive relationship with WEI
BCurrent status	Good=1 ,otherwise=0, it has positive relationship with WEI
CMUNTY	Community of women believe on typical outdated norms =1 if yes OR=0 if not, it has Negative relationship with WEI
EduW	Status of Woman's Education, If Educated =1 OR If not , it has positive relationship with WEI
VOIL	Fear of violence from Husband/Father, if yes =1 OR if No = 0, it has Negative relationship with WEI
ASSET	Women having any type of assets =1 OR If not = 0, it has positive relationship with WEI
MART	Marital status of woman =1 if married OR =0 single/widow/divorced, it has positive relationship with WEI

AGE	Age of woman in years, it has positive relationship with WEI
DSHU	Distance of nearest health unit in kilometers, it has Negative relationship with WEI
HHEDU	Education status of household head, it has positive relationship with WEI
HHmembers	Number of household members, it has positive relationship with WEI

C. Methodology for Empirical Analysis

As far as the methodological issues are concerned, descriptive analysis and Ordinary Least Squares (OLS) method is used to find out the estimates. The OLS is attributed to Carl Friedrich Gauss, a German mathematician and is used in a wide range of economic relationships with fairly satisfactory results and despite the improvement of computational equipment and statistical information which facilitates the use of other more elaborate econometric techniques; OLS is still one of the commonly employed methods in estimating dependence of variables in econometric models. The R-squared value is used for goodness of fit that lies between 0 and 1. The value closer to one depicts the better fit. This shows that percentage of total variation in dependent variable that can be explained by the independent variables. If we have the following function:

$$Y = \alpha + \beta_i(X) + U_i$$

α = Intercept

X = Independent variables

Y = Dependent variable

U_i = Error term

Results and Discussion

In this study major objective is to check the impact of microfinance programmes on Women Empowerment and to explore the main determinants which contribute to it. This study is based on primary and secondary source of data of 600 respondents in District D. G. Khan. These respondents are divided into two groups: Borrower and Non-borrower. In this section before having the estimates of regression analysis, descriptive analysis is presented and given in table

2. Conventionally, descriptive analysis is based on the basic statistical concepts like Mean, Median, Standard Deviation, Minimum and Maximum values of the variables. In the first column, results show that the average of the 'Women Empowerment Index (WEI)' is 0.6. In the next columns, results show the values of Median, Standard Deviation, Minimum and Maximum. According to the results, minimum empowerment value is 0.00 while maximum is 1.00.

A complete detail of rest of variables can be observed from the estimates of table 2

TABLE 2. DESCRIPTIVE STATISTICS

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Women Age	600	19	82	38.30	11.905
Household head education	600	0	16	6.56	5.656
Women Education	600	0	20	6.49	5.689
Women income	600	0	500000	48549.17	88851.525
Husband income	600	0	2000000	212475.00	295678.952
Bank account	600	0	1	.37	.482
Fear of Violence	600	0	1	.34	.474
Access to Media	600	0	1	.58	.495
Access to health facility	600	0	1	.93	.264
Entertainment opportunity	600	0	1	.60	.491
Community	600	0	1	.71	.453
Women Empowerment Index	600	.00	1.00	.6928	.33870
Household member	600	3.00	15.00	6.2350	2.38382
Valid N (list wise)	600				

Analysis is divided into following different categories:

Total sample data

Rural data

Urban data

Different tables are constructed to compare the results of different values of variables belonging to two categories of Borrower and non-borrower from the MFI's.

Regression Model

Women Empowerment Index (EIndex)= $\alpha_i + \beta_i \text{Age} + \delta_i \text{HHedu} + \gamma_i \text{Wedu} + \lambda_i \text{Wincom} + \mu_i \text{HHincome} + \pi_i \text{BACT} + \phi_i \text{Asset} + \theta_i \text{Health} + \psi_i \text{AccessH} - \epsilon \text{Voil} - \beta \text{Cmunty} + \xi \text{Group} + \eta \text{Lamount} + \Omega \text{Media} + \beta \text{Enter} + \infty \text{Loancontrol} + \Omega \text{Gurrentor} - \eta \text{Hmembers} + \epsilon \text{Family} + \Omega \text{Wprof} + \epsilon_i$,

Our main dependent variable is an index EIndex and in the above model $\Omega \epsilon \beta \infty \Omega$ different symbols used to represent different intercept values for different independent variables with their hypothetical signs. ϵ_i represent error term in the model.

In Table 1, total data is presented then in the next tables separate rural and urban results are shown, in the last table of combined data all three types are combined for comparison.

TABLE 3. TOTAL SAMPLE DATA

Variables	Total	Borrower	Non-borrower
Constant	0.464* (0.000)	1.162** (0.020)	0.543* (0.007)
Age	0.003** (0.023)	0.006*** (0.066)	0.007* (0.012)
HHedu	0.006*** (0.091)	0.064* (0.000)	0.003 (0.803)
Wedu	0.008 (0.042)**	0.006 (0.54)	0.010 (0.403)
Wincome	1.981E-007 (0.264)	3.288E-006* (0.000)	1.340E-007 (0.584)
HHincome	3.164E-008 (0.536)	-4.016E-007* (0.002)	6.139E-0089 (0.395)
BACT	0.065** (0.056)**	0.099 (0.179)	0.085*** (0.123)
Asset	0.079* (0.059)	0.202*** (0.107)	0.010*** (0.908)
Health	0.014 (0.739)	0.055 (0.616)	0.044 (0.434)
AccessH	0.046 (0.478)	0.652* (0.001)	0.135 (0.101)

Voil	-0.010 (0.780)	-0.241 (0.006)	-0.002 (0.975)
Media	0.067** (0.050)	0.206** (0.044)	0.118* (0.015)
Enter	0.005 (0.907)	0.161*** (0.119)	0.087 (0.141)
Cmunty	-0.012 (0.728)	-0.011* (0.893)	-0.072*** (0.191)
Group	-0.005 (0.920)	-0.139*** (0.089)	
Loancontrol	0.048 (0.425)	0.469* (0.000)	
Currentstatus	0.23 (0.748)	0.060 (0.623)	
HHmember	-0.026 (0.000)*	-0.023*** (0.088)	
MART	0.047 (0.143)	0.114* (0.011)	0.058 (0.311)
Wprof	0.017 (0.222)	0.165* (0.001)	0.018 (0.420)
FAMILY	0.71** (0.048)	0.062(0.531)	0.068 (0.153)
R- Squared	0.84	0.375	0.103
Adjusted R- Squared	0.84	0.315	0.049
F-statistics	2.302	6.290	1.90

Sources: Author's Estimations using SPSS Statistical Software.

Notes:

* Indicates that coefficients are significant at the 1 percent level.

** Indicates that the coefficients are significant at the 5 percent level.

*** Indicates that the coefficients are significant at the 10 percent level.

Figures in Parenthesis are t ratios.

In the above table 3 results of total 600 sample size are presented. In this table research result of Microfinance Programmes and women Empowerment of the Dera Ghazi Khan District is presented. The results are divided into two categories of borrower and non-borrower women. Final

results of R-Squared show that borrower women obtain higher value than non-borrower. This is in accordance with the hypothesis of the study.

TABLE 4. URBAN DATA

Variable	Total	Borrower	Non borrower
Constant	3.106* (0.008)	1.814* (0.000)	1.025 (0.012)
Age	-0.014* (0.008)	0.006* (0.000)	0.010 (0.123)
HHmember	-0.036** (0.023)	-0.002 (0.227)	-0.040** (0.021)
MART	0.167* (0.001)	0.009 (0.431)	-0.098 (0.370)
EduHH	0.095* (0.000)	0.013* (0.000)	0.025 (0.234)
WEdu	0.032 (0.53)	0.001 (0.56)	0.002 (0.913)
WProf	0.103*** (0.077)	0.001 (0.568)	0.011 (0.807)
Wincom	3.082E-006* (0.000)	2.326E-006* (0.000)	-3.178E-007 (0.448)
HHincome	-6.163E-007* (0.017)	1.036E-007 (0.000)	-1.076E-007 (0.436)
Family	-0.129 (0.467)	-0.039** (0.024)	-0.066 (0.507)
Bankaccount	0.067 (0.558)	0.031* (0.009)*	0.123 (0.300)
Asset	0.458* (0.001)	0.624* (0.000)	0.124 (0.478)
Health	0.167 (0.296)	0.017 (0.458)	0.092 (0.435)
AccessH	1.096* (0.000)		0.122 (0.464)
Voil	-0.340* (0.002)	-0.552* (0.000)	-0.041 (0.719)
Media	0.219 (0.229)	0.049*** (0.067)	0.065 (0.505)
Entertainment	0.069 (0.734)	0.024** (0.030)	0.006 (0.962)
Community	-0.111 (0.317)	-0.274* (0.000)	-0.121 (0.325)
Loantype	-0.2309*** (0.084)	-0.012* (0.001)	

Loanamount	1.259E-005 (0.004)*	-1.763E-006* (0.000)	
Alone group	0.147 (0.141)	0.009 (0.733)	
Loanpurpose	-0.74 (0.492)	0.002 (0.854)	
Control	0.722* (0.000)	0.735* (0.000)	
Currentstatus	0.217 (0.136)	-1.419* (0.000)	
R-squared	0.526	0.997	0.185
Adjusted Squared	0.461	0.991	0.018
F statistics	8.132	450.821	1.109

Sources: Author's Estimations using Minitab Statistical Software.

Notes:

* Indicates that coefficients are significant at the 1 percent level.

** Indicates that the coefficients are significant at the 5 percent level.

*** Indicates that the coefficients are significant at the 10 percent level.

Figures in Parenthesis are t ratios.

In table 4 summary of the Urban data from total sample is given. In this table research result of Microfinance Programmes and women Empowerment of the urban area of the Dera Ghazi Khan District is presented. The results are divided into two categories of borrower and non borrower women. Final results of R-Squared show that borrower women obtain higher value than non borrower. This is in accordance with the hypothesis of the study.

TABLE 5. RURAL DATA

Variable	Total	Borrower	Non borrower
Constant	3.106* (0.008)	1.949* (0.008)	0.229 (0.348)
Age	0.014* (0.008)	0.14* (0.000)	0.009* (0.005)
HHmembers	-0.036** (0.023)	-0.53* (0.002)	0.018*** (0.090)
MART	0.167* (0.001)	0.159* (0.002)	0.106 (0.143)

EduHH	0.095* (0.000)	0.87* (0.000)	0.020 (0.138)
WEdu	0.032** (0.053)	0.40 (0.14)	0.010 (0.566)
WProf	0.103*** (0.077)	0.145** (0.025)	0.015 (0.574)
Wincome	3.082E-006* (0.000)	2.888E-006* (0.000)	4.208E-008 (0.895)
HHincome	6.163E-007* (0.017)	4.926E-077** (0.066)	1.436E-007 (0.126)
Family	0.129 (0.467)	0.223 (0.216)	0.146* (0.010)
BACT	0.067 (0.558)	0.152 (0.203)	0.143** (0.030)
Asset	0.458* (0.001)	0.323 (0.038)	0.015 (0.882)
Health	0.167 (0.296)	0.150 (0.373)	0.019 (0.786)
AccessH	1.096* (0.000)	1.278* (0.000)*	0.094 (0.379)
Voil	-0.340* (0.002)	-0.252** (0.027)	0.039 (0.549)
Media	0.219 (0.229)	0.184 (0.298)	0.174* (0.004)
Entertainment	0.069 (0.734)	0.059 (0.763)	0.159** (0.035)
Community	-0.111 (0.317)	-0.153 (0.170)	-0.43 (0.498)
Loantype	0.239*** (0.084)	0.199 (0.149)	
Loan amount	01.259E-005* (0.004)	1.601E-005* (0.001)	
Alone group	0.147 (0.141)	0.120 (0.277)	
Loan purpose	0.074 (0.492)	0.51 (0.639)	
LControl	0.722* (0.000)	0.727* (0.000)	
Current status	0.217 (0.136)	0.189 (0.190)	
R-squared	0.526	0.546	0.165
R-squared adjusted	0.461	0.475	0.086
F statistics	8.4989	8.230	2.100

Sources: Author's Estimations using SPSS Statistical Software.

Notes:

* Indicates that coefficients are significant at the 1 percent level.

** Indicates that the coefficients are significant at the 5 percent level.

*** Indicates that the coefficients are significant at the 10 percent level.

Figures in Parenthesis are t ratios.

In the above table 5 results of rural area are presented. In this table research result of Microfinance Programmes and women Empowerment of rural area of the Dear Ghazi Khan District is presented. The results are divided into two categories of borrower and non-borrower women. Final results of R-Squared show that borrower women obtain higher value than non-borrower. The results support the hypothesis of the study.

TABLE 6. COMBINED DATA

Variables	Rural		Urban		Total	
	Borrower	Non – Borrower	Borrower	Non - Borrower	Borrower	Non -Borrower
Constant	1.949* (0.008)	0.229 (0.35)	1.184* (0.00)	1.025** * (0.012)	1.162** (0.020)	543* (0.007)
Age	0.14* (0.006)	0.009* (0.00)	0.006* (0.00)	0.10** (0.021)	0.06*** (0.066)	0.007* (0.012)
HHedu	0.87* (0.000)	0.020 (0.14)	0.013* (0.00)	0.25 (0.234)	0.064 (0.000)	0.003 (0.803)
EduW	0.40 (0.14)	0.010 (0.56)	0.001 (0.56)	0.002 (0.913)	0.006 (0.542)	0.010 (0.403)
Winc	2.888E-006* (0.00)	2.326E-006* (.00)	3.178E-007 (0.448)	3.288E-006* (0.000)	1.340E-007 (0.584)	
HHiinc	4.926E-00 (0.066)	1.036E-007* (.000)	1.076E-007 (0.436)	4.016E-007 (0.002)	6.139E-008 (0.395)	
BACT	0.152 (0.203)	0.143** (0.03)	0.031* (0.00)	0.123 (0.300)	0.099 (0.179)	0.885 (0.123)
Asset	0.323 (0.38)	0.015 (0.88)	0.624* (0.00)	0.124 (0.478)	0.202 (0.107)	0.010 (0.908)
Health	0.150 (0.373)	0.019 (0.78)	0.017 (0.45)	0.92 (0.435)	0.055 (0.616)	0.044 (0.434)
AccessH	1.278* (0.00)	0.094 (0.37)	0.122 (0.464)	0.652* (0.001)	0.135 (0.101)	0.135 (0.101)
Voil	-0.252 (0.027)	-0.039 (0.54)	-0.552* (.000)	-0.041 (0.72)	-0.241* (0.00)	0.002 (0.97)

Media	0.184 (0.298)	0.174* (0.00)	0.49*** (0.06)	0.065 (0.50)	0.206** (0.044)	0.118 (0.015)
Enter	0.059 (0.763)	0.159** (0.03)	0.24** (0.03)	-0.006 (0.962)	0.161 (0.119)	0.087(0.141)
Cmunty	-0.153 (0.170)	- 0.0430.49 8	-0.027 (0.00)*	-0.121 (0.325)	0.011 (0.893)	-0.072 (0.191)
Alone/Group	0.120 (0.227)		0.009 (0.73)		0.13(0.08)	
Loan control	0.727* (0.000)		0.735* (0.00)		0.469* (0.00)	
CurrentStatu s	0.189 (0.190)		1.419* (0.00)		0.060 (0.623)	
HHmembers	-0.53* (0.00)	-0.018*** (0.09)	0.002 (0.23)	- 0.040** (0.021)	-0.23 (0.88)	-0.028* (0.001)
MART	0.159* (0.00)	0.106 (0.14)	0.009 (0.43)	-0.098 (0.370)	0.114 (.011)	0.058 (0.31)
Wprof	0.145 (0.025)	0.015 (0.57)	0.011 (0.18)	0.011 (0.807)	0.165 (0.001)	0.018 (0.420)
FAMILY	0.223(0.216)	0.146* (0.01)	0.039** (0.024)	-0.066 (0.50)	-0.062 (0.531)	0.068 (0.153)
R-Squared	0.993	0.165	0.993	0.185	0.375	0.103
Adjusted R- Squared	0.991	0.086	0.991	0.018	0.31	0.049
F-Statistics	450.821	2.10045	0.821	1.109	6.29	1.900

Sources: Author's Estimations using Minitab Statistical Software.

Notes:

* Indicates that coefficients are significant at the 1 percent level.

** Indicates that the coefficients are significant at the 5 percent level.

*** Indicates that the coefficients are significant at the 10 percent level.

Figures in Parenthesis are t ratios.

In the table 6 combined data of rural, Urban and total sample is presented. In the tables 3,4, and 5 separately data of total, Urban and Rural are described above. In this table a combined picture of all the three categories of data is presented for comparison. When we compare the results then we find that borrower women are better than non-borrower women in all categories. We can conclude that Borrowing or taking loan from MFI's is good for Women Empowerment. Women who took loan obtain better points of

Women Empowerment Index which is our main dependent variable.

When we comparatively analyze the results then we found that women Age, women Education, Asset ownership by Women, impact of Media, Women Profession, women Income and education and income of household head are found most important and significant variables. All these effect positively on women Empowerment. And household members, fear of violence from male members of family, community typical norms are found significant variables which effect negatively on Women Empowerment.

Conclusion

Empowerment is one of the main ceremonial concerns when addressing human rights and development. Women empowerment includes the capabilities to make decisions about personal/collective circumstances, decision-making ability, ability to choose a range of options, ability to exercise assertiveness, ability to inform others' perceptions through exchange of dialogue, education and engagement, increasing one's positive self-image and overcoming stigma, increasing one's ability in discreet thinking to sort out right and wrong etc. According to the United Nations Millennium Campaign, women work two-third of the world's working hours, with growing food, cooking, raising children, caring for the elderly, maintaining a house etc., and universally is accorded by low status with no pay.

The main objective of all the microfinance programmes is to empower the comparatively less privileged segment of the society that is women. Some institutions and programmes have only focused to help these helpless women but others believe that when we invest on women then they can be able to bring a miracle not only in their life, but also whole society gets the benefits, and it paves the path to sustainable development and prosperity.

Considering the multidimensional nature of women empowerment, a detailed and empirical study was conducted and the core objective is to check the potential of

microfinance to empower women of the area of D. G. Khan District. The study explores the maximum determinants of women empowerment and an empirical analysis is done by constructing Women Empowerment Index. Index has three main domains: first is economic decision-making, second is family decision-making and third is freedom of movement index. The analysis contains information of women of urban and rural areas. Data is divided into two main groups; one is borrower from the Microfinance Banks and other is non-borrower.

Analysis is divided into two groups so we obtained two types of results representing two groups. Results of the Regression Analysis show that borrower women have higher value of Adj R Square i.e. 25.6 percent than the non-borrower which is only 6.4 percent. These results fulfill our objective that microfinance programmes improve and strengthen women empowerment. We found that borrower women enjoy more empowerment because these programmes helped them to earn income and women spend this income for the betterment of their family.

While concluding the results, it is important to describe that the empirical analyses of the data collected from the field survey, resulted that microfinance has a positive impact on the status of women in all respects. Borrowing from MFI's helps them to improve their living standard. It is recorded that their self-confidence, and family relationship among the members, husband and wife, and with other society members also improved. This system of micro loans not only guides women to earn income but also support them to stand on their own and in this way they improve their position and living standard in their household. It is, therefore, concluded that microfinance programmes are such schemes which are helping and enabling women to work for the progress of the society in a positive and meaningful way. Women participation must be encouraged in labour force and for it a conducive working environment should be created for her.