

AID-FOR-TRADE: CASE STORY

THE INTERNATIONAL TRADE CENTRE

Women's economic empowerment through technology, capacity building & right to access of information:

A success story of village phone women in Bangladesh



International
Trade
Centre

EXPORT IMPACT
FOR GOOD

CASE STORY ON GENDER DIMENSION OF AID FOR TRADE

WOMEN'S ECONOMIC EMPOWERMENT THROUGH
TECHNOLOGY, CAPACITY BUILDING & RIGHT TO ACCESS OF
INFORMATION: A SUCCESS STORY OF VILLAGE PHONE
WOMEN IN BANGLADESH



Date of Submission: January 31 2011

Region: Asia

Country: Bangladesh

Type: Programme/project

Author: Naila Chowdhury, Founder/Chairperson, TeleConsult Group & CEO GSL. Director, Grameen Phone Ltd (

Contact Details: House no: 1 Road no 15 new, Dhanmandi, Dhaka 1205, Bangladesh, naila@teleconsultgroup.com.

Phone:+8801911388888

Executive Summary

Women's empowerment in Bangladesh is directly related to its economic development as seen through this successful project of Grameen Telecom, an affiliate of Grameen Family. Prof Muhammad Yunus and his vision to eradicate poverty from the world brought a dream to reality through the Village Phone Project of the Grameen Telecom. It was a project based to empower women whose origins went back to 1998, but then developed exponentially through new additional and more technologies. By leading the way, he touched the lives of thousands of unskilled, illiterate women in remotest villages of Bangladesh, where still in most villages there is no electricity and possibilities of power is still a dream. This case study has a number of aspects:

- *Supporting / strengthening women's professional capacity & commercial network*
- *Strengthening Women's economic rights & independence through skill development & capacity building*
- *Gaining women's equal access to opportunity & employment*
- *Giving women a safe working environment & a better living style within their home*

As a true visionary leader, Professor Yunus' focus was in addressing the major concern of any country the huge population of 16 crore in Bangladesh, of which 52% approximately are women or 9 crore women in the country. The target, at the initial stages was to connect the remote villagers to their families, especially to male migrant workers in foreign countries. It also assisted connecting villagers to adjacent villages, and to other farmers. As a result it gave women empowerment of not only earning, but knowledge and vital information and "connectivity "to the outside world" within their own control and with proper access to information.

1. Issues addressed:

Grameen Bank had thousands of branches nationwide to support its micro credit operations. The micro credit network operates on the basis of mutual guarantees provided by each of the core group's participating members; e.g. each member will vouch for the loans taken out by each, meaning that if one member defaults on repayment, then it becomes the group's obligation to ensure repayment. The basic livelihood of these women who were part of this group were farmers.

It was already known and proved by the Grameen Bank that, among its borrowers:

- a. Women were the more diligent and honest borrowers;
- b. Women spent almost all their money on the children and to support the on the family, as opposed to men, who spent a larger proportion on themselves;
- c. Women were more hardworking
- d. Women were struggling to break free from domination and were ready to accept new ideas instruments.

2. Objectives Pursued: Women's Empowerment:

Professor Yunus, of the Grameen Bank, believed that women, even among the poor, were bankable and "had a right to access credit." This philosophy was already being given shape through the Grameen Bank concept and it was this belief and confidence in women that encouraged him to entrust the *Phone lady concept* on women to test the intellectual capabilities and limits of these semi-literate women to handle a radical technological challenge. Apart from the entrepreneurial and managerial aspect of it, the objective was to put "faith" in women's capacity to do business and that trust was repaid in full.

3. Design and Implementation:

Grameen Bank's affiliated company, the Grameen Telecom initiated this new project, the Grameen Phone, designed to teach semi-literate village women how to use mobile phones to "sell calls". When the Grameen Phone was first introduced to women, it was issued with the license by the Government of Bangladesh; Grameen Bank was the main sponsor in partnership with Telenor of Norway. Through extensive motivational and awareness program and concentrated effort these rural illiterate women were given mobile phones to start selling calls as a model of business. It linked women to a higher form of technology as these mobile phones were charged through solar powered batteries. Car batteries are used through solar power technology and phone chargers are charged in turn to charge GSM mobiles used by these thousand villages' phone ladies.

Women were encouraged to take up this phone venture, which was being supported both at the technology level and financing level by Grameen Bank through a subsidiary company, the Grameen Telecom, created for this handholding operation. They worked closely with women who were being picked and encouraged to break social barriers and try their hand at this entrepreneurial venture. Grameen Phone had dedicated special resources to ensure 24/7 support through a one point call centre which was dedicated full time to their needs and to service and support and provide information to the village phone ladies to make a success of it.

Grameen Shakti, another dream affiliate of Professor Yunus', gave the support to teach the women and provide them with solar powered batteries to charge the mobiles. As most of the Village phone ladies carried on business by charging their mobiles through Solar powered chargers, they are far more eco-friendly and is friendly to the environment.

4. Problems encountered:

Because it was perceived as being what it was intended to be, i.e. a women's empowerment at its best, the first objections were raised by the men in the village. Major grounds for objection, were the size of the loan (which was huge compared to the normal micro-credit package), the technological challenge; and the viability of the investment. In addition the men's feared a loss of authority. However, in almost all the households, the men were persuaded very amicably and accepted "positions of equality" with the women.

5. Factors for Success:

Information Access: The availability of a telecommunication tool in the remote villages meant access to information, which opened up communication with the outside world and the markets, including services. The phones simply opened up a world of opportunities for all around and there were many more users than had been anticipated. For individual families, this had a multiplier effect, in raising their standard of living as well affording better schooling, food and improved living quarters for the family. Few instances of individual phone ladies hurdles were mainly due to the technological management aspect of it, because the batteries / accumulators needed to store the solar power to charge the mobile antennae as well as the phones, needed regular and proper servicing; aspects which were beyond their area of responsibility.

Capacity-building was addressed through technical support provided by the Grameen Telecom, a sister company of the Grameen Bank, which included opening doors to endless information and direct access to business. Suggested training included basic computer training for village phone ladies. Awareness

raising of women and girl child to the use of mobile phones and computer use through basic literacy that would give rise to further economic development in the country. This resulted in thousands of basic computer literacy trainings mainly through an introduction to information and voice based updates done through a short messaging service and inter active voice response.

Empowerment: This project to women meant that the days of exploitation by middlemen were over.

Gender Relations: The best support was that it was eventually the *men* who supported this initiative the most. Many left their own business to ensure this business flourished in leaps and bound.

6. Results

The heart of this change and empowerment of these ladies was a true inspiration for many other women in different villages. Now, as a result, they do their own advocacy and more women ask for the right to information through technology. The hurdles and scare about technology in the villages have been broken down. They know it is for their well being and better life for all.

More than 20 thousand women of these villages were addressed through these projects leading to profitable business for the women and hence their economic empowerment. They were looked upon in villages, respected by men in society. This given high rise to courage and confidence to women to be heard in the country. The largest bottom billion, the grass root people of the country, women, were being heard.

A family of less than a dollar earnings skyrocketed to almost 100 US dollar earnings or more with time.

The root cause of eradicating poverty was addressed by technology with capacity building leading to economic development and independence of one of the poorest nations in the world.

The Results Indicators are measurable by the followings improvement through surveys:

1. Better Health for mothers & their family: A decrease of women in child birth deaths.
2. Improved health care for over all village people
3. Increases in the literacy rate : more children going to school
4. Child mortality rates significantly changed over the years by access to vital information
5. Increase of per capita income: economic empowerment to women
6. Higher foreign remittances by mobile phones in the country through labor force remittance, which is one of the highest source of income generation: ease of communication and peace of mind leading to positive GDP
7. The right to information through mobiles in remote villages
8. A better business sense and the right of choice
9. Increase of 2nd generation of innovative entrepreneurs by watching their role model mothers

7. Lessons learned

Lessons learned were not only invaluable, but also helped to reinforce those visions of Prof. Yunus who believed that women can do what men can do, or even better..

This success has added a solid foundation to voices raised to ensure the empowerment of women in all spheres of society and encouraged all those activists devoted to this goal. Thus women were given a social platform and a voice to be heard.

8. Conclusions and Applicability:

What the Phone Ladies of Bangladesh demonstrated was that they can handle the complexities of the technological and business challenge, it became easier for everyone all over the world to prove and propagate not only the feasibility of women's empowerment but also its inevitability. Political will is required, a vision that women can succeed despite their limitations, and financial support to create an enabling environment by "special measures" undertaken to give women access to real entrepreneurship.