

# Chapter 8

## Adoption of Microfinance in Entrepreneurship Development Amongst Rural Women in Vhembe District

**Mavhungu Abel Mafukata**

*Department of Development Studies, University of South Africa, South Africa*

### **ABSTRACT**

*This chapter investigates a group of rural women in Vhembe District, Limpopo Province, South Africa who adopted microfinance-based entrepreneurship for self-empowerment and poverty alleviation. The chapter is anchored on multiple theories of empowerment, social capital, gender and development (GAD), and women in development (WID). The chapter adds to the growing body of the women empowerment literature. This is a mixed methods chapter. Various instruments are also used to collect data. Amongst others, data were collected through face-to-face and telephonic interviews using (English-Tshivenda) cross-language open-ended questionnaire. In addition, data were also collected through key informant interviews (KIIs) and desktop approach. The concept of bricolage entrepreneurship based on social capital exploitation by the women entrepreneurs has been explained. This chapter established that women were capable of developing sustainable entrepreneur activities to empower themselves and to also fight poverty.*

### **INTRODUCTION AND BACKGROUND**

It is popular concession among policy makers, development practitioners and theorists that the poor in Sub-Saharan Africa (SSA) have to be engaged and assisted to move out of poverty for the region to achieve any meaningful development (Auriacombe & Doorgapersad, 2019; Maathai, 2009; UNECA, 2015). In most post-colonial states in SSA women would have received more attention with regard participation in mainstream formal economy in order to stimulate a prosperous and developmental economy. It is no secret that the majority of women in most parts of SSA face insurmountable socio-economic complexi-

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ties and were disadvantageded with regard access to opportunities. The majority of developing economies continue to contend with what some researchers (Anyanwu, 2010; Mafukata, 2012; Friedman, 2005) called “feminization of poverty” which is exacerbated and made profoundly prevalent and dominant to an extent of reducing women into socio-economic subordinates of men (Lumumba-Kasongo, 2005). Mafukata (2012) and Lakwo (2006) summarized the outcome as “...gendered development ...allowing men to loot the benefits of development” while women were watching. Gendered development leads to “gendered poverty” with women being the poorest (Nyanwu (2010). Dishearteningly, in support of the others (Friedman, 2005; Mafukata, 2012; Lakwo, 2006), Oluwatayo and Oluwatayo (2012) contended that “even when women live in the same household with men...” they would still be excluded from accessing any productive resources. Evidently, comparatively, men were better off than women with regard to access to economic opportunities (Kehler, 2001). It is therefore not surprising that poverty would continue to haunt and affect more women than it would do men – especially in the developing regions. This situation worsens where women are heads of household and therefore bread winners - an occurrence common in most developing regions such as Southern Africa for instance (Atanda, 2011; Mafukata, 2012). In fact, popular argument has been that there has been concerted “feminization of poverty” in some developing regions of the world (Anyanwu, 2010; Kehler, 2001) emerging from, first, the socio-economic marginalization of women and their almost permanent vulnerability to poverty. Since the dawn of post-colonial era in Africa, the number of women continuing to live in abject poverty had kept on escalating despite the fact that most economies in the continent have been democratized well over 60 years ago. Anyanwu (2010) substantiates this assertion citing Nigeria as example where a large majority of women were worse off than men. In fact, democratization of society in SSA in particular should result in equitable access to productive resources and opportunity to participate in the economy. While new democracies such as South Africa for example have been progressing well with regard racial integration of their economies, challenges impeding women empowerment with regard their participation in mainstream economic participation are still prevalent. Auriacombe and Doorgapersad (2019) contend that SSA’s agenda of promoting self-reliance, self-sustainment, democratization of development, just distribution of development benefits and self-exoneration from poverty for example should, among others be built on women economic empowerment. Efforts to achieve this great and noble idea for African women has had its own fair share of failures in the past (Moyo, 2014). These failures should however not be made permanent complexities to derail efforts to empower women in Africa. With Africa leading its discourse and narrative of economic development - without reliance on foreign ideologies and resources as in the past, because a new Africa anchored on self-intellectual competence and independence has been emerging (Auriacombe & Doorgapersad, 2019), women economic empowerment has therefore received considerable boost. It is within this context that women empowerment has been labelled Africa’s prime policy and practice target in Africa’s five sub-regions of North, Central, East, West and Southern Africa (Auriacombe & Doorgapersad, 2019). The majority of women have come to notice the concept of women economic empowerment as an imperative. In response, they have, individually or as group initiated several projects and programs to empower themselves out of their many complex challenges. In pursuit of eradicating high inequalities between women and men, denial of women to access productive resources and chronic poverty in their households, women as individuals or groups have been engaging to find mitigating means out. The concept of economic empowerment of women in Africa is buoyed by the thoughts expressed by, among others Auriacombe and Doorgapersad (2019) and Moyo (2014) for instance. Moyo (2014) in fact, contends that women need to initiate their own economic empowerment in order to mitigate themselves from poverty. The efforts of men to help

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